



# 4 Ways to Avoid Painful Turnover in 2024

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Employee turnover is a constant challenge for organizations of all sizes. While some level of turnover is expected, excessive or untimely departures can cause significant disruption, impact productivity, and lead to financial losses. This is especially true when critical talent leaves, creating gaps in knowledge, expertise, and continuity.

Companies that fail to address the root causes of turnover may find themselves struggling to maintain a skilled workforce and meet business objectives. Likewise, organizations that proactively manage employee retention can maintain a stable and engaged team, fostering a positive work environment and driving success.

Consider the following four ways to avoid painful turnover in 2024 and ensure your organization is equipped to retain its most valuable assets—your people.

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# 1.

## Focus on Critical Roles

To avoid painful turnover, start by identifying critical roles within your organization. These are the positions that directly contribute to the company's success or support its operations. Key areas to focus on include:

- **Innovators:** Employees who drive innovation and product development. Their ideas and creativity can be crucial to your competitive edge. If these employees leave, it can also benefit your competitors.
- **Revenue Generators:** Sales professionals and other roles that directly impact revenue. Losing them can lead to immediate financial consequences.
- **Operational Continuity:** Positions that maintain day-to-day operations. When employees in these roles leave, it can cause a ripple effect, leading to increased workload for others and decreased morale.
- **Thriving Stars:** The top performers who are highly engaged and inspire others with their enthusiasm and commitment.



“Take our 20 best people away, and I will tell you that Microsoft will become an unimportant company.”

– Bill Gates, Microsoft

“The silliest practice in retention is counting all quits equally in your turnover calculations.”

– Dr. John Sullivan, Professor Management,  
San Francisco State

# 2.

## Emphasize Succession Planning

Succession planning is essential to ensure continuity and reduce the impact of employee turnover. Here's how you can build an effective succession plan:

- **Risk Assessment:** Evaluate which roles would cause the most significant disruption if left unfilled. Identify potential successors for these roles to ensure smooth transitions.
- **Career Pathing:** Develop clear career paths that offer opportunities for vertical and horizontal mobility. This helps retain talent by providing a sense of growth and progression within the organization.
- **Succession Templates:** Use templates to streamline data collection and identify high-potential employees. This will help you focus on the most critical roles for succession planning.



“When compensation isn't aligned, it can lead to layoffs because profit drives the bonus pool. Proper succession planning helps prevent this.”

– Solutions Consultant, Salary.com

# 3.

## Maximize Total Compensation via Variable Pay

With tighter salary budgets, companies must consider creative compensation strategies to retain top talent. Here are some approaches to consider:

- **Variable Pay Plans:** Implement performance-based incentives with manager discretion. This allows you to reward high performers and align bonuses with corporate performance.
- **Non-Monetary Incentives:** Consider offering additional benefits or perks to create a sense of value for employees. This could include flexible work arrangements, professional development opportunities, or extra time off.
- **Bonus Allocation:** Design bonus plans that are fair and transparent, with a clear connection between performance and rewards.



“You can’t mandate productivity; you must provide the tools to let people become their best.”

– Steve Jobs, Apple

# 4.

## Re-Evaluate Market Pricing for Critical Roles

To attract and retain talent, companies must ensure their compensation is competitive. Re-evaluate your market pricing for critical roles and adjust accordingly.


Key considerations include:

- **Market Pricing:** Use reliable market data to assess pay levels for key roles. Ensure your compensation is competitive to retain top talent.
- **Identify Hard-to-Fill Positions:** Determine which roles are challenging to fill and require specialized skills. Ensure these positions are priced competitively to avoid painful turnover.
- **Skills Assessment:** Focus on retaining employees with unique or rare skills. These employees can be difficult to replace and are often critical to your organization's success.



“The number of opportunities outside your organization can be significant. Just recently, I saw a job posting offering a six-figure salary for a general manager at a gas station. It's essential to re-evaluate market pricing to stay competitive.”

– Executive, Salary.com

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Want to avoid painful turnover at your company? Contact us to learn more or schedule a demo.

**Let's get started**

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