Motivating and retaining key staff.

Supporting you on your business journey.

Your staff members are one of your most valuable asset – motivated employees are more likely to stay and help build your business. Retaining motivated staff builds your business and also reduces the costs of recruitment and training.

This guide looks at:

- What is motivation?
- Why is it important to retain staff?
- Encouraging managers and staff to work together.
- Agreeing goals with your employees.
- Rewarding your employees.
- Giving feedback, praise and criticism.
What is motivation?

Motivation is about giving your staff the right mixture of guidance, direction, resources and rewards so that they’re inspired and keen to work in the way that you want them to.

Employees are individuals and each of yours has different priorities, ambitions and needs – both financial and non-financial.

By understanding your employees’ needs and – as much as possible – help them meet their needs through their work, you can steadily motivate them to work more effectively.

Why is it important to retain staff?

Good employees require careful selection, training and development. Whenever you need to replace a key member of your team, you have to go through a selection process that takes time out from the day-to-day running of your business. Placing ads or using agencies can be costly and once you’ve attracted applicants you need to review their CVs and carry out interviews.

Once the selected candidate is on board, you and other employees will need to spend time training them into their new role. It can take a few months to see if you made the right choice and if not, you’ll have to start the recruitment process all over again.

Losing a staff member is also unsettling for the rest of the team. So by motivating your staff well and trying to meet their needs as well as your own, you can minimise the disruption of employee losses and recruitment.
Encouraging managers and staff to work together.

It’s really important that your managers and staff work well together and that different departments work together too. If there’s a feeling of “us and them” across parts of your organisation, your employees will take less responsibility, feel as if they’re not part of decisions and be less inclined to work productively. Here’s how to make sure everyone feels involved:

• Keep everyone informed about the business and how it’s doing.
• Talk to people about major changes and decisions before they happen or as part of the decision making process.
• Communicate key decisions clearly and promptly.
• Provide a comfortable and safe working environment and the right equipment for people to do their job.
• Give employees training to enable them to do their job well and develop further in the future.
• Encourage people to work together as a team.
• Encourage people to ask for help or training when they need it.
• Take an interest in the lives of your employees as individuals.

Agreeing goals with your employees.

For your business to succeed you need a plan. You can then break this plan down into goals for your individual employees to work towards. By communicating what you are aiming for and why you want to do it, you’re making your employees feel valued and a part of the team. To give them the best chance of succeeding, you need to give them specific goals to work towards.

The goals that you set for your staff should be:

• In-line with the needs of your business as a whole.
• Goals that your employees are directly able to influence with their work and actions.
• Measurable so you can determine whether they’ve been achieved.
• Linked to rewards that the individual employee values — bear in mind that not everyone is motivated by the same type of reward (see below).
Rewarding your employees.

To reward your employees effectively, you need to identify and offer rewards that they will value. There are many different rewards to choose from – some financial and some non-financial – and each employee may feel differently about them.

Some of the reward options available are:

- Salaries, bonuses and commissions.
- Pensions.
- Medical benefits.
- Training courses.
- Flexible working opportunities.
- Holiday days.
- Team-building events.
- Opportunities for advancement or more varied work.

Salary is often one of the key drivers. It can be structured to have fixed or basic elements as well as variable elements like commissions or bonuses that are linked to specific goals and outcomes.

The general salary level within the organisation sends a key message to individuals. If they are aware of them, employees can be very sensitive about different salary levels within your business and salaries in the market at similar companies.

Remember also that many people are not solely motivated by money. Part of their reward lies in the tasks they achieve, the ambitions they fulfil, their opportunities for future advancement, their working environment and the people they work with. By taking all of these motivational drivers into account you can develop a reward structure that works well.

Giving feedback, praise and criticism.

If you want your staff to work well and feel part of the team, regular reviews are a must. These can be both formal (an annual review, for example) and informal (day-to-day feedback and updates on progress).

For any individual to succeed, they need to know what they are doing well and what they could do better. Most people make their own assessments of their performance but they won’t know whether their assessments are right unless you communicate with them.
Feedback is a two-way process. Your employees receive your feedback and give you theirs. Your intention should be to improve employee and business performance so everyone continues to work towards the goals of the business.

When you carry out feedback, make sure you:

• Set aside enough time for it and place sufficient importance on it.
• Do your research and have something to say that is specific to each person (whether positive or not).
• Set new goals or reset old goals that are specific and measurable.
• Are genuinely interested in the performance of the employee.
• Praise good performance and suggest constructive ways to improve any weaker areas.
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