

10 THINGS

**you can offer your
employees that are**

BETTER THAN A RAISE



Based on the bestselling book *Love 'Em or Lose 'Em: Getting Good People to Stay*
by Beverly Kaye and Sharon Jordan-Evans

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introduction

Ten Things You Can Offer Your Employees That Are Better Than a Raise

Raising salaries can be difficult when budgets are tight. But replacing a key person on your staff? That's going to cost you about two times that person's annual compensation! You simply can't afford to do that too often.

So the [BK Expert Directory](#) is here to share the latest retention techniques recommended by our employee retention experts, [Beverly Kaye](#) and [Sharon Jordan-Evans](#). We have adopted information and tips from their bestselling employee retention book, [Love 'Em or Lose 'Em](#) (over 680,000 copies sold!) to help you figure out what you can offer your employees that is just as good as—or even better than—a raise.

All of this is research driven. Bev and Sharon asked over 18,000 people why they stayed with their organizations. This guide shares the top nonfinancial reasons employees gave for staying (ranked with the most common responses at the top). Figure out how to give *your* employees these reasons to stay, and you're golden (unless your pay is grossly unfair, of course).

Not only do we share with you why employees choose to stay, but we also share Bev and Sharon's recommendations for *how* you can give them what they want. Figuring out what employees really want and how to give it to them can be tough, but it's a learnable skill. With enough study, every manager in your organization can become a master of the art of employee retention.

Are you ready for your crash course in employee retention? Time to get started!

1 ★ the first thing that is better than a raise

Exciting, Challenging, or Meaningful Work

All right, we get it: not all jobs are necessarily exciting. We can't all be astronauts, presidents, and ballerinas. But if you're wondering how you can get someone excited about the mundane, everyday rigors of data entry, customer service, etc., there may be more creative solutions than you expect! Let's see what Bev and Sharon have to say.

Easy Ways to Make Your Employees' Work More Challenging and Meaningful

How can you make your employees' work more challenging and meaningful? Go out of your way to find enrichment opportunities for them! But be careful: enrichment can take many different forms. Remember to *ask* your talented employees what they'd like to do and how they'd like to do it. Here are some techniques that work if you are careful to match them to individual wants and needs.

1. **Form teams.** Self-directed work groups can make a lot of their own decisions. They can redistribute work so that team members learn more, have more variety, and follow more projects through to completion.
2. **Connect employees with clients.** For example, a computer systems troubleshooter might be more effective knowing the needs of real people and units rather than only responding to problems as they occur. So give her a client. Clients can be inside or outside the organization. For instance, you could assign the troubleshooter to one department and make her accountable for that internal client's success in using the company's computer system. It's amazing how many employees never see their clients.
3. **Rotate assignments.** New responsibilities can help employees feel challenged and valued, and employees can acquire important new skills that add depth to the workforce. Do rotational assignments sound like chaos? Suggest the idea and let your employees propose the "who" and "how" part; you'll be surprised at their expertise in making it happen smoothly.

4. **Increase feedback.** Do more than annual reviews. Find ways to develop peer review and client review opportunities. Employees want to know about their performance, and continual feedback allows them to be their own quality control agents.
5. **Involve employees in decisions.** Employees are empowered and motivated when they take part in decisions that have an impact on their work, such as budget and hiring decisions or ways to organize work and schedules. Involvement allows employees to see the big picture and enables them to make a contribution they find meaningful.
6. **Nurture creativity.** When untapped, creativity dwindles. If employees rarely think for themselves, they lose the ability to contribute their best ideas. They simply go through the paces, undermotivated and disengaged. You can help by asking for and rewarding creative ideas, by giving employees the freedom and resources to create, and by challenging employees with new assignments, tasks, and learning.
7. **Ask employees to teach someone.** Teaching another person is motivational for many. If an employee has a particular niche or specialty and enjoys passing this knowledge on, you have a perfect win-win!
8. **Support enrollment in learning opportunities.** German law provides for a *Bildungsurlaub*, five days off per year to participate in an approved training course. Training doesn't have to be directly connected to a job as long as it is approved by the state. Although not many countries have a law like this, the idea of enriching a job via a learning experience is something any manager in any organization can explore.

