Overcoming Business Challenges

The Challenge: Employee Turnover

Turnover is a universal issue for nearly every company regardless of size or industry, and it's costing organizations in the U.S. alone billions of dollars. With a shift in the mindset of the modern worker from company loyalty to culture fit, employees are more likely than ever to jump ship when the going gets too tough. With organizations looking to save money in any way they can, now more than ever the cost of losing even one employee can be devastating, even disastrous.

The cost of employee turnover:

16% of salary
Cost of losing an employee earning under 30k
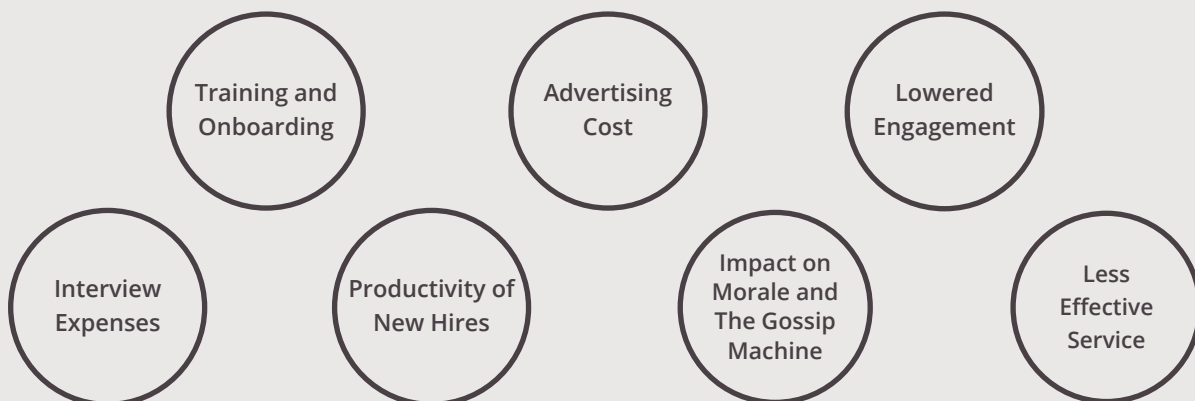
20% of salary
Cost of losing an employee earning under 75k

up to 213% of salary
Cost of losing a highly trained senior employee or executive

What goes into this cost:

- Training and Onboarding
- Advertising Cost
- Lowered Engagement
- Interview Expenses
- Productivity of New Hires
- Impact on Morale and The Gossip Machine
- Less Effective Service

There Are Significant Business Costs to Replacing Employees, Center for American Progress

Employee Engagement is a Symptom of a Bigger Problem...

Organizations are often quick to blame their employees for not being engaged and try to implement initiatives to "increase engagement." While these initiatives are certainly not bad on their own, they may not be addressing the root problem of engagement. While things like flex hours, happy hours, better maternity leave policies and the like can do great things in attracting top talent, retaining that talent can be a different story. Perks can set the tone for a great company culture, but they don't have the ability to make your people feel engaged and appreciated.

"Employees at all levels now recognize that 'the learning curve is the earning curve,' and they are demanding access to dynamic learning opportunities that fit their individual needs and schedules."

- Global Human Capital Trends 2016, Deloitte

So how do we make our people feel engaged and appreciated? It starts from the top down AND from the individual up. What does this even mean? It means that managers need to realize that turnover is a culture issue and management sets the tone for culture. It also means that implementing these changes starts with focusing strongly on developing the individual in order to see organizational results. Head spinning yet? Fortunately, the solution is simpler than you may think.

REAL STRATEGIES
TO IMPROVE
EMPLOYEE ENGAGEMENT

For a deeper understanding of employee engagement, download our free ebook.

Why Employee Training Matters to Employees

So you're thinking to yourself – "I'm letting these people set their own hours and I pay for six weeks of maternity leave - why do they keep leaving?" As we stated before, yes, these things are good (if not expected) in the modern workplace, but what many employees are looking for and not getting from their employers are career development opportunities. According to the Harvard Business Review, there were some large gaps between what employers do to help them grow in their jobs, and what employees would prefer to see done.

"Workers reported that companies generally satisfy their needs for on-the-job development and that they value these opportunities, which include high-visibility positions and significant increases in responsibility. But they're not getting much in the way of formal development, such as training, mentoring, and coaching – things they also value highly"

- Why Top Managers are in a Non-Stop Job Hunt - Harvard Business Review

So why the discrepancy? Employers often view training as costly and time consuming. If budget is not an issue, then often the focus of the program doesn't have enough to do with individual career development. The idea of getting this granular with each individual on each team may seem overwhelming, but with training moving online and the range of content that's available expanding, getting a program in place for individual employee development has never been easier. Let's address common employer issues with training programs.

Cost

Many employers don't provide training due to the cost and the worry that employees will take the training and leave. But this creates a cycle of turnover because employees see value in training and development and they consider it extremely valuable to designing their ideal career path. If you look at the cost of turnover we outlined before, you'll see that training costs just a fraction of what turnover is costing your organization each year.

