



Espresa

Powering Great Workplaces®



**Loyalty is a Two-Way Street.
Are Your Employees Heading Out the Door?**



In today's hyper-competitive marketplace, a company with an employee retention problem is slowly bleeding to death.

People are the lifeline of business. They bring the necessary skills and innovative thinking that are imperative not just for companies to survive, but also to thrive. Every time an employee is poached and you lose key talent, your company's future becomes less certain.

To make matters worse, your competitors' recruiters are ruthless—employees don't even have to look for a new position to be taken out from under you—proving that employee loyalty is tenuous, at best.

How do you ensure that the people who bring so much value to your company don't become a flight risk? The answer: employee engagement. Employers need to engage their employees by going beyond a paycheck and addressing their personal needs. This white paper tells you how.

Attitudes about work have changed

Lifetime employment in the U.S. is a thing of the past. Employees no longer plan to stay with a single employer, moving up the career ladder until retirement. According to the [Bureau of Labor Statistics](#), the average person changes jobs 10 to 15 times during his/her career. Changing jobs is perceived as an acceptable way to advance one's career and obtain higher pay. Rather than wait for a promotion or pay raise from their current employer, employees take a more active role in their career advancement by looking to the job market to enable upward mobility. Thus, employee retention has become a key concern for hiring managers and HR.

The digital nature of business today and emphasis on technology as a competitive advantage only compound the issue of employee retention. Skillsets, particularly in the finance, healthcare, and the [tech industry](#) are in high demand as companies seek to leverage new technologies to capture new revenue streams, improve customer engagement, and become more agile. IT architects, security engineers, data scientists, and DevOps engineers are just a few of the roles that companies are actively looking to fill.

Unfortunately, the demand for these roles far outweighs the supply, making it difficult for companies to find qualified personnel. Recruiters are feeling the pressure and have become more aggressive in their recruiting tactics. They've shifted from inbound to outbound recruiting, directly inviting potential candidates (who are already employed) to interview for open positions. This puts your most valued employees at risk—even if they aren't actively looking for another job. A [Jobvite survey](#) found that 74% of employees are open to a new job.

In today's job marketplace, where the average job duration is less than five years, employers have the most to lose. Once employees mentally check out, they're no longer giving their all. Engagement takes a nosedive as they begin scanning the marketplace for new opportunities—and this is no small problem. According to Gallup, 70% of workers in America aren't engaged in their work.

Poor employee retention has a direct impact on the company's bottom line. The [Center for American Progress](#) estimates that losing an employee can cost up to 213% of the salary for a highly trained position. That means if you're paying an IT

Architect \$120,000 per year (which wouldn't be unheard of), and he or she is poached by another company, it could cost up to \$255,600 to find a replacement employee.

A number of factors contribute to the costs of replacing an employee. These include the time-to-hire (which is growing longer), the time it takes for a new employee to reach full productivity (eight months, according to Allied HR), and productivity losses as managers review resumes and candidates. One factor you can't put a price on is "brain drain." There's no telling how much the company loses in opportunity cost as a result of losing subject matter experts who understand the business and can apply their valued skillset to drive innovation.

Understanding employee loyalty in the 21st century

Reid Hoffman, founder and chairman of LinkedIn, has identified what he calls the "fundamental disconnect" of modern employment. Companies expect loyalty from their employees, but they do little to actually engage with them. As employee turnover rates prove, it takes more than a regular paycheck. Employees must have "skin in the game." They need to be engaged.

Engage for Success defines employee engagement as "a workplace approach resulting in the right conditions for all

Are Your Employees a Flight Risk?

It can be fairly easy to spot a disengaged employee—if you know what to look for. Take a look around your workplace to see if you can spot who is engaged and who has already checked out.

Disengaged Employees:

- Start work right on time or late
- Complain
- Miss deadlines
- Make excuses for poor performance
- Don't take initiative
- Leave promptly at closing time
- Leave the office for lunch and come back late
- Use up their sick time



Engaged Employees:

- Get to work on time or early
- Have a problem-solving attitude
- Have friendships at work
- Help others
- Seek opportunities for development
- Take initiative
- Must be told to take vacation
- Participate in company programs



members of an organization to give their best each day, committed to their organization's goals and values, motivated to contribute to organizational success, with an enhanced sense of their own well-being." You can extend this definition to include the employee's engagement with everything a company has to offer, be it a club, events, or programs to stay connected with fellow employees.

When employees are engaged, their personal needs are met: their sense of belonging, their need to contribute to something larger than themselves, to feel valued, the need for human connection. Employees who achieve self-fulfillment at work have more to lose if they leave for another employer and are therefore more likely to stay.