2 ★ the second thing that is better than a raise

Supportive Management and a Good Boss

There's a reason business expert Marcus Buckingham said, "People leave managers, not companies." One of the best ways to retain employees is to make sure they have excellent bosses. So what makes a good boss? The best bosses empower their employees instead of micromanaging them. In essence, good bosses are willing to yield some of their power to their employees.

When you yield occasionally to your employees, you empower them to think for themselves, to be more creative, more enthusiastic, and probably more productive. You send your employees the message that you trust them and want to give them more responsibility. Sometimes managers have difficulty letting go of control because they want tasks to be done perfectly. But which is more important: a perfectly done task or an engaged employee who is motivated to stay, grow, and constantly improve?

Ways to Be a Supportive and Empowering Boss

To help you figure out how to be a supportive and empowering boss, Bev and Sharon have composed the following list of tips. Give them a try. Empowered employees will have great ideas or perspectives on tasks you may not have asked them to perform. They will put their own signatures on excellence. They may even take your breath away!

1. **Trust your employees to come up with the answers.** Even if you would have done a task another way, consider the approaches they create and support them all the way.
2. **Manage your reactions when you yield and they crash.** Powering down and yielding are sometimes risky, and failures will happen. Instead of punishing, collaborate with your empowered employees to learn from their mistake. Focus on what they can do differently next time around, rather than using the rearview-mirror approach of what they should have done.

3. **Serve your employees.** Be a resource to them. Yielding doesn't mean you take the next exit. Empowerment spells disaster in too many cases where the manager tosses decisions and workloads at his employees and then moves on to bigger things. The "no answers" approach works only if you are willing to brainstorm with your employees when they are stumped and to give them guidance and feedback along the way.
4. **See them as colleagues, not just subordinates.** Show it by occasionally doing work that may seem "beneath you." Working side by side with your employees will strengthen your relationships and increase their respect for you.
5. **Listen to and use their ideas.** Author John Izzo's research suggests that people want a seat at the table. Employees tend to withhold their ideas and they take less initiative to make improvements when decisions are made without their input.
6. **Stop micromanaging.** Let go. Stop looking over your employees' shoulders. Ask them what level of inspection, critique, or control they want you to use as you manage them. Negotiate ways to get quality work done while letting them do it their way.
7. **Give the spotlight away.** This may be the toughest of all. As the hero, you may have received applause from your employees, and they may have credited you with the team's success. Powering down means sharing the stage and the applause with your team members. Ironically, your stock will go up with your employees as you increasingly give them room to perform (and get credit for) brilliant, creative work.

3 ★ the third thing that is better than a raise

Recognition for Work Well Done

Multiple studies around the globe tell us that a majority of people leave their jobs because they don't feel appreciated. What about your employees? Ask them how they are recognized and appreciated. If they immediately respond with "You notice my contributions" or "You thank me all the time," then you're doing great. If they stare blankly at you and then finally say, "Do you mean my paycheck?" you might have some work to do in the rewards department.

The challenging thing here is that people really vary in what makes them feel valued. Some people crave official praise and awards. Others would prefer something more tangible, like a day off or a new opportunity. The key is to get to know your individual employees and figure out what kind of appreciation motivates them most. What makes them feel truly valued?

Examples of Requests People Have Made for Recognition

Bev and Sharon have compiled the following list of different forms of appreciation real-life employees have requested from their managers. As you read this list, ask yourself, "Which of these would my employees most appreciate?" Of course, when in doubt, ask! Call your employee into your office and say, "The company's looking for a way to recognize you for your great work. Which reward would mean the most to you?"

