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## **Perking up the workplace to retain top workers Companies turn to incentives to hold their top employees By Dana Hunsinger Benbow**

Who knew fresh radishes could translate to employee retention? That a juicy watermelon might equal worker loyalty?

But a new farmer's market at Eli Lilly and Co.'s Downtown campus aims to do just that.

It's just one example of perks and benefits that companies are launching to avoid what some [experts](#) say may be a mass worker exodus in the coming year.

As the economy slowly begins to recover and employees, fed up with pay slashes and benefit cuts, ponder bolting, companies will have to do all they can to keep their best workers.

Consider this: Nearly 40 percent of all employees say they hope to work for a different employer in the next 12 months, according to a [study](#) by MetLife. And 25 percent of top-performing employees say they intend to leave their current employer within the year, a study by the Corporate Leadership Council found.

So to grow worker loyalty, why not a farmer's market every Wednesday afternoon featuring local fruits, vegetables, meats, chicken, eggs and goods such as jams, honey and cheese?

"We are striving to create an atmosphere which is relaxing and fun," Lilly spokeswoman Janice Chavers said about the market that launched in June. "It's kind of a mini-getaway during the day."

Not a huge [financial](#) investment for Lilly, but as Chavers notes, "The goodwill of our employees is not based on wages alone."

These days, it's typically not pay increases or 401(k) matches that employers are stressing. More fanciful perks such as personal shoppers and concierge services also are mostly gone -- victims of the Great Recession.

Instead, employers are offering low-cost perks such as help outlining career development plans, flexible scheduling and on-site health care.

They definitely realize they are going to have to fight to keep good workers. In fact, 42 percent of employers say they are increasingly concerned that other companies are prepared to poach their top talent, according to a survey by Challenger, Gray & Christmas.

"This may be the most important time for employers to hold on tight to their highest-skilled workers," said John A. Challenger, chief executive.

"Whether it's something simple like free bagels in the lunch room every morning or something more substantial such as tuition reimbursement or flexible scheduling, these perks can be an essential part of worker morale and job satisfaction."

Employee retention is strong at OneAmerica. It reported a turnover rate of 9.8 percent in 2010, significantly below the national rate of 15 percent. Perhaps that had something to do with a new health initiative that, among other things, offered savings on health [insurance premiums](#) for eating healthier and being more active.

In April, the Downtown company decided to offer something else -- free doctor visits and a whole lot more at its on-site health clinic.

Got a double ear infection? Make an appointment, head down to the clinic to see the doctor and even get a prescription, all with no out-of-pocket cost.

To say the clinic is popular would be an understatement, said Debby Routt, vice president of compensation and benefits.

"The clinic has been much more successful than we thought it would be," she said. "That's a good thing. We try to meet the needs of our employees."

Meet the needs now and, hopefully, for years to come, said Ashima Kapur, assistant vice president of employment.

"What keeps people here long term? They value our culture," she said. "Everyone talks about compensation packages being attractive, but it's more."

And more can mean something as simple, and virtually cost-free, as flexible scheduling.

Workers at retailer Best Buy's corporate headquarters are allowed to work when, where and how they want as long as the work gets done and it meets the quality expected.

It's all part of a recently launched program called ROWE, which stands for results-only-work-environment. An independent study of the program by a pair of sociology professors found it has reduced turnover by 45 percent so far.

None of that surprises human resource guru Mark McNulty, president of HR Dimensions in Indianapolis.

"Successful companies monitor work-life balance because today's workforce demands it," he said. "Compensation and benefits are often cited by exiting employees as their reason for leaving, but further probing often exposes a lack of attention to other (things)."

Good employers should start paying attention, because companies may not be hiring in force now, but after unemployment levels near 10 percent for months, hiring has to go up sometime.

At maxIT Healthcare, the company is looking for ways to retain its top talent now, adding career development plans for employees, mentoring, an annual allowance for continuing education and enhanced health and welfare benefits.

"We are already thinking about retention issues," said Louonna M. Kachur, vice president of human resources.

That's exactly what smart companies should be doing before employees even think about leaving, McNulty said.

"Managers have to be involved with their people," he said. "They must regularly engage them, listen to them and, when possible, act on their suggestions. These are key points of retaining top talent."