



# Help! My finance department **quit.**

Conquering employee turnover.



## Retaining top talent isn't easy.

To keep employees, companies devote full-time resources toward building incredible company cultures driven by things like internal values, welcoming pets into the office, catering lunches, and providing on-site yoga classes. But even with the best perks, great culture, and strong managers, employees move on.

In 2018, 44.3% of U.S. workers left their employer.<sup>[1]</sup> For some industries, turnover is as high as 87%. Although the finance industry is fortunate to have one of the lowest rates of turnover in the country, 25.4% in 2018,<sup>[2]</sup> turnover hits finance departments hard.

Losing an employee in your finance department means a loss of institutional knowledge that has a profound impact across the organization.

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## Mitigating turnover

Finance and accounting departments feel the loss of employees more than most. And while finance and accounting teams might benefit from one of the lowest turnover rates, filling these empty positions is very difficult.

Across 33 countries and territories, finance and accounting roles are the 7th most difficult to fill,<sup>[3]</sup> in part because of talent shortages in the industry. According to the Bureau of Labor Statistics, the unemployment rate for the finance and accounting sector is 2.1%,<sup>[4]</sup> which is below the already exceptionally low national average of 3.7%.<sup>[5]</sup> The cost of turnover is estimated to be approximately 33% of employee salary.<sup>[6]</sup> For the median finance and accounting worker, that's a cost of \$21,000.<sup>[7]</sup>  
[8]

### So what can proactive hiring managers do to avoid turnover?

It's no longer enough to offer employees a bump in their salary to keep them. Millennials and Gen Z especially show more interest in work/life balance, better benefits, and excellent company culture than previous generations.

Encouraging a healthy work/life balance can make a huge difference to employees. When they know they can leave the office and unplug from work, they're more likely to engage in activities that recharge them. That means they come to work the next day refreshed and ready to tackle the day's challenges. A great deal of research

### Most in-demand roles

1. Skilled trades

2. Sales reps

3. Engineers

4. Technicians

5. Drivers

6. IT

**7. Accounting & finance**

8. Professionals

9. Office support

10. Manufacturing

has been done extolling the virtues of a happy employee. Happy employees work harder, and one of the best ways to manage employee happiness is by ensuring employees aren't working so hard they burn out.

Finance leaders likely won't have too much input on which benefits a company provides, but they can help out by building financially-driven business cases for good benefits. Using experience gained from budgeting and managing accounts, a finance team can help decision makers determine which benefits programs provide excellent monetary value while also providing the level of care employees need.

Work with your people team to understand the budget and what the company can afford in order to meet employee needs.

Building a strong company culture isn't easy and is best handled by executives in conjunction with a people team. That doesn't mean hiring managers and team leaders can't help. Set firm foundations by encouraging employees to work in teams and mentor each other. Forging connections between employees cements teams together and creates a strong sense of community and cohesion.

But how much does this really move the needle?

Offering a dog friendly office is a convenience for pet owners but likely won't be what convinces an employee to stay when they've decided to go.

Unfortunately, hiring managers can't even rely on the market to help retain employees.

When the Great Recession was at its height in 2008 and unemployment reached almost 25%, the Society for Human Resource Management (SHRM), released a report on retention finding that "... even high unemployment rates have little impact on the turnover of top-performing employees or those with in-demand skills."<sup>[9]</sup>

Regardless of the state of the economy and job market, employees leave. In the midst of the Great Recession when jobs were scarce, top performers were able to find and create new opportunities. Now, there are more jobs than there are workers.<sup>[10]</sup> In a 2018 article from SHRM, Allison Betancourt, vice president of people strategy at Addison Group, a Chicago-based staffing and consulting firm, said, "It's no secret that the job market is tight. With unemployment under 4

percent, there are ample opportunities for employees to jump ship and look for another job that might offer better perks or salary.”

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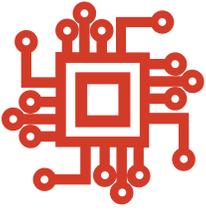
This all sounds pretty bleak. You can't rely on the market, perks, benefits, culture, or even pay raises. So what can you do?

The answer is surprisingly simple: let your employees work remote.

## Using remote work to mitigate turnover

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Many employers are resistant to allowing their employees to work from home. They are concerned about security, productivity, office camaraderie, collaboration, and more. However, the benefits of remote work far outweigh the perceived costs, especially when looking for ways to retain employees. Offering your employees the opportunity to work remote a few times a month, or even full-time, has tremendous retention potential. So how do you support remote work?



