

## KEY FACTORS AND CHALLENGES OF EMPLOYEE RETENTION POLICIES IN PRIVATE SECTOR FIRMS: AN ASSESSMENT

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### **ABSTRACT:**

Employee retention means how to Retain Employees as some private company offer a competitive benefits package, including health and life insurance and a retirement plan some provide employees financial incentives such as raises, bonuses and stock options ,consider hiring a human-resources manager if your company is nearing 100 employees. Make sure employees know what's expected of them and how they can grow within your company, refers to the ability of an organization to retain its employees. Hiring employees is just a start to creating a strong work force. Next, you have to keep them. High employee turnover costs business owners in time and productivity.

– Offer a competitive benefits package that fits your employees' needs. Providing health insurance, life insurance and a retirement-savings plan is essential in retaining employees. But other perks, such as flextime and the option of telecommuting, go a long way to show employees you are willing to accommodate their outside lives.

– Provide some small perks. Free bagels on Fridays and dry-cleaning pickup and delivery may seem insignificant to you, but if they help employees better manage their lives, they'll appreciate it and may be more likely to stick around.

## I. INTRODUCTION

Use contests and incentives to help keep workers motivated and feeling rewarded. Done right, these kinds of programs can keep employees focused and excited about their jobs. . Consider offering stock options or other financial awards for employees who meet performance goals and stay for a predetermined time period, say, three or five years. Also, provide meaningful annual raises. Nothing dashes employee enthusiasm more than a paltry raise. If you can afford it, give more to your top performers. Or, if you don't want to be stuck with large permanent increases, create a bonus structure where employees can earn an annual bonus if they meet prespecified performance goals.

Hire a human-resources professional. If your company is nearing 100 employees, consider hiring a human-resources director to oversee and streamline your employee structure and processes. Putting one person in charge of managing employee benefits, perks, reviews and related tasks takes a huge load off of you and makes sure employees are treated fairly. HR managers are also more up to date on employment laws and trends. They can set up various programs and perks you may not have known existed.

### CREATING A REWARDING AND DIVERSE WORK ENVIRONMENT WORKING ENVIRONMENT:

- **Demonstrate leadership commitment and accountability.** Agency leadership should create a work environment in which employees want to establish careers rather than merely have jobs. A significant part of developing employee satisfaction and loyalty begins at the top, with senior officials who: (a) clearly communicate that EEO is an integral part of the agency's mission; (b) ensure that

employees from all backgrounds feel accepted, respected, and fairly treated; (b) provide on a fair and equal basis the support and opportunities its employees need to reach maximum potential; and (c) hold managers accountable when employees leave the agency due to lack of EEO compliance or the lack of effective EEO management.

- **Establish Special Emphasis Programs and collaborate with affinity groups.** By establishing and utilizing Special Emphasis Programs and partnering and/or consulting with the affinity groups, agencies can raise employee awareness of the importance of diversity and demonstrate the agency's commitment to a model EEO workplace.

- **Improve advancement opportunities.** Agencies can ensure that all employees have equal opportunities for advancement by creating and funding Individual Development Plans and Career Development Programs. Agencies can include these programs in their succession plans to ensure that they identify and develop well-qualified candidate pools (feeder pools) for their senior grade levels.

- **Conduct employee opinion (climate) surveys and 360 degree evaluations.** Climate surveys and 360 degree evaluations can help agencies assess the pulse of their workforce and make changes before employees decide to leave. Agencies can use these tools to hold supervisors and managers accountable for low ratings and reward them for high ratings.

- Include the EEO director in strategic planning. The EEO director can provide senior leaders with important workforce data and analyses of diversity and retention in the total workforce, mission-critical occupations and senior grade levels. Moreover, the EEO director's input on employee advancement opportunities can improve the effectiveness of training, career development and succession plans.

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