



# Workforce Retention

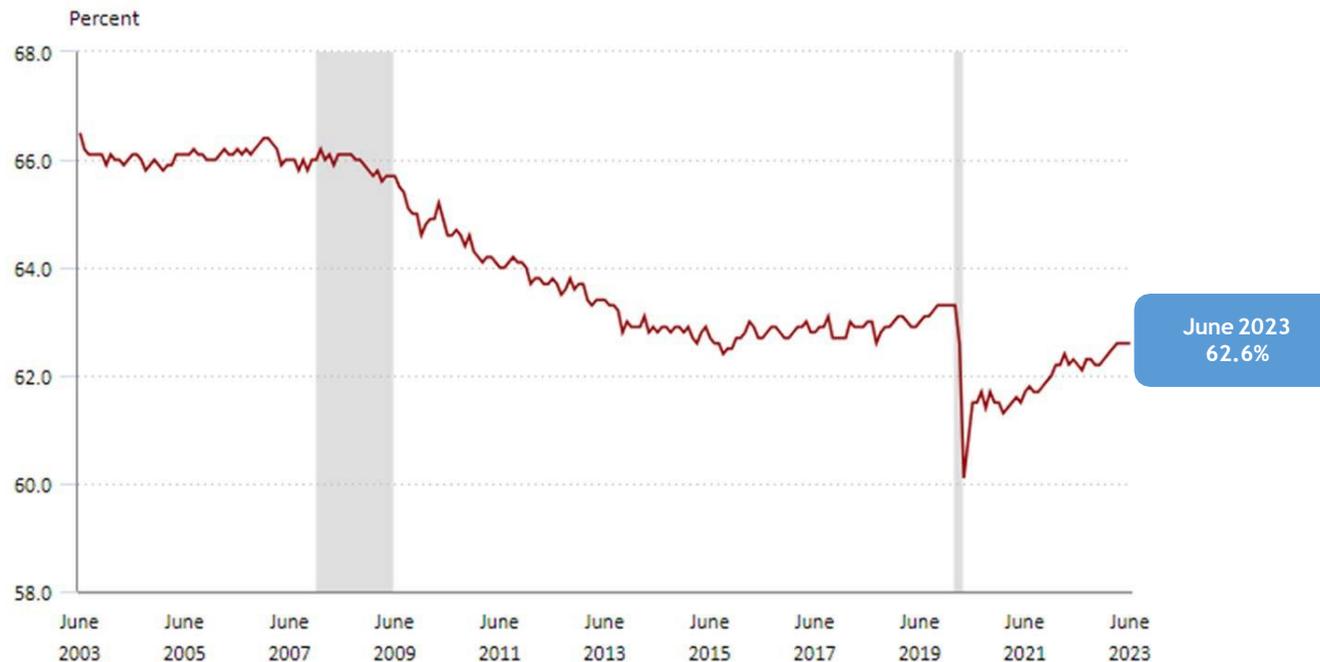
Michele Massaro  
Chief Operating Officer  
Abacus Corporation

## Let's All Agree...

- ✓ Our most important asset: Our employees
- ✓ Today's workforce is motivated by “mission driven” opportunities
- ✓ There is such a thing as “healthy turnover”
- ✓ We want our employees to know that joining our company was a great decision

# Workforce Participation

Civilian Workforce Participation, Seasonally Adjusted