## Technology

Start by investing in technology that supports remote work and build that technology into your company's onboarding process. Often, companies declare remote work models failed because they haven't properly trained supervisors and employees, or given them the tools they need to succeed. Remote work can lead to productive employees who have much lower stress and are generally happier to do their work, but they need structural support to achieve success.

Set expectations for employees working remote, and enforce those expectations equitably across the company. At the same time, put processes into place so that teams feel connected even when they're apart.

Establish protocols on chat platforms like Slack so that availability is communicated clearly. Set standing check-in meetings for team members. Have employees create goals, and then track them. Often, the perception that employees aren't productive has more to do with a lack of connection between employees and supervisors. Avoid this by encouraging connections and communication.



## Clear communication

Communication is the most important part of remote work. Without it, employees feel lonely or out of touch, especially if the company has a physical office location. The perception of distance between an office worker and someone at their home office, or even between two remote workers, can

seem insurmountable to some. Ensure technology is in place to facilitate communication.

Invest in a chat platform like Slack that allows for real-time communication, but also make sure to set a standard for communication. Platforms like Slack should be used for urgent conversations that can't wait or for rapid ideation. Brainstorming in particular works very well over these kinds of platforms.

Keep in mind that not all communications need to happen in real-time. Make sure to encourage employees to set aside blocks of time specifically for these kinds of conversations to happen. People can't be available for chatting all the time, otherwise no work gets done.

When an issue isn't urgent, asynchronous communication methods, like email or shared documents, are the perfect choice. People can choose when to engage in these conversations, which allows them to take the time they need to formulate more detailed responses to a business challenge.



### Coordination

Going hand-in-hand with communication is the need for coordination. Good coordination means employees and managers have accountability between each other, and they remain on track when facing deadlines. It's important to keep track of moving parts through project management software (such as Trello, Wrike, or Basecamp) to keep team members aligned and on-track.

*Not all communications need to happen in real-time.*

Project management removes the perception of a lack of productivity. Plus, project management tools make it easier to manage employees in different timezones, especially when those timezones are far apart.

Keeping detailed records of what work is accomplished allows for quick, seamless hand off between tasks.



### Collaboration

We mentioned how employees

can sometimes feel disconnected when they're working remote, or like they can't collaborate with their coworkers. If you find that employees within your organization have fewer opportunities for collaboration, there are steps you can take to correct that.

Invest in platforms that support video conferencing. Face-to-face video calls are an excellent alternative to in-person meetings, but you should still make the deliberate decision to bring teams together on a regular basis.

Provide coworking spaces in cities where employees are clustered together. Create a line item in your budget that allows you to bring all your employees in for an all-hands

meeting once or twice a year. Be frugal, but don't be cheap.

When organizations put these structures in place and practice them, remote work becomes natural. Instead of being beholden to a clock, employees have the opportunity to work when they are most effective. They can schedule appointments for themselves or their families without creating conflicts at work.

Many employers find that when they extend flexible hours to their employees, their employees work harder or during off hours to meet their responsibilities.

## Finding the right solution

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You know you'll experience turnover. And you're comfortable with the idea of remote work for some of your team members even if you're not ready to commit to a fully remote model. We understand! Transitioning to a fully remote model is a lot of work, and it isn't appropriate for every organization. But your finance and accounting team can still benefit from hiring remote talent. Paro can help.

Finding the perfect-fit employee who is familiar with your industry standards and tools is important for the finance and accounting team. Because Paro sources talent from across the country, we can always find that perfect fit.

Your company might be located in Florida, but the perfect consumer packaged goods CFO who has led mergers and acquisitions before might be located in Colorado. Paro can connect you with them, sparing your company high costs and a time-consuming search.

Timing isn't an issue either. Our network is vast and full of people with a wide range of financial skill sets. Whether you have an immediate need due to a sudden departure or are preparing for an employee's

impending leave of absence, we can find the right fit for you who can start on your schedule. We can even find the perfect expert for companies same-day.

Because we match you with experts in our network that have experience in your industry with the tools you're already using, on-boarding times are low. You won't need to spend months training a new hire. Instead, you'll bring on a new team member who can provide immediate value.

As your needs grow, your Paro team helps your company connect to the experts it needs.

When you double in size and need additional resources to handle payroll, Paro will find you the best fit accountants.

When you release a new product and overhaul your budget, Paro can help with that, too. And because our experts are remote and project-based, you only pay for the support you need.

Whether you're looking to minimize the risk of future turnover on your organization or need to fill an immediate need, Paro can help. Contact us today to learn how our remote model for finance and accounting can work for you. ■

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