

# Employee Retention: How to Retain Top Talent in 2022



There's no better year than 2022 to prioritize employee retention — after all, we've all heard of the Great Resignation. An estimated 38 million U.S. workers quit their jobs in 2021, either to start a new one or to leave the workforce altogether.

That's led to a scarcity of available talent, with only around 65 unemployed workers for every 100 open jobs in the U.S. right now, compared to 82 per 100 in February 2020. 73% of employers say they're having trouble filling open roles, a problem that 70% expect to persist well into 2022.

The lack of workers has resulted in a labor market where job seekers can take their pick. Your company needs to hone in on employee expectations and monitor engagement levels in order to retain talent. Companies must put employees first and listen to their needs or risk losing high-performing and high-potential employees to another employer.

Given the number of workers that are quitting, it's safe to assume that many of your employees are job seekers. So, refresh your employee retention

strategies for 2022 by tuning into the job market and the demands of today's labor market.

## Ask for Employee Feedback

Do you know how your employees are feeling about the work they're doing; about their performance; about management? If they're feeling motivated or burnt out? If they want to continue working from home or head back to the office? If not, it's time to get some employee feedback.

You can conduct an employee engagement survey to help answer important questions before you implement or revamp retention strategies. Use the results to inform your retention strategy and learn how to best support employees. For example, if your company uses a hybrid work schedule, but after conducting a survey, learns that most employees would rather work from home permanently, going fully remote could be key to upping retention (and bringing in new candidates who value WFH).

Gathering feedback is a retention strategy in and of itself; companies with regular feedback cycles see 14.9% less turnover. Employees' feedback offers a different perspective, provides insight into factors you might not have considered and helps to establish trust between employees and the company.

## Support Remote Roles

One survey found that 35% of respondents would quit their job if they lost the option to work from home (and 11% of respondents had already negotiated permanently-WFH positions). That's no surprise, considering the fact that nearly 70% of U.S. workers were remote in May 2020, compared to about 2% prior to the pandemic. We now know that many jobs can be accomplished remotely, and workers are reluctant to come back to the office as a result.

Supporting remote work also helps to make your company more welcoming to underrepresented groups. According to Harvard Business Review, 64% of Black employees reported they could better manage stress when working from home, and 50% said they felt an increased sense of belonging.

## Create Opportunities for Growth

Gallup found that the number one reason employees leave their employer is because of a lack of growth opportunities. When employees don't see a future at your company, they're unlikely to stick around long-term. On the other hand, retention rates are as much as 34% higher when employees have development opportunities.

Upskilling and internal recruiting both indicate to employees that you value their career growth. Employees stay up to 41% longer at companies that hire internally. Companies surveyed by the World Economic Forum reported that they expected to reskill or upskill 70% of their workforce by 2025, indicating that they are investing in their employees rather than counting on more available talent in the future.

## Offer Competitive Compensation and Benefits

The fact of the matter is that today's job market is highly competitive and many of your employees are likely considering or actively searching for a new position. Be sure that you're meeting your employees' needs by evaluating current compensation and benefits packages to ensure they're in line with competing job openings. 57% of employers surveyed by SHRM said they were offering referral bonuses and 43% increased pay. That goes for lower-wage positions, too, which are seeing unprecedented benefits like sign-on bonuses.

## Put Goal Setting First

Goals serve many purposes as drivers of engagement, motivation, and ultimately, retention. You can begin setting goals with

employees during onboarding and set new goals during performance reviews. Goals set clear expectations of what employees are supposed to achieve and give them a reliable framework for measuring performance. When employees know what is expected of them at work, they can be more confident in their performance.

Setting goals helps employees feel more connected to your company. Research even shows that setting more difficult goals motivates people to work harder to achieve those goals. There are many different types of goals you can set with employees to help them grow their skills and increase engagement, including professional development and technical literacy goals.

## Write Accurate Job Descriptions

Turnover is often high among new hires, with 30% leaving their new jobs within the first 90 days. Many of those — 43% — attribute their decision to the fact that their role isn't what they expected. In order to prevent this kind of turnover, ensure your job descriptions are as accurate as possible without being alienating. Be sure to talk to candidates about the responsibilities outlined in the description to make expectations clear.

## Onboard Effectively

A solid onboarding plan can increase retention by up to 82%, which means 2022 is an excellent time to create or improve onboarding at your company. Setting goals during onboarding and conducting regular check-ins, as well as 30-, 60-, and 90-day reviews, are useful in reducing turnover in the early stages of employment. New hires won't be left wondering how to spend their time and have plenty of opportunities to ask questions and get clarification if needed.

Your onboarding plan should follow a few best practices for the highest chance of success:

- Lasts at least 90 days and as much as one year
- Includes new hire objectives to complete during onboarding
- Pair new hires with a mentor
- Go digital for a seamless, paperless onboarding experience

Encourage new employees to share their feedback in a new-hire survey to learn more about the effectiveness of your onboarding program.

## Motivate and Engage Employees

Ultimately, keeping employees on board at your company boils down to keeping them connected to their work and your company. Highly engaged employees are up to five times less likely to quit their jobs. Engagement levels are strongly tied to overall business success, while a lack of engagement costs the U.S. an estimated \$8 trillion per year.

Recognizing employees' achievements is one proven way to improve morale, productivity, and engagement. 68% of employees said their organization's recognition program positively affects retention. 37% said that having their work recognized is the number one thing their employer could do for their success.

Luckily, all the strategies discussed in this article are beneficial to employee engagement, the driving force behind employee retention. The bottom line? Show your employees they are valued — in ways that include investing in their growth, allowing them to work flexible schedules, and setting them up for success during onboarding — to increase retention at your company.