Think about it in terms of physically relocating: You're less likely to move to another location if you have a sense of connection with your current town—if you have established friendships, doctors, a church community, clubs, etc., that contribute to your sense of well being. The same goes for work.

How to build employee engagement

Some of the needs that drive employee engagement are addressed when an employee's work aligns with their personal values. The employer's ability to influence this alignment is limited. You can't dictate your employees' values, and no one can guarantee that a job will lead to self-fulfillment. But some of your employees' needs can be addressed through the company culture and environment—something you can control.

The availability of onsite programs helps contribute to an employee-centric corporate culture—a culture that tells employees they are valued and thereby improves employee retention. To be most effective, onsite programs need to be carefully executed and address employees' legitimate needs. For example, most everyone needs basic health services like dental checkups and vaccinations. Employees need to maintain their mental health with mindfulness, meditation, yoga, and massage services to reduce stress. Offering these basic services onsite can help promote work/life balance. Instead of handling these tasks outside of work hours, when they can easily eat away at valuable personal time, employees can take care of them in the course of their workday with little effort on their part.

Other onsite programs can help employees make connections with one another. Team-building exercises, group exercise classes, affinity groups, and special clubs enable employees to build friendships in a casual environment. Those connections help create an atmosphere of camaraderie within the workplace that not only makes it more inviting, but also enables employees to work more effectively together. Familiarity and mutual respect create the foundation of trust that is necessary for creative collaboration. Employees are more willing to take a risk with unconventional ideas when

Making Employee Engagement Simple

If you think establishing successful workplace employee programs is difficult, you're right. Many companies try to offer onsite programs but fail for one reason or another. Employees don't use the programs or simply aren't aware of them, or benefits managers become over-burdened with their administration. Forward-thinking companies like SRI International are overcoming these challenges by implementing an employee programs automation platform.

The U.S.-based technology company had attempted to offer onsite employee programs in the past. However, with multiple campus locations, the programs were difficult to manage. Furthermore, employees ignored company collateral and communications. SRI decided to give it one more shot—this time with the help of Espresa.

Espresa's platform allow SRI to better manage its existing vendor relationships while expanding onsite program offerings with Espresa's network of pre-vetted service providers. This, along with single sign-on and built-in promotional campaigns, helped reduce the burden on benefits managers. The centralized platform's ease of use also helped improve employee engagement across multiple campuses.

As a result of Espresa, employee registrations for SRI's onsite employee programs increased to more than 80% participation. SRI's employees are engaged and satisfied with the workplace programs.

"Our employees are our greatest asset. With Espresa, we can give them the world-class benefits they deserve," says Betsy Campbell Barth, Sr. Director, Total Rewards.



they have a personal connection with their colleagues.

Similarly, onsite programs help create a sense of community across the enterprise. Oftentimes organizations operate as siloes within a company. Employee-led programs can help people connect with others with similar personal interests, regardless of their department or organization. Employee-led yoga classes or employee-started bike clubs can help create a dialogue between employees who otherwise may not have met. Employees might fill in gaps that HR doesn't realize exist with LGBTQIA @ [company] and Girls who Code clubs. Employees make friends in these clubs, and leaving a company is much more difficult when you have friends there.

Companies can also promote personal growth through onsite programs. The availability of health and wellness, and professional development classes encourage employees to take care of themselves. Furthermore, making these classes available onsite, during work hours, tells employees that the company is invested in their well-being.

Finally, onsite programs provide the "right conditions for all members of an organization to give their best." This is no small thing considering the fact that today's workplace can have as many as four different generations working side by side. Each generation has different needs based on their age and stage of life. Millennials might value onsite phone repair services or fitness classes, for example, while Baby Boomers consider teeth whitening a must-have. Onsite programs enable companies to provide a breadth of services that speak to all of their employees to ensure engagement.

Conclusion

The workplace is changing rapidly, but one thing is certain: Companies must engage their employees or risk losing them to competitors. Today, earning an employee's loyalty requires appealing to them on a different level—going beyond a steady paycheck to address their personal development, and emotional and social needs.

Once an employee's personal investment in his/her job goes beyond pride in the immediate work at hand to encompass their greater needs, that person can be said to be engaged. And an engaged employee is a loyal employee. Onsite programs executed via a workplace employee programs platform can help companies build an employee-centric culture and address the personal well-being required for engagement.



About Espresa

Espresa empowers companies to provide world-class onsite programs that employees love and associate with best places to work. With an intuitive user interface, benefits teams can easily administer onsite wellness, fitness, and lifestyle convenience services, as well as promote internal programs and events through one platform. Employers can take advantage of a streamlined vendor management by consolidating invoicing and access to a marketplace of prescreened service partners to quickly add popular programs. With Espresa, you'll also have the analytics at your fingertips to see which programs are most popular and provide a strong return on investment.

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