**Reducing Employee Turnover**

**Learn cost-effective, simple strategies for retaining employees at your business.**

[(EN)](https://youtu.be/pg-Wr0l2ydI) Video

**Introduction**

Employee turnover is a normal part of running a business, as it reflects the natural movement of employees seeking new opportunities, career growth, or better alignment with their circumstances. Child care businesses experience higher turnover than other businesses possibly due to longer work hours, physical strain, and emotional stress. Child care workers are often paid lower wages and have fewer opportunities for career advancement. This can lead them to seek employment elsewhere, as there is a high demand for qualified professionals in the industry. The good news is that understanding these factors can help businesses develop effective retention strategies that keep their employees happy and motivated. This guide discusses the impacts of high turnover for child care businesses, some effective strategies to reduce turnover, and tips for getting started.

**Why is it important to keep turnover to a minimum?**

Child care businesses face significant challenges due to employee turnover, affecting their operations, children and families. The process of finding and training new staff members is time-consuming, costly, and requires valuable resources and time away from providing quality care for children. Additionally, consistency and familiarity are vital in creating a nurturing and stable environment for children. When caregivers frequently change, it disrupts the sense of security and the development of strong bonds between children and their caregivers. This also makes it difficult to build trust with parents. Considering these factors, reducing employee turnover should be a focal point for child care businesses.

**What can I do to get started?**

First, take a moment to consider what may be contributing to higher turnover rates at your business. Ask yourself the following questions:

* Do your employees seem happy?
* Do your employees seem satisfied with their compensation and benefits packages?
* Is there access to growth and advancement opportunities within the organization?
* How is the overall work environment and company culture?
* Are employees receiving support from leadership?
* Are employees given opportunities to provide feedback and voice concerns, and how is that feedback being taken into consideration?

Employees can feel a sense of value and appreciation when employers proactively address the underlying causes of turnover, such as improving compensation, providing growth opportunities, and implementing strong management practices. Higher retention rates lead to consistent and quality care for children, which in turn boosts the success and long-term growth of the child care business.

The following are strategies that can be implemented at your child care business that may help reduce turnover and maintain stability for your business and the children in your care:

**Offer competitive pay and benefits:** One way to reduce turnover among employees is to offer competitive pay and benefits. Competitive pay is effective in reducing staff turnover for several reasons. First, offering competitive compensation may help your employees feel valued and fairly rewarded for their work, which in turn may increase their job satisfaction. Secondly, competitive pay helps attract and retain qualified professionals. Finally, competitive compensation demonstrates the company's commitment to employee well-being and can help create a positive work environment that fosters loyalty and long-term commitment.

Benefits such as health insurance, paid time off, and retirement also contribute to employees feeling valued for their hard work. Small businesses with limited resources can still increase employee retention by considering offering group health plans or partnering with third-party providers for affordable options. Offering low-cost retirement benefit options is highly valued by employees because it provides long-term financial security and does not impose significant immediate costs on the business. Offering flexible work arrangements is highly desirable for employees and can help attract and retain skilled professionals. Providing ample vacation time or flexible scheduling policies are cost effective ways of promoting work-life balance that could be highly valued by employees.

**Provide opportunities for career development:** Providing opportunities for career development and advancement can empower employees with a sense of growth, progress, and personal fulfillment while allowing them to enhance their skills, expand their knowledge, and advance their careers.

Investing in career development opportunities for your employees may provide them with a sense of purpose and direction and reduce the likelihood of them seeking opportunities elsewhere. When organizations provide opportunities for growth and advancement, employees may be more likely to remain committed and loyal. By offering these opportunities, organizations not only motivate and retain their employees but also foster a culture of continuous learning and development, benefiting both the individuals and the overall success of the business.

**Create and maintain a positive work environment:** Creating a positive work environment aids in employee retention. One important aspect is fostering open communication within the organization. Trust and strong relationships can be established by encouraging employees to express their thoughts and ideas freely and providing platforms for effective communication. Transparent communication from management about organizational updates and changes also contributes to a sense of inclusion and shared vision which helps employees feel engaged and valued.

Additionally, providing opportunities for employee feedback plays an important role in creating a positive work environment. Regular feedback sessions, surveys, or suggestion boxes allow employees to voice their opinions, contribute to decision-making processes, and feel that their input matters. This fosters a sense of ownership and engagement, further enhancing employee satisfaction and retention.

**Support meaningful employee engagement:** Engaging employees in decision-making and problem-solving fosters a sense of ownership and investment in the workplace. One effective approach is conducting employee surveys to gather valuable insights and feedback. By seeking input on various aspects of the organization, such as work processes, policies, or team dynamics, employees feel valued and involved in shaping their work environment. Additionally, holding regular team meetings provides a platform for open discussions and brainstorming sessions, allowing employees to contribute ideas, share perspectives, and collaborate on solving challenges. This inclusive approach empowers employees and encourages them to take ownership of their work and contribute to the overall success of the organization.

Furthermore, organizations can foster employee engagement by actively encouraging and recognizing employee ideas and suggestions. Creating a culture that values and celebrates innovative thinking and creative problem-solving can inspire employees to share their insights and contribute their unique perspectives. By providing channels for employees to submit ideas or suggestions, such as suggestion boxes or digital platforms, organizations demonstrate their commitment to involving employees in decision-making. This not only helps generate fresh ideas and solutions but also cultivates a sense of trust and collaboration within the workforce, ultimately leading to increased employee satisfaction and retention.

**Regularly recognize and reward employees:** Acknowledging hard work may help motivate employees and reduce turnover. When employees feel valued and appreciated, they are more likely to have a positive attitude towards their job and the organization, fostering loyalty and commitment. Implementing strategies for recognition can be done by creating a culture of appreciation where managers provide regular verbal praise and positive feedback. An example of this is through written notes or small tokens of appreciation. Structured recognition programs that involve peer-to-peer appreciation can also be established to foster a positive and supportive work environment. Using these strategies may help reduce turnover, enhance job satisfaction, and strengthen employee loyalty.

Reducing employee turnover in child care businesses is a goal that can be achieved by understanding the unique challenges of the industry and implementing effective strategies. Asking ourselves key questions and exploring low-cost strategies can help identify and address the underlying causes of turnover, create a positive work environment, and foster employee loyalty. Small changes can have a significant impact on reducing turnover and ensuring the best possible care for children. With dedication and thoughtful consideration, child care businesses can create a supportive and fulfilling workplace that attracts and retains their employees for the long term.

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