

# // REWARDS OF BOOSTING EMPLOYEE RETENTION

Maximize the Financial Prize  
of Minimal Turnover



## THE CHALLENGE

Hiring employees is usually the easiest part of talent management. Retaining those hard-won employees can be the tricky part. In fact, one-third of employees leave their jobs in the first six months.<sup>1</sup>

Small- and medium-sized businesses (SMBs) that suffer from high employee turnover will struggle to survive, and not just because of the high costs to locate and train replacements. A high turnover rate decimates employee morale and washes away large amounts of tribal knowledge, further decreasing productivity and efficiency. Losing even one employee can significantly impact an SMB's growth trajectory.

Most SMB executives understand this, and they know that to succeed, they must build and maintain an engaging culture that reinforces employee commitment and loyalty. But it is also critical to preserve the integrity of the company's culture in an ever-changing competitive environment. And that is where technology can help you.

## THE SOLUTION

### ORACLE TALENT MANAGEMENT FOR MIDSIZE CLOUD SUPPORTS EMPLOYEE RETENTION STRATEGIES

SMB executives with strong personalities and top-notch interpersonal skills do have an advantage when establishing the company culture needed to maximize employee retention. But the right talent management cloud solution is integral as well. It supports retention strategies by ensuring candidates have great hiring/onboarding experiences, have the tools needed for career development and internal promotion opportunities, and are rewarded appropriately based on their performance. It also enhances the communication of company goals (ensuring all employees are on the same page) and provides tools to manage employee performance as well as measure alignment/success.

Oracle Talent Management for Midsize Cloud helps maintain the integrity of company culture in an ever-changing competitive environment, which is crucial to engagement and retention. It allows your employees to work in ways that work best for them, empowers them to grow with your company.

<sup>1</sup>Roy Maurer, "Onboarding Key to Retaining, Engaging Talent," *SHRM Blog*, HR Magazine, April 16, 2015, [shrm.org](http://shrm.org).

# HAPPY EMPLOYEES DELIVER GREAT CUSTOMER EXPERIENCES LEADING TO BUSINESS VALUE.

## A TALE OF 3 SMBs

	FINANCIAL SERVICES	INSURANCE	WHOLESALE DISTRIBUTION
Possible Headcount	690	700	215
Voluntary Turnover % / Year <sup>2</sup>	17.4%	14.4%	21.3%
Annual Mean Salary/ Year <sup>3</sup>	\$85,000	\$64,000	\$57,000
Reducing Turnover By	5%	4%	5%
<b>Will Save (Per Year)</b>	<b>\$2.9M</b>	<b>\$1.8M</b>	<b>\$613K</b>

<sup>2</sup> "Table 18. Annual quits rates by industry and region, not seasonally adjusted," (2012-2016), U.S. Bureau of Labor Statistics, bls.gov.

<sup>3</sup> "May 2016 OES National Industry-Specific Occupational Employment and Wage Estimates," U.S. Bureau of Labor Statistics, bls.gov.

## 6 KEY PRACTICES THAT CAN HELP RETAIN TOP TALENT



## TOP SMB WORKPLACES THAT HAVE A HIGH # OF EMPLOYEES WITH 5+ YEARS TENURE

- 47%** Stellar Solutions
- 48%** Intuitive Research and Technology
- 48%** Granite Properties, Inc.
- 41%** Funeral Directors Life
- 45%** ENGE0, Inc.

# PERSONALIZATION: THE FUTURE OF EMPLOYEE ENGAGEMENT

Oracle Talent Management Cloud, part of Oracle the HCM Cloud, has put a personalized “people experience” at the center of its design in a way that’s consistent, simple, and meaningful.

- Elements of your employer brand and culture are woven throughout the solution.
- Employees personalize their own profiles.
- Employees are able to improve their skills thanks to built-in intelligence that serves up information for both mandatory and career-specific learning opportunities.
- Company-approved volunteering opportunities are aligned with issues that employees care about.
- Machine learning technologies are utilized to learn more about employee interests and preferences, making it even more personalized over time.

## BENEFITS OF ORACLE TALENT MANAGEMENT FOR MIDSIZE CLOUD

Finding & hiring the people you need is only half the battle. You need to work on keeping them engaged and happy so they will stay with your company. Oracle Talent Management for Midsize Cloud can support you to:

**1 Build a successful workforce.** Establish a workforce culture that is based on communication, collaboration, AND thrives on accomplishments.

- >> GOAL MANAGEMENT. Share and align goals and objectives down to all levels within the company.
- >> AUTOMATED EMPLOYEE REVIEWS AND ROUTING. Define, assign, and monitor employee reviews with flexible, highly-configurable templates, and approval workflows.
- >> PERFORMANCE AND COACHING LIBRARY. Reference standardized behavioral competencies, feedback comments, and coaching tips to provide clear and accurate performance reviews.
- >> CAREER PLANNING. Utilize self-managed employee profiles to match employees to future opportunities.

**2 Reward results in the right way.** Reward the meeting of company and individual goals with differentiated compensation plans.

- >> COMPENSATION TYPES. Support merit, bonus, stock, or base pay adjustments, including lump sum, promotion, and market adjustments (as well as non-salary adjustments) for spot rewards, perks, benefits, or other rewards.
- >> ENFORCE GUIDELINES. Customize compensation guidelines to provide the basis for all compensation management.
- >> COMPA-RATIO SUPPORT. Apply a pay range modifier to compensation guidelines based on an employee’s compa-ratio.
- >> VARIABLE PAY. Allocate and fund compensation cycles based on the financial results of the organization.

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GET GOING, GET BETTER,  
**GET AHEAD**  
WITH A TALENT-CENTRIC HCM