

Article:

# RING FENCE YOUR ASSETS

**I** am sure that a great many businesses across the UK have been working hard on asset preservation - striking new loan facilities with their banks to improve liquidity; renewing leases on property; reducing stock; controlling debtor days and so on. But what about your people-assets? Some green shoots in some sectors of the economy and expansion by well established businesses are promoting more movement in the labour market than for some time. This movement may put at risk your better employees who may well feel the time is right for a move to pastures new.

Key employee retention is critical to the long term health and success of your business. Managers readily agree that retaining your best employees ensures customer satisfaction, product sales, high levels of productivity; satisfied employees, high levels of quality; effective succession planning and supportive team relationships so necessary for long term business success. So if managers can cite these facts so well, why do they behave in ways that so frequently encourage great employees to quit their jobs? Especially as finding replacement employees can be a time consuming and costly event and if employee turnover runs at high levels it can easily create major dissatisfaction amongst employees, lower morale, reduce productivity and performance and damage the success of the business.

So if you want to ring fence those valuable employee assets you need to take decisive action. What should that be? Well there are many things one can do to keep key staff but some of the following should be considered.

Introduce exit interviews to find the real reason why employees leave your business. If you don't think you will get the truth commission an external HR Consultant to do it for you. The data you will receive will be

absolutely vital in reducing employee turnover if you heed issues and make change. Improve or maintain high levels of job satisfaction as satisfied employees are likely to remain loyal to the business. Work on this by building a secure, safe and pleasant working environment. Allow flexible work routines; ensure employees understand what is expected of them and the standards they must achieve; listen to employees' views and be prepared to make sensible changes and finally don't micro manage employees.

Don't forget to constantly develop your management team. The quality of supervision an employee receives is often the deciding factor as to whether he or she will remain at the company. Often employee complaints are about management behavior. If you can eliminate the complaints through ensuring excellent management you will be well on the way to achieving a highly stable workforce. Management must also be good communicators - talking and listening and taking on board views before making important decisions.

Finally motivate your employees. Motivated employees seldom have thoughts about working for other companies as they are so focussed on the business they work in. So if you want to ring fence those important people assets get focussed on the things you can change right now.

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