



Keeping Employees

A common theme I am hearing at the Roundtable is loss of good employees or the need to attract new employees. We all know the result – you and your staff pick up the slack and prioritize doing the most critical tasks while hoping to catch up later. Unfortunately, every department has similar issues. In rapidly growing companies, the need is acute. So, how do you keep good employees and attract new talent?

We all know the cost of employee replacement is huge. Costs include: the time gap the slot is empty, the time gap required to train a new employee, recruitment costs, higher new hire starting salaries, etc. David Payne shares in this newsletter about two popular helpful suggestions: flex time and telecommuting. Particularly in Atlanta, I strongly recommend their consideration. I use them in my business.

The bottom line is, “How can we be employers of choice, without breaking the bank?”

One major trend is reviewing the employee benefit package. No, not spending more money unless your company is under what is average for your industry. Here are some new ideas that are gaining marketplace adoption.

- For key executives: Long Term Care Insurance for personal or spousal personal care (nursing homes or home-care).

- For casual (low paid) employees
 - ✓ Employee-Paid Pay-Cards (debit cards funded by direct deposit eliminating check cashing fees)
 - ✓ Employee-Paid Mini-Med Health
 - ✓ Employee-Paid Mini-Med Life
 - ✓ Employee-Paid Mini-Med Disability
- For all employees:
 - ✓ Employee-Paid supplemental health insurance
 - ✓ Employee-Paid life insurance
 - ✓ Employee-Paid pre-pay personal legal services
 - ✓ Employee-Paid pre-pay identify theft protection services

The math is simple. Except for key executives, the company pays nothing. HR support is minimal. Pay-Cards can actually create an employee salary increase (eliminating an average of 7% in check cashing fees) while not changing what the company pays out! Some coverage’s can be paid with pre-tax dollars resulting in lower FICA payments for the company while the employee saves in FICA and taxes. The company may be offering benefits that their competitors are not offering, resulting in an Employer of Choice status.

The employees can accept or reject whatever they believe is appropriate, or not, for their family. You are helping employees move from an entitlement mindset to a personal decision-maker mindset. Best of all, while they know the dollar is tight, you have thought of the employee and are doing what



you can. Even if no employee takes you up on the offers (often 50% or more do), everyone wins.

Will these initiatives solve the problem? No. Salary reviews, health care benchmarking, performance reviews tied to performance pay, or one-time financial rewards or incentives, etc., will always be recommended. In addition, cyclical high demand and wage inflation will still drive turnover but adding risk-free and cost-free benefits will help, especially as the

Interested in making more money?

Give us a call. There is no charge for asking!

marketplace acceptance grows and they become standard benefit offerings of the future.

If you wish to know more, please give me a call. These are solutions we provide for our own clients. Why? Because they lead to less turnover and happier employees, which leads to higher productivity and higher company profits.

Jim Villwock
Jim.Villwock@IEMcorp.com.

IEM Group, Inc.
2308 Perimeter Park Drive
Suite 200
Atlanta, GA 30341
Primary: 678-254-3255
Alternate: 678-485-1687
www.IEMCorp.com