

Chapter 15-Retaining employees

What is the estimated cost of turnover for employees? 10-20 times the persons weekly wage

What are some direct costs of employee turnover? Ads, employment agencies, interviews, reference checks, medical exams, and orientation and training

What are some of the indirect costs? Disrupted work, idle equipment, loss of continuity of sales and public relations, possible outsourcing, plus: unemployment taxes, accounting costs, and payroll.

Recognition and reward:

What is the most important thing to filling vacancies? Effective management and positive employer-employee relationships

What are some of the ways retention of employees can be accomplished?

-Formal employee recognition program (rewards)

-Create role models-managers should lead by example, represent the most desirable ways employees should perform

-What are the specific goals of employee recognition and reward?

-Improved customer service

-Exceeding pre-need goals

-Long-term loyalty

-Fewer absences

-Greater commitment to the organization

-Greater self esteem

Why should you avoid the threat of firing? Employees will be constantly fearful of losing their jobs will only do the minimum for fear of screwing something up they try and getting the ax

Why should you praise your employees in public? To let other people know that they are doing a good job and that you want to recognize that-also a morale booster.

Why is involving the employee in the decision making process a meaningful form of recognition? It makes people feel like they are involved in their destiny-when suggestions are actually taken, not dismissed.

If criticism has to be given, where should it be done? In private.

Wages and Hours

What is a COLA? Cost of living adjustment-based on inflation.

When should merit increases be given? For performance above minimum standards

What is the significance of annual salary reviews? To adjust salary up if deserved, or justify why no adjustment is being made (poor performance, no money in the budget)

Why would morale crumble and employees feel exploited when they work weekends and evenings and the owner only works days? Disparity between pay and performance-lots of pay-little performance vs. little pay and lots of performance

What are some of the things employee downtime can be used efficiently for? Community service projects and create positive public image for the firm and employees

Fringe Benefits

What are some of the fringe benefits that an employer can offer? Life and health insurance, dental and vision plans, vacation time, continuing education, 401K plans, profit sharing, company car, bonuses, stock options, employee ownership

What is a significant factor in retaining an employee as a career employee? Retirement plan

According to the chapter, what is the key to career development and advancement of employees? Tapping the creative powers of the individual employees-knowing what motivates each to excell