

# HR Insights

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## Identifying and Retaining Key Employees

Identifying and retaining key employees is especially important in light of ongoing attraction and retention difficulties many employers have been facing. According to Zywave's 2022 Attraction and Retention Survey, more than 75% of employers consider attraction and retention to be among their top five business challenges. In response to changing work demands brought on by the COVID-19 pandemic and trends such as the "Great Reshuffle"—a mass movement of workers from their current roles to positions that meet their shifting job expectations and priorities—retaining employees has become increasingly difficult for employers.

In order for organizations to continue to succeed, it is important that they are able to find and retain the best workers. These workers are those who affect performance and drive business for their employers, making them critical assets. This article provides more information on key employees, explains how to identify them and offers ways employers can retain such workers.

### Key Employees Explained

Key employees are those whose skills, knowledge and excellent performance can be linked to their organizations' overall success. There are different attributes that may contribute to workers who are critical to their organizations. Often, these employees have special proprietary knowledge, additional certifications, degrees or licenses that help their organizations function more efficiently.

Key employees may also help establish strong relationships within their organizations and with important external parties (e.g., clients). The primary

takeaway is that key employees have a tangible impact on their companies and they are difficult to replace.

### Identifying Key Employees

To retain key employees, employers have to know how to identify them. The traits of key employees may differ between organizations, but there are some general indicators of such workers. Specifically, these employees are known to:

- **Exceed expectations**—These employees consistently go above and beyond what they are expected to do.
- **Enhance strategies**—Such employees proactively search for ways to improve their companies' strategies and operations without being told to do so.
- **Affect performance**—The presence of these employees is often connected to increased performance and their absence can have negative effects on overall results.
- **Impact business relations**—Losing such employees may hurt relationships with clients and vendors.
- **Connect teams**—These employees foster connections between various teams and help smaller team cultures blend into their companies' larger cultures.



While there are several identifiers of key employees, these attributes are important ones that can help employers make general determinations regarding which workers are the most irreplaceable within their organizations.

## How to Retain Key Employees

Identifying key employees only really helps organizations if they are able to retain them. Here are some ways employers can keep their key employees:

- **Identify such workers.** If employers cannot figure out who their key employees are, they are far less likely to be able to retain them.
- **Maintain open communication.** Openly communicating with key employees can ensure their needs are being met. If there is a lack of communication, it is more likely these employees will look to other roles and organizations where they feel they can voice their needs.
- **Ensure competitive compensation.** Key employees usually go above and beyond the duties set out in their roles. As such, employers should consider compensating them for that extra work. It may be a good idea to reevaluate compensation strategies before top-performing workers decide to leave for other organizations that may pay them more.
- **Provide learning and development opportunities.** Employees who overachieve are often eager to learn more and want their organizations to help them do so. Employers should consider offering learning and development opportunities both to satiate employees' desires to learn, as well as help their workers continue to enhance their skill sets.
- **Update employee benefits.** Employers should ask their employees which benefits they get the most use out of and which additional offerings they might like to see. Part of retaining key employees is ensuring they receive benefits and compensation that match their needs, so it is important to determine whether their current benefits offerings help achieve those goals.

As employers strive to keep key employees, it remains crucial to treat all employees fairly, particularly when making employment decisions related to compensation, promotions and learning and development opportunities. Organizations should ensure their performance management practices comply with all applicable employment laws.

## Takeaway

Key employees are vital to the success of their organizations, so it is important to figure out who they are and how to keep them. Employers should stay alert to indicators of key employees within their organizations and figure out those workers' desires so they can implement effective strategies to retain them.

For more information on attraction and retention, contact National Insurance Services today.