Article summary

In the article “Perks that work” published in Virginia Business Online, author, Robert Burke, reviews several methods that companies implement to retain their employees.

“Unemployment is at its record lows”, says Robert Burke and supports this statement by quoting Jay Doherty of the New-York-based human resources consulting firm William M. Mercer Inc.: “Companies are trying just about anything to retain employees”. They are forced to create new benefits for their employees and even help them with their personal problems, the author states.

For example, Herndon-based Net2000 Communications encourages its top performers with luxury cars, while MicroStrategy, a Vienna-based data miner, starts company-hosted Caribbean cruises for its employees.

Robert Burke forewarns that such generosity might be good for employees, but not for the company itself. “Firms have to be careful they don’t create a business model that’s not profitable” – says Jay Doherty. To avoid this, Burke insists that retainment strategy “has to be custom-fit to the company and the business sector" and advises not to implement new perks “just because they seem like hot trends”. MicroStrategy reported lower earnings the year after creating cruises and decided to rethink this program, adds Burke.

Another way of solving this labor problem is to make employees feel like “they’re part of a special place with unique culture”. “We want to hire people that are totally aligned with our values” says Tim Huval, general manager for South Dakota-based Gateway’s call center and manufacturing facility in Hampton. Richmond-based Xperts also lives by the value system. Founder and CEO William Tyler says: “They [employees] don’t have an urge to leave because they’ve found a home. They’re happy”. Tyler states that people seek not for money, but for “place that is looking out for them”.

Barbara Bailey of William M. Mercer agrees that helping employees to solve their personal problems can increase their loyalty. “Flexible leave banks” is a popular tool for such cooperation, Robert Burke notices.

The journalist concludes his article with Bailey’s quote: “Work-life issues are huge. You make them feel as though they are not interested in looking elsewhere, because they’re happy with their life”.