

Could Employee Turnover Impact Your Business in 2023?

In today's competitive labor market, retaining quality employees is essential. Failing to keep talent at your business can have serious, and costly, consequences. When someone with specialized knowledge, relationships, or leadership potential leaves your business, the fallout could include:

- Expense and time related to recruiting, hiring, and training a replacement
- Weakened or lost relationships with customers, suppliers, and creditors
- Costly mistakes due to inexperience
- Lower morale among the remaining team members
- Decreased sales and profits

Two increasingly popular ways to help prevent employee turnover are workplace safety and private bonus plans.

1. **Workplace safety.** Employees want to feel safe at work, and know that you are committed to preventing an on-the-job injury that could forever change their lives. Making safety a priority sends a clear message to your team: you care about them.
2. **Private bonus plans.** With a private bonus plan, businesses pay select employees set bonuses at specific milestone years of employment. For example, an individual deemed particularly valuable to your operation may be offered a \$10,000 bonus after 5 years of service, \$12,000 after 10 years, and \$15,000 after 15 years, etc. Private bonus plans are funded with a cash value life insurance policy. In this situation, the business applies for, owns, and pays the premiums on a cash value life insurance policy insuring the key employee. The business can then withdraw policy cash values as needed, and in accordance with policy terms to pay the scheduled bonuses.

Don't let employee turnover derail your 2023 goals. To learn more about promoting workplace safety or private bonus plans, reach out to your local Federated® [marketing representative](#).

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