



OSHA IS WATCHING YOU!

We all know that personnel turnover causes problems, and that turnover is expensive. What we have not known is how much it really costs. Many recent articles and research studies have focused on this problem, and results can easily be applied to property management.

Nationally, turnover rates run from 25 percent to 35 percent per year. One company reported an annual turnover of 120 percent per year. That turnover cost the company \$1.5 million a year in lost productivity, increased training time, increased employee selection time, lost work efficiency, and other indirect costs.

Combating Turnover

We need not, however, accept HIGH turnover as a fact of life. There are ways to increase employee retention.

- First, recognize the problem. Calculate and maintain turnover records so that you know your company's turnover rate.
- Second, look again at your selection process. Initial screening and interviewing can help avoid future turnover.
- Third, focus as much in "keeping" as you do "getting" good people. Ignoring longtime employees who have been good producers in the turmoil of turnover and training can drive them away. Just as with the tenant retention, we now know that it costs far less to keep a good employee than to find and hire a new one, and it is far less risky. For example, a new employee may not fully understand fair housing laws, whereas a veteran has usually been well trained and gained experience in this area.

Pay attention to your corporate "culture", review job design, procedures, policies, reports, pay, and benefits. Since people join organizations partly because they are attracted to the culture and structure, this is where the business of retaining employees begins.

Emphasize employee retention as a corporate goal. Managers pay attention to the things communicated as important by upper management. Ask yourself: "Would you be happy working for you?"

Make certain that you have an employee development program. Understand that training, education, and employee development are distinctively different, although all three cause change. Training causes a change in job skills. Education causes a change in knowledge and understanding. Both of these are necessary for true employee development, which causes a change in attitudes and employee behavior.

Training and education may be the single most effective method of reducing turnover. The American Society for Training and Development says that 75 percent of workers now employed will need additional training in this decade. One recent article reported on a study, which found that "20 percent to 30 percent of U.S. workers lack the basic skills they need for their current jobs. Ironically, what little evidence there is suggests that workers tend to stay with employers that provide significant training.

It's clear turnover is expensive. Employees need and want education. Education is not an expense, but an investment in human capital, and that; expenditures for education represent the ultimate return on investment

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Midwest Management Charity Campaigns are a Success

Midwest Management's East Division is proud to announce another successful Marines Toys for Tots Campaign for 2005. Thanks to the generosity of employees and residents at many of their communities, Midwest was able to collect over 300 toys. The West Division was also successful in their 2005 Casual For a Cause event. Employees donated \$2.00 every other Friday to dress casually, and total donations for 2005 exceeded \$320.00. The beneficiary of their donations will be Ele's Place an organization that helps children heal after the death of a parent, sibling or other loved one.

Coming next month....Midwest Management announces the roll out of their new Condominium Division.



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THE INSIDER

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