1. An award, preferably given in front of my peers
2. A plaque to hang on my wall
3. A thank-you, in writing, from my boss
4. A note to my boss's boss about my excellent performance
5. Frequent pats on the back
6. My boss actually implementing one of my ideas
7. A chance to be on a really exciting, cutting-edge project
8. A day off
9. Words of praise in front of my family
10. A chance to go to lunch with senior management
11. An opportunity to work with people from other parts of the company
12. A chance to be on one of the important steering committees
13. A change in my title
14. Some flexibility in my schedule
15. More freedom or autonomy
16. A seminar or training class

4 ★ the fourth thing that is better than a raise

Career Growth, Learning, and Development

In a constantly changing world, people crave learning more than ever: it's the only way to stay at the top of your field. Young employees in particular are hungry for learning and will go wherever their quest for knowledge takes them. So you have to make sure there are plenty of ways people can pursue their quest for knowledge inside your organization! Don't leave them in the dark about their next steps, either: they'll want to know where their new knowledge will take them.

To help motivate your employees to stay, have career conversations with them. What your employees really want are two-way conversations with you to talk about their abilities, choices, and ideas. They want you to listen. They may not expect you to have the answers, but they expect and want to have the dialogue.

Listening to them is a great way to show your commitment to their learning, growth, and development. As you listen, ask the questions that will help them find their way. Work with them to draw up a career plan based on their intrinsic interests. This is a great way to win their commitment and inspire loyalty.

Questions to Help Your Employees Draw Up a Career Growth Plan

Try asking any or all of the following questions. More importantly, help your employees draw up a plan to act on the results. If they see a clear path to advancing in their career with you, they are less likely to leave.

1. What skills would you need to gain to help you achieve your goals?
2. What abilities do you already have that would help you toward any of your goals?
3. Who is in your network already who might open a door for you?
4. What training could I make available to fill the gaps you see?
5. What kinds of on-the-job development could help you move closer to several of your options?

5 ★ the fifth thing that is better than a raise

Flexible Work Environment

Sometimes the organization has no rule about working from another place, but the manager says no anyway. If you are one of those managers, ask yourself why. Is it a lack of trust in your employees? Is it concern that they will not be productive without your ever-vigilant eye? If so, consider managing based on results. Be clear about your expectations: what do you want them to produce or create? By when? Consider letting your employees get those results from whatever location they wish.

Of course, sometimes the barrier to spending time with family is not the geographic location but the working hours. So what about offering flexible working hours? True, you may feel restricted by your organization's lack of family-friendly programs or policies. Yet you have tremendous opportunities to get family-friendly within your own work group. What you do (and fail to do) as a manager can mean so much to your employees as they juggle work and family. And much of what you can do as a manager costs you and your organization little or nothing.

Ways to Give Your Employees More Flexibility

Here are some great examples of cost-efficient ways to make your team flexible and family-friendly.

1. If employees must travel on weekends, offer something in exchange, such as time off during the week or allowing family members to travel with the employees.
2. When your employees travel to areas where they have family or friends, allow them to spend extra time with those people at the beginning or end of the trip.
3. If company policy absolutely prohibits bringing pets to work, consider hosting a picnic in a park where those furry family members are welcome.
4. Give your employees a floating day off each year to be used for a special occasion. Or suggest they go home early on their birthdays or anniversaries.
5. Have a party for your team and their families. Invite the kids (or hire sitters for small ones), and go for pizza together.

6. When an employee asks about working from home, really explore that possibility. What are the upsides? Downsides? Get creative about how that might work to benefit both the employee and your team.
7. Consider subsidizing your employees' home Internet service costs. The monthly costs for Internet use are small compared with the productivity you'll get in return. This also allows employees to work effectively from home.

6 ★ the sixth thing that is better than a raise

Job Security and Stability

Research shows that employees want security and stability. The question is, how can you deliver? In today's environment, you may not be able to realistically or truthfully promise job security. Layoffs are increasingly a tough reality of today's business world.

So what do you do—throw up your hands and give up? Absolutely not! Believe it or not, you can give your employees a greater feeling of security (even in an unstable environment) by demonstrating consistent habits of honesty and transparency.

Yes, we understand that in some cases you may not be fully empowered to share all the information you have. But if your employees know that you always tell them as much as you can—as early as you can—they're much less likely to feel fear and apprehension about what's going to come next. The more information your employees have about the situation within the company and their place in it, the more empowered they feel. *Even* if the news is bad, being up-front wins their trust and helps them prepare for changes, positive or negative.

