

BETA

How This Hiring Manager Maintains A Millennial Team With A 93% Retention Rate



Kimberly Fries Under 30

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A new hire costs a company **1.25 to 1.4 times** of the base salary range. To give you a better perspective, a person with an annual salary of \$50,000 will cost your business between \$62,500 and \$70,000, accounting for the recruiting expenses, employment taxes, benefits, the physical space and equipment required for this particular hire on top of the base salary.

Millennials, the generation now dominating the U.S. workforce, have already become a prized and somewhat “complicated”

generation for traditional employers.

Entrepreneurial, task-driven, **demanding constant feedback**, preferring **digital tools for communication** and seeking meaningful work, this generation is hard to retain with the standard work perks.

According to the **Deloitte Millennial Survey 2016**, 25% of respondents claimed that they would love to quit their job the following year and 44% are planning to leave the company within two years. In fact, **68% of millennials** say that the longest they would stay with the same employer is three years. No wonder that the average US worker today spends just **15 months in one role**.

To attract and retain millennial talent, more and more companies are finally re-investigating (or creating) programs aimed at retaining and re-engaging current employees. When FreshBooks' Manager of Support Operations, Grace Antonio, 32, was tasked with a similar job, she quickly understood that offering a raise or throwing in a cash bonus will not cut the deal. Because **standard office perks have proven insufficient** to attract and keep millennials, she knew she needed to investigate what drives her team and experiment with various strategies.

Antonio joined FreshBooks' support department nine years ago. We all know that contact centers and support departments are particularly prone to high employee turnover

rates, but even so Antonio managed to build an 86% millennial team with an impressive 93% retention rate. Here's what has worked in her case.

1. Employee retention rates correlate with your hiring strategy

You should start thinking about employee retention during the interview stage. Don't settle on hiring the first mildly suitable candidate even for an entry position. Instead, speak with your managers first to identify what personality traits, values, skills and backgrounds your "retainable" employees have in common. When a candidate doesn't share your company values, it would be hard to make them stay for years.

For support teams specifically, you should look for candidates having a great sense of compassion, dedication, a passion for helping others and solving problems. According to Antonio, these are the qualities that helped her to build a dynamic, result-driven and loyal team.

2. Strive to build a customer-centric culture

Delivering "wow" experiences to the customers not only influences their loyalty to your brand, but positively impacts your employees' engagement and retention as well. According to [PeopleMetrics data](#),

customer-centric companies manage to maintain 40% engaged and 24% fully engaged employees, whereas the numbers for company-centric business are respectively 18% and 4%.

FreshBooks requires all new hires to do a month of customer support. “During this time, employees develop a deep understanding and a strong sense of empathy for our customers,” says Antonio.

After this kind of “bonding experience,” employees no longer feel that they are hired to do “some work” for a faceless corporation. They understand how their day-to-day chores impact the life of someone just like them and feel more encouraged to interact with the customers in more meaningful ways. This, in turn, leads to higher engagement and improved loyalty.

3. Promote shared team values and purpose

Millennial employees are driven more by purpose than paychecks. To be precise, **74% of job seekers** would want a job where they feel like their job really matters and those who feel like they’re doing a meaningful job are **more than three times** as likely to stay with the same company. These employees also report being 1.4 times more engaged at work and 1.7 more satisfied. Embracing the company’s values is a building block towards

nurturing more purpose-driven and loyal employees.

“One key to retention is bringing the right people onto our team,” says Antonio. “For us, it’s finding people that share company values, and have an overwhelming desire to help people. We have people from all different backgrounds — a former firefighter, Disney World cast member, filmmaker, naturopath — you name it.”

4. Help your employees bond and grow

Building a close-knit community didn’t happen at FreshBooks overnight. The company has a leadership team at support department that specifically looks into each member’s performance, helps them develop professionally and makes them “feel cared about as a person,” as Antonio puts it. Even the company’s support director recently added an option for employees to request one-on-ones with him at any time suitable.

Unsurprisingly, that’s exactly what most millennials expect from their job in the first place. According to a Gallup survey, 87% of millennials state that their professional or career growth and development opportunities are important to them in a job and 68% of those who believe they got enough development opportunities the previous year intend to stay with their employer for at least another year.

In fact, 70% of the variance in employee engagement scores is attributable to the manager alone. So companies aiming to improve millennial employee retention rates need to promote an "open door" attitude among the managers and pay close attention to all the employees' needs, suggestions and feedback.

They don't need to copy the exact programs that have worked for FreshBooks though. They do, however, need to look beyond conventional perks and experiment with various strategies to discover what drives their team and builds a culture that attracts millennials and meets their unique needs. ●



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