If you want to gain and retain top talent, develop them in their positions and meet company goals, then you can't afford NOT to include training in your annual budget!

One of BizLibrary's clients, The Go Solution, was able to use our online training solution to decrease turnover by 87% and significantly reduce negative feedback from exit interviews. In addition to mitigating turnover, The Go Solution was able to increase closing rates by 7% since the program was implemented.

the Solution™
go faster. go smarter. go further. let's go!

Case in Point

Negative exit interview feedback reduced

Turnover decreased by **87%**

95% of participants said they liked BizLibrary content

Leadership team has embraced employee training and encourages daily use

Time Commitment

Training takes time. Managers worry about the financial ramifications of taking their workers off the job for the time it would take to do "personal development" training. But the research has shown that without taking the time for training and development you're actually losing time because of increased turnover.

The reality is, training doesn't have to be an extremely time-consuming endeavor. With the rise of micro-learning, employees can participate in development activities by watching videos ranging from 1-10 minutes in length. Most of these videos are also available on mobile devices, making accessibility issues a thing of the past.

Bottom line, if you won't take the time to develop your employees, especially your top talent, they'll find someone else who will.

"In today's business environment, learning is an essential tool for engaging employees, attracting and retaining top talent, and developing long-term leadership for the company."

- Global Human Capital Trends 2016, Deloitte

TIME MANAGEMENT
—— COMPETENCY GUIDE ——

Employees need help effectively managing their time to include training? Download our free Time Management Competency Guide here.

How Employee Career Development Benefits the Organization

You've heard the old quote "What if we train them and they leave? What if we don't and they stay?" Individual development of employees does more than just give them a sense that the organization cares about their development and values them, thus decreasing turnover. Employees who are developed are higher performers and gain critical attributes to help them succeed in their role at your organization, and in future roles you may have for them down the line. Not only are you investing in an individual employee's career, you're also investing in the future of your company.

"70% of today's high performers lack critical attributes essential to their success in future roles."

- How to Keep Your Top Talent, Harvard Business Review

Another of BizLibrary's clients, Ivie and Associates, has used employee training to drastically reduce their turnover, putting it at the lowest it's been in over a decade. Because of the training and development they've provided their employees, the company has also noticed an increase in employee engagement and productivity. Since implementing the Ivie Learning Center, employees are more focused, accountable, happier and engaged within their teams - proving that developing individuals is mutually beneficial!

Ivie®
A Marketing Company

Case in Point

Turnover rate lowest it's been in over a decade

Increase in employee engagement and productivity

Increase in training transfer

Focused, happy, accountable, engaged employees and teams

"There's a lot of competition out there, and we feel that providing development opportunities and resources to our employees is critical to remain competitive."

- Debbie Trzcinski, VP of HR at Ivie and Associates

Getting Started Using Training to Reduce Employee Turnover

Tackling turnover at your organization may seem like a daunting task with many components to it, but we've seen organizations implement employee training programs and reduce turnover quickly and effectively while simultaneously improving culture, engagement and overall employee happiness. These 6 steps will help you implement a training program that actively works to reduce employee turnover.

Align training with company culture. As an organization, what cultural behaviors do you want all employees to share? Identify these and design training to help advance these skills.

Choose a solution with content that addresses every need. You'll want to make sure that the content you choose contains training that aligns with company culture and develops necessary hard and soft skills, but you'll also need to ensure that the scope of content is broad enough to include lessons that develop individuals in their careers.

Use microlearning. For best results, we recommend heavily utilizing content that is short and easy to digest. Research shows that employees only get 7 minutes at a time uninterrupted - make sure your training reflects your employees' reality.

Get leaders on board and excited. You can implement the best training solution in the world, but if employees can't see the enthusiasm of their leaders, chances are they won't adopt a new initiative.

Make time for learning. Once employees are provided with resources, make sure to give them time to use them. It's great to reward employees for actually doing training.

Commit. Training is an investment and a commitment. It takes time and persistence but the payoff is worth it both culturally and in terms of ROI.

Employee training is a vital step in reducing employee turnover. If you don't already have an employee training program in place, now is the time! If you do already have a program in place but aren't seeing the results you need, it's never too late to switch focus, align with company goals, switch providers or add content geared toward developing your employees.

By prioritizing the development of your employees and committing to their success, you're ensuring that your organization will meet its goals, reduce turnover and ultimately, save money.

About Us

BizLibrary is a leading provider of online learning for growing organizations. Our award-winning microlearning video library engages employees of all levels, and our learning technology platform is a progressive catalyst for achievement. Partnered with our expert Client Success and Technical Support teams, clients are empowered to solve business challenges and impact change within their organizations.

Ready to get started reducing employee turnover at your organization?

REQUEST A DEMO

Take the first step in reducing employee turnover at your organization by seeing how BizLibrary's online learning solutions can help.

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