Ways to Build Security and Trust via Information Sharing and Honesty

Here are some great transparency practices you can implement as a manager that will help your employees feel secure (even in insecure situations).

1. Don't treat the people you manage like children: you don't need to tell overly positive stories about the company and downplay threats and upcoming changes. Your employees are adults. They can handle bad news. In fact, consistent transparency around bad news will actually help your employees feel more stable and secure because they will never need to wonder if the company is hiding anything.
2. Don't withhold negative feedback. The last thing you want is for employees to burn up their energy and confidence trying to guess whether or not you view them negatively. It's best to be up-front about things so they can focus their energy on improving. The measurable progress toward improvement will also help them feel more secure in their jobs.

3. When you have bad news, give it face-to-face and as soon as possible. If you make a mistake, confess, tell the truth, and accept responsibility. Your personal stock will go up, and so will the trust level on your team.
4. Don't play power games with information. Managers sometimes hold back information in the belief that it makes them more powerful or that it is better for their employees not to know. There are good reasons to withhold information sometimes, but a power play isn't one of them.
5. Give your employees the inside scoop, whenever possible. We love working for people who are in the loop and being looped in ourselves. Your talented people will feel like they count when you share important information with them early.
6. Share information about your organization's strategic direction, emerging industry trends that may affect career possibilities, and the political realities of your organization. That way, your team members will learn to look broadly at their profession, industry, and organization and see all the implications. They will also feel more competent and confident in their future marketability.
7. Forward articles about your industry to your employees: you might have access to industry-based blogs, newsletters, reports, and magazines that they aren't aware of. Share critical information that can help them make decisions about their career development.
8. If information is important, don't just share it with your own direct reports; be responsible for making sure it gets passed through the whole organization. Hold managers accountable for passing the news down.
9. Share information face-to-face, especially if it is difficult to deliver or will affect your employees significantly. Let your supervisors give the news to their direct reports also. Research shows that people believe and react more favorably to news when it comes from their direct supervisor. If it has to travel through several layers, double-check to be sure the message is getting through.
10. If people ask you for information you can't share, be honest. Tell them that you are not at liberty to share, and tell them why. For example, you could say, "The information is sensitive or proprietary" or "I have been asked to keep it confidential, and I need to honor that request."

7 ★ the seventh thing that is better than a raise

Drawing Purpose from the Organization's Mission or Product

According to a report by global brand consultancy Calling Brands, corporate purpose is emerging as a powerful driver of attraction, retention, and productivity. “The survey revealed that, on average, 57% of respondents (64% Germany, 58% US, 48% UK) said they would favor joining an organization that has a clearly defined purpose. Moreover, an average of 65% claimed that purpose would motivate them to go the ‘extra mile’ in their jobs and 64% claimed it would engender a greater sense of loyalty towards the organization they work for. Purpose will be increasingly recognized by corporations as an important driver of engagement.”

That’s all well and good if you work for an organization that saves lives—like the American Red Cross or the Bill & Melinda Gates Foundation—but what if you work for an organization that is comparatively more ordinary? Well, you can still do a lot to build a meaningful connection between employees and the greater purpose of the organization. Sometimes all it takes is a discussion about the history of the company, its founders, its reason for being, the important needs it meets, or what customers say the company has done for them through its product line or service.

Ways to Build Pride and Purpose

Here are some other practices to help your employees feel connected to your organization’s purpose.

1. Have regular open-forum meetings. If employees feel they are being heard, they will feel a stronger connection to you and the group. Allow diverse opinions and disagreement. Where possible, give your employees input into the organization’s purpose.
2. Give employees opportunities to hear the president, CEO, or other senior leaders speak about what the company is all about. While mission statements capture the underlying principles of the organization and seldom change, the goals of the organization are dynamic, and hearing them straight from a leader can be very meaningful.

