



(330) 231-1688 • (330) 262-7583 • (440) 835-4167 • (309) 423-3085 (fax)  
jmt@jmt-associates.com • www.jmt-associates.com

## PEOPLE POINTERS

Volume 1, Issue 2, June 2004

### ORGANIZATIONAL COMMITMENT

Sandra Kay Neal, Ph.D.

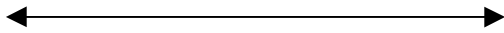
Committed employees tend to stay with a company. This reduces all the costs associated with turnover.

There are two types of commitment: Continuance Commitment and Affective Commitment. Both types will reduce turnover.

**Continuance Commitment** is created when people are so heavily invested financially that it would be a financial hardship for them to quit.

**Affective Commitment** occurs when employees value the company and want to be part of it. Only Affective Commitment is positively related to productivity / performance and the willingness to do extra work to help the company and co-workers.

**Affective Commitment** is developed when companies help employees see their valued part in the total mission of the company.



#### **HR Tip**

When was the last time you reviewed your employee handbook?

**Call for a free on-site consultation.**

### VOLUNTEER BENEFITS – RECRUITING & RETENTION METHODS

John M. Turner, Ph.D.

Recruitment and retention of top-performing employees is a business priority with the area of employee benefits playing a crucial role. Maintaining the standard group health care and retirement benefits is very important from a competitive viewpoint. As companies continue to shift responsibilities and costs to their employees, we see the role of voluntary benefits becoming more important. Companies have a responsibility to help their employees make good decisions regarding their benefit selection, therefore employees should be educated on how to select benefits and make spending decisions wisely. The goal should be to minimize cost increases and maximize the benefit value to the employees. When selecting a menu of benefit options it is important to consider the local demographic changes in the workforce. Small employers have been particularly hard hit with the rising costs of health care, and voluntary benefits allow a more competitive edge without overburdening the company with benefit related costs. Volunteer benefits are paid for by the employee through payroll deductions and administrative costs to the company are very small or none at all. Some of the popular volunteer benefits include: wellness programs, flexible work arrangements, flexible spending accounts, long-term care insurance, group legal insurance, group auto and homeowner's insurance, eldercare referral services, and critical illness coverage. It is important to know the workforce and match the benefits selection accordingly. Although a bit on the "different" side, some companies are offering veterinary pet insurance, grocery shopping services, and auto repair service. The key is to think outside of the box. Volunteer benefits are often overlooked as a cost-effective method to positively impact recruiting and retention programs. It is a smart business move to consider this option as part of a total benefits package. Times are changing and so should your benefit program.