

Wal-Mart's Employee Retention Program

“One of the major concerns of any corporation, particularly a high-growth business, is employee retention.” (Peterson, 2005) Being a large, multi-billion dollar company employing over 1.5 people, Wal-Mart attributes much of its success to its ability to obtain and keep quality employees. The company believes it all starts during the hiring process. At Wal-Mart, they first ensure a good fit between the employees and the position. They take such things into consideration as hours, schedules, desired departments, personality, and of course, skills. In doing so they reduced the typical first-ninety-day-turnover rates by eliminating turnover caused by schedule conflicts or department desires.

Next, Wal-Mart focuses on keeping people. The company believes that retention begins with the on-boarding process, or how they bring them on board, who they meet early on, and what they tell the employees is important to the company. Then, Wal-Mart grows its employees. They do this through two factors: “(1) How we tell the story about what opportunities exist and (2) clarifying the process that gives an even playing field to all who have interest in those opportunities.” The company clearly offers opportunity and promotion process and successfully promotes from within. This is demonstrated by the fact that 70% of all management at Wal-Mart began as an hourly worker.

Companies can learn from Wal-Mart, to help employees clearly understand what opportunities were open to them and how they could achieve the opportunities, this will help address lack-of-opportunity gap. Employees would know what lies ahead of them and how to get there. By not offering this, Companies has lost the morale, loyalty and dedication of its current employees. Alternatively Companies should improve their on-boarding and development process to improve employee relations, reduce turnover and increase advancement opportunities for employees.

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