3. Get your employees involved in community service. For some, these activities are a major reason for choosing one organization over the next or staying with their present one. According to a PricewaterhouseCoopers study, “88% of graduate students and young professionals factor an employer’s Corporate Social Responsibility (CSR) rating into their job decision. And 86% would consider leaving a job if their employer’s CSR performance no longer held up.”
4. Start something! If there are no pre-existing CSR or volunteer initiatives you can join, you can support community projects your employees are involved in or build your own. Either way, promoting a cause within your department or company gives employees a sense of pride, promotes teamwork, fosters a bond among employees, and provides skill development.
5. Get creative with how your company might support the larger community. Companies have involved their employees in classrooms, community centers, charity runs, bicycle tours, public housing projects, outreach to the elderly, and many other life-changing activities.

8★ the eighth thing that is better than a raise

Fun Work Environment and Great People

The president of a major airline company has these words of wisdom: “Fun is a state of mind. Leaders can create this state of mind—but to do so, they must care about people, show trust and appreciation, be humble enough to join in and believe it is a good use of time! Joy is the lasting by-product of having fun and being with folks that give you energy. Leaders can bring joy to people’s lives, even when things are tough. Creating a sense of being a part of something very special is the key.”

Research shows that a fun-filled workplace generates enthusiasm—and that enthusiasm leads to increased productivity, better customer service, a positive attitude about the company, and higher odds that your talent will stay. A lot of the time, all that is required for fun is just having a way to connect with your awesome coworkers. It doesn’t have to be complicated or cost a lot of money.

Examples of Spontaneous Workplace Good Times

Here are some real-life examples of simple fun times people had at work.

1. “We decorated my boss’s office for his birthday. We used five bags of confetti from the shredding machine.”
2. “Spontaneous after-work trips to the local pizza parlor.”
3. “Verbal sparring with my brainy, funny colleagues.”
4. “When we had a huge project, a tight deadline, and we had to work all night. I wouldn’t want to do that often, but we had a good time, laughs in the middle of the night, and a thrill when we finished the project.”
5. “Receiving this poem from my dedicated, funny employees whom I sent to Detroit on business: ‘Roses are red, violets are blue, it’s 30 below, and we hate you.’”
6. “In the midst of a big stressful project, our boss took us to a local park for a volleyball game during lunch. We still talk about it.”

Ways to Help Your Workers Connect With Each Other

Here are suggestions for you to help your employees connect with each other and have fun.

1. Use your company intranet to help boost team collaboration, find organizational resources, and acknowledge and celebrate successes.
2. Reinstate lunch. (Kudos to you if it still exists in your organization.)
3. Encourage people to enjoy it together.
4. Encourage teams, task forces, and employee resource groups, where people form new links and new friendships.
5. Sponsor a departmental sports team, or have sports outings with other departments or companies.
6. Have family events—picnics, bring-the-kids-to-work day, bring-your-dogs-to-work day.

9★ the ninth thing that is better than a raise

Good Benefits

Even if benefits aren't a decision within your purview, you can advocate as much as you can for your employees to receive good benefits. In particular, health and wellness benefits like gym memberships, health savings accounts, or healthy office snacks can help you create an environment of office well-being.

Benefits Most Valued by Employees

For reference, here's a list of the most sought-after employee benefits according to an [employee benefits researcher](#). Yes, some of them might be outside your control, but highlight the ones you might be able to influence, and draw up a proposal about how to improve them. Send out a survey to your employees asking them what benefits they care the most about improving; that way you can base your proposal on some hard data. Make sure your proposal emphasizes the employee retention advantages of amping up benefits.

- Excellent health care
- Retirement savings
- Paid time off
- Workplace flexibility
- Wellness program
- Tuition reimbursement
- Flexible and family-friendly schedules
- Pay raise or performance bonus
- Life insurance
- Telecommuting
- Workplace perks
- Professional development and training

10 ★ the tenth thing that is better than a raise

Respect

People are most likely to feel loyalty and commitment toward people who respect them. The one behavior that talented people seldom tolerate for long is disrespect. If you wish to keep your employees, it is absolutely critical that you recognize each person's unique qualities and then demonstrate your respect in consistent, undeniable ways.

Make sure that everyone feels the same level of respect, regardless of ethnicity, religion, skin color, gender, and age. You cannot respect and honor others unless you respect—even celebrate—the differences between people. Most of us readily accept the notion that diversity of talent and perspective strengthens a work group and contributes to excellent results. Yet if we are honest, we admit that differences can also get in the way. We all need to take a good look at our preferences and prejudices, our *leanings*. These leanings pop up when we mentor and coach, promote, reward, punish, and hire (research shows we are most apt to hire someone like ourselves). Once you take note of your leanings, you can begin to see the impact they might have on your employees.

