

# Retain your top talent in a competitive job market



In the ongoing war for talent, every organisation needs to retain its best people. The solution will be found not in the creation of elaborate benefits and compensation packages, but in a focus on engagement. Enticing benefits and pay are, of course, still leveraged to compete for top talent. However, when you look at the cost of employee turnover, such financial extravagance seems counterintuitive. Economic analysis reveals that the cost of staff turnover in 2022 could amount to an estimated €1.2bn in Ireland — equating to €4,759 per business — with Irish SMEs alone facing estimated costs of up to €538m (Irish Examiner, 2021).

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When we think about engagement in the workplace, we simultaneously think about motivated people, who go above and beyond in their role, for their team and for their organisation. There is, however, little evidence to show that money motivates us. Once our basic needs are covered the psychological benefits of financial compensation are questionable. The focus should instead be on motivating top talent through the fulfilment of the basic psychological needs of autonomy, competence, and relatedness.

## **AUTONOMY** *the basic need to have a sense of choice in our actions*

The pandemic has changed the world of work forever, and its hybrid future is well underway for many organisations. When it comes to top talent, a one-size-fits all approach may be met with them handing in their notice in favour of an organisation that allows them more autonomy in how they work. Each individual has different wants and needs so how you retain them will likely differ. Communicate with your people and ask them what they need to operate effectively in this new world of work. A so-called stay interview can be as formal or as informal as your culture calls for. During this conversation, have a candid discussion to find out what it is that will keep them within your organisation, and what would entice them to leave. You can then decide if it is possible to take steps to provide them with what they need.

Be sure to collect feedback from other sources too, including engagement surveys and online employer reviews. This will provide a holistic insight into how you can boost retention of top talent.

## **COMPETENCE** *the basic need to feel effective, to be successful & grow*

A lack of opportunity for career progression is one of the most reported reasons for talent turnover. Succession planning is quickly becoming a thing of the past for many organisations, as the average employee's tenure at a company decreases. However, top talent should be offered the opportunity to learn and progress by moving around the company and growing internally. This is a cost-effective way to develop your best people. Always be on the lookout for opportunities for development in accordance with individual and business needs.

Understandably, managers would often rather hold on to the best people on their teams. However, multiple studies on talent mobility have found it to be one of the most effective developmental techniques in companies today. Post-pandemic, this will be critical to retaining top talent and upskilling your team to be more agile in the future. If budget allows, providing your top talent with core leadership and communication coaching can often mean more to them than an incremental pay rise.

## **RELATEDNESS** *the basic need to belong*

Defining and communicating a higher purpose is critical in the attraction and retention of top talent. This begins with a clear vision, mission and set of values. This must be communicated and lived in a way that inspires your people to dedicate their efforts to the organisation's strategic goals in a way that is meaningful to them.

At the top of many organisations' agendas now is rethinking the function of the office. Organising events where your people come together and collaborate can help foster meaningful connections within the team. CSR initiatives are one example of such events that help connect your people with each other and with their community.

As a final note, it is important to acknowledge that our best performers are increasingly likely to move on to other companies throughout their careers. Today's talent simply doesn't stick around as long as it used to. However, focussing on these basic needs can reap significant benefits in the creation of a strong company culture that your top talent will want to be a part of.

## **Need help retaining your top talent?**

Email us today: [hello@stillwater.ie](mailto:hello@stillwater.ie)

