



## Why Recruit When You Can Retain

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## Why Recruit When You Can Retain

This session will focus on techniques to keep your existing staff bonded with your company as if they were owners. Throughout our time we will discuss leadership styles, incentives and other ways to empower your staff and create loyalty.



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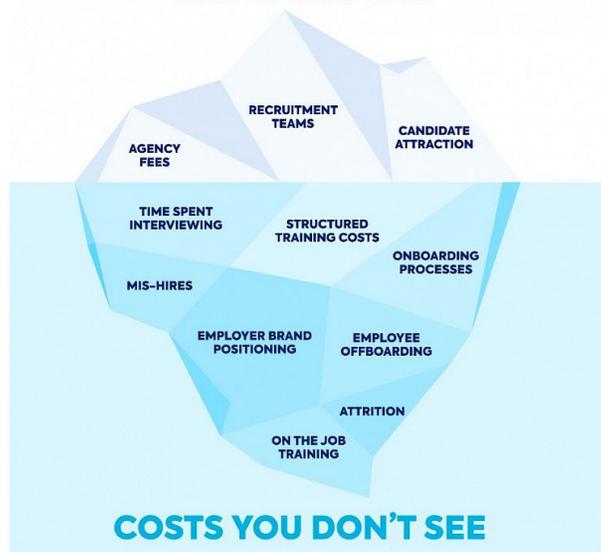
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## Learning Objectives

- The cost of turnover / the advantages of retention
- Tools to empower your employees and create loyalty
- Incentives both financial and emotional
- Discipline through disappointment
- Is everyone worth retaining?
- Putting it all to work for your agency

## The Cost of Turnover

### COSTS YOU SEE



### COSTS YOU DON'T SEE

## The Cost of Turnover

When a company experiences turnover the cost is exponentially greater than the cost of the salary of the employee who left.

- 1) SHRM puts the average cost around \$5,000.00 for a low to mid-level employee
  - a. Another SHRM study found it cost upwards of 6 – 9 months of the salary for the position being replaced
- 2) E.L. Goldberg & Associates estimates that the cost is actually 3 or 4 times the position's salary.



## The Cost of Turnover

### Hard Dollars vs Soft Dollars



## The Cost of Turnover

### 7 Cost of Hiring a New Employee

- 1) Recruitment
  - a. Job Board Fees - Hard
  - b. Recruiter Fee's - Hard
  - c. Resume Screening - Soft
  - d. Interviews - Soft
  - e. Recruitment Software -Hard/Soft
  - f. Recruitment Events – Hard/Soft
- 2) Background checks
  - a. 95% of all employers do at least one type of BGC



## The Cost of Turnover

### 7 Cost of Hiring a New Employee

- 3) On Boarding – Soft/ Hard
  - a. Orientation Costs
  - b. Paperwork
  - c. IT Cost
- 4) Salary and Benefits
  - a. Vacation/PTO
  - b. Health Insurance
  - c. 401K
  - d. Dental, life, disability
  - e. Travel, Auto, Cell phone



# The Cost of Turnover

## 7 Cost of Hiring a New Employee

- 5) Training
- 6) Equipment
- 7) Employee referral program
  - a. Cost to set program up
  - b. Employee tracking Software
  - c. Referral bonuses themselves



## Tools to build a strong retention model

- 1) **On-boarding**
  - a. Research and conventional wisdom both suggest that employees get about 90 days to prove themselves in a new job. The faster new hires feel welcome and prepared for their jobs, the faster they will be able to successfully contribute to the organization's mission. (SHRM)
  - b. Half of all hourly workers leave their jobs within the first 120 days.
  - c. The trajectory of a new hire's success is set as early as the first two weeks. It is important to make the first day a special one.
  - d. Well planned procedures, clearly defined expectations, and goals will make a great team member. Having a plan makes it easier to reach a goal



## Tools to build a strong retention model

### 1. On-boarding (continued)

- e. It will help employees understand their role
- f. It provides a training plan for mentors and key staff
- g. It will show your dedication to them
- h. Mentor Program
- i. Involve “C” level management team members



## Tools to build a strong retention model

### 2) Consider updating your work model

- a. 9/80
- b. Remote option
- c. Flexible schedule
- d. Bring your pet to work
- e. Whatever your choices – review policy regularly and set clear expectations



## Tools to build a strong retention model

- 3) **Pay Attention to feedback**
  - a. Ask Questions, Listen then act
  - b. Use your exit interviews
- 4) **Focus on Work Life Balance**
  - a. This is huge post Covid
  - b. Multiple studies show that Millennials and Gen Z are Not Focused on Wealth but rather experiences and life quality
- 5) **Empower Autonomy**
  - a. Forget Micromanaging. Focus on building trust by discussing expectations and results that will build a culture of trust
  - b. Give your employees the tools they need whether they work in your office or remote



- 6) **Cultivate Inclusion**
  - a. It will positively promote your employees' wellbeing and is the key to a company's rich culture.
  - b. Diverse teams give employees the sense of belonging and connectedness to the company.
  - c. A strong sense of belonging can make employees up to 6 times more engaged.
- 7) **Promote Communication and Collaboration**
  - a. Especially important when moving toward a remote work environment



## Tools to build a strong retention model

- 8) **Invest in Employees Careers**
  - a. Keep them learning new skills that allow them to move up in your company
- 9) **Focus on Managers**
  - a. In 2019 a study showed that 57% of employees leave because of a bad manager.
  - b. Remember leadership can be trained
- 10) **Recognize Employee Contributions**



## Incentives both financial and emotional

- 1) **Pay people fairly and what the company can afford.**
- 2) **Listen to your employees and learn what their motivational factors are.**
  - a. Is it having more time with their family, on their boat, with their pets?
    - i. Once you know, you have a path to provide a cost-free incentive
- 3) **Allow your employees to get involved in your community**
  - a. What is their passion? Support it and encourage them to join organizations that are important to them.
    - This will give them a sense of purpose and also allow them to spread goodwill throughout the community. Personally, I pay for up to 4 hours per month for someone to volunteer



## Incentives both financial and emotional

- 4) **More than talk to your employees, listen to them**
  - a. This will show them that they are more than just a tool for your company to make money and that they are respected as a person.
  
- 5) **Allow your employees to be an intricate part of your decision-making process.**
  - a. When new processes are being made or old ones need to be tweaked. Ask those who are most directly impacted for their opinions and how they would make the changes.
    - i. This will create a feeling of ownership in not only those policies but the company on the whole.



## Discipline through disappointment:

- Your employees are not children and obviously should not be treated as such, but if we are putting in place what we are learning today we are building trust and respect from our employees. Once we have successfully done this then people will go out of their way to continue to garner that respect.
  
- If you always do what you say you're going to do and show your employees respect then they, for the most part, will want to mirror that right back to you.



## Is everyone worth retaining?

- 1) **Simple answer is no**
- 2) **There are factors though when making that calculus.**
  - a. Are they a revenue producing person?
    - i. Is yes, are they causing disillusionment with other Revenue Producing employees?
  - b. How long have they been with you and do they have your respect?
  - c. Are they causing a cancer in your workforce?
- 3) **When people do resign let them go quickly and quietly**
  - a. No good comes when someone works out their 2 week notice.
    - i. Pay them for their time and let them leave



## Putting it all to work in your agency

Open discussion with all



# Questions

# Upcoming Events

# Contact Information

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