Part of treating everyone fairly is making sure you're doing a good job managing your moods. Have you ever worked for someone with roller-coaster moods? You know, one day they're up; the next they're way down. While it is human to have ups and downs, the mature thing is to manage those moods so that they do not hurt others. We call moods that have run amok *sloppy moods*. They are simply uncontrolled. Whatever is felt comes spilling out and slops all over employees (or family members). Learning to control your sloppy moods can help your employees feel so much more respected!

It's also important to acknowledge your employees in positive ways. When employees talk about the disrespect that drove them out the door to a new job, they sometimes refer to a feeling of invisibility. You might be simply lost in thought when you pass your employees in the hall and fail to acknowledge them. But they will notice and may feel less than honored or respected.

Ways to Make Employees Feel Really Respected

Here are some practical tips to make sure that you don't just *feel* respect for your employees—you also *express* that respect in compelling and noticeable ways.

1. Get honest feedback somehow. Before you can work on improving, you need a clear picture of how you look to others. It's easy to unintentionally come across differently than what you intend—so this honest feedback is crucial.
2. Invest in diversity training, especially if disrespect issues related to differences between employees are surfacing. Make the training relevant to the specific issues of your workplace.
3. Appreciate and use individual strengths, styles, and talents; leverage the differences between your employees. Roosevelt Thomas, a diversity consultant and author, defines diversity as “the maximum utilization of talent in the workforce.” When you value people's unique traits, it helps them feel respected.
4. Decide to change. Practice inclusion and fairness. Consciously avoid discriminating in the old familiar ways. Your employees will notice.
5. If you are guilty of sloppy moods, take notice and take control. Get away from others while you work through your difficulties. Go to your office; take a “time-out.”
6. If you happen to lose your temper with someone, apologize. To err is human, and most people appreciate an apology; it is a sign of respect.
7. Notice your employees. Pay attention as you walk down the halls and say hello to them by name.
8. Smile, shake hands, greet your employees, and introduce them to others, even those of higher rank.
9. Unfair treatment translates to disrespect in many employees' minds. Check out your communication approach and your actions with your employees. How do they view the decisions and changes that you make? What seems fair or unfair to them? Do you honor their ideas, and do you care about their reactions? If you don't, you will lose them.
10. Be aware and take steps to help employees in their times of need (particularly if those times involve illness or bereavement). They will pay you back a thousand-fold.
11. Listen to your employees' wants and needs. Even concerns that seem small or insignificant are clearly important to them. Respond to their requests quickly. Don't wait for them to nag you.

What Else Can You Do?

We hope you've enjoyed your crash course in employee retention. Most of the research and tips we used here were sourced from the book [*Love 'Em or Lose 'Em*](#), a fun and easy manual for managers seeking to improve their retention skills. *Love 'Em or Lose 'Em* is one of our most popular books for bulk sales; many leaders find that buying a copy for every manager across their organization can be a way to inspire deeply rooted organizational change.

Sometimes words just don't take it far enough, though. It's one thing to distribute a book or a handout, like this one—it's quite another to have an experienced teacher flown in to your organization to help you implement new practices in a hands-on way. That's why we started our [*Expert Directory*](#), a searchable directory of top leadership, management, and organizational change consultants who are on call to help your organization solve the tough problems.

Browse the directory to check out the pioneering thinkers who contributed to the development of positive leadership, large group change methods, and employee empowerment. Experts like [*Beverly Kaye*](#), [*Sharon Jordan-Evans*](#), [*Ken Blanchard*](#), [*Bill Treasurer*](#), [*Laura Stack*](#), [*Karen Hough*](#), and hundreds of other vetted consultants, trainers, coaches, and speakers are available in our database. Best of all: the database is entirely free for organizations like yours to use!

For questions, contact Vice President David Marshall at dmarshall@bkpub.com, or learn more at

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