

How to foster workplace loyalty

By Rebekah Hinds

Loyalty – you know that one unique quality that many of us search for and apply to various areas in our lives. The Oxford dictionary defines loyalty as, a strong feeling of support or allegiance, but how do we foster/generate this feeling towards our workplaces?

The 21st century ushered in a variety of new trending words which rebranded and eliminated some normality's from the past. Evidently, the modern workplace has become increasingly transactional over the years.

This transformation has seen increasing drastic changes that stemmed prior to the COVID-19 era when employees stayed put until they retired with a party, a gold watch, and a good pension. The dramatic change begs the question: Whatever happened to workplace loyalty?

The COVID-19 pandemic has had a ripple effect on the emotional components of workforce loyalty. Particularly the emotional components which seek to develop and maintain deeper connections that generate trust. The massive shift to remote work has prompted people to rethink their priorities. For many employees, that has meant changing careers.

Battling costs

For many employers, that meant battling enormous costs associated with constant turnover. Recruiting and training employees is expensive, time-consuming, and usually yields lost productivity as new hires make mistakes as they get up to speed. Also, research shows hiring replacements costs about 20 per cent of an average employee's salary to replace that employee.

There is nothing more defeating for business owners than hiring a recruit, training them up to excel in what they do, only for them to leave and put their good skills to use for a competing business. If this happened too frequently, your company could essentially become a training ground for your competitors.

There are also "soft costs" to consider. When a dependable employee leaves, it can mean the loss of customer relationships, reliable talent, and workplace innovation. As we've seen with the Great Resignation, one lost



Workplace loyalty is built over time and can create a positive ripple effect on the organisation. (Internet image)

employee can trigger a migration of other employees.

Employee loyalty is a peculiar quality, it's indisputable when it exists, obvious when it's lacking, and fleeting when it's neither here nor there. Employees who are loyal are committed to the success of their organisation and believe that the organisation has their best interest at heart.

Loyal and engaged employees are key to any successful business, when employees are engaged, they are often more reliable, dependable and exhume positivity. Therefore, building a good relationship with your employees is essential as it leads to a more productive workplace which adds to your company culture, and can also improve the daily operations of the company.

So, the question at large is how do employers foster an environment of loyalty for their employees?

The four main factors that contribute to employee loyalty are company loyalty, employee satisfaction, employee engagement and company culture.

Company loyalty

Company loyalty is the extent of positive feelings an employee has about their employer/workplace, because they believe their current employer has their best interests at heart. International research shows, generally, loyalty is higher when employees feel well

compensated and have adequate employee benefits. Employers can also increase employee loyalty with various incentives such as wellness perks, investments in personal development, and by contributing to meaningful causes. When team members feel that their company shares their personal values and input, they are more likely to stay.

Employee satisfaction

Employee satisfaction has been shown to correlate with high levels of job performance. Career progression is a key part of any job and can give a sense of purpose to employees. If there are limited opportunities for growth for an employee within a business, chances are they'll look for another organisation where they can climb the career ladder. Employees who enjoy working with their teams, are sufficiently challenged, and feel supported by their leaders, may experience increased on-the-job satisfaction.

Employee engagement is the degree that employees are involved with their work on a day-to-day basis. It also speaks to the level of enthusiasm and dedication an employee feels towards their job. When employees are highly invested in their work, they spend more time in a productive flow state. They tend to do more creative, innovative work and report higher job satisfaction. A greater component of employee engagement is also related to



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open communication and how well employees get along well with managers and colleagues. If there are conflicts in the workplace it will likely lead to employees being unhappy at work.

Company culture

Company culture is the shared values, attitudes, behaviours, and standards that make up a work environment. It is about the experience people have at work and how that experience aligns with the external brand and messaging of the company. Company culture plays a huge role in an organisation's success.

A positive company culture can improve staff retention while increasing productivity and creativity. It can also impact sales, profits, recruiting efforts and employee morale as loyal employees tend to recommend their organisation to potential future employees and customers. This can also improve employee engagement and help the company gain a competitive edge in the market.

Continuous intentional focus on these four factors can lead to an increase in employee retention. Like customer loyalty or trust in any relationship employee loyalty isn't built overnight. It's created by an employer consistently making their employees a priority. That means thinking about this process cannot be a shortcut. But when you make investments in the relationship, these initiatives pay off with mutual respect and authentic dedication to your organisation.

Not only does that mean happier employees, but it means less time and money spent trying to find new staff members and a lower turnover rate. Loyalty is built over time, so every engaged employee that stays with your company has the potential to create a positive ripple effect on the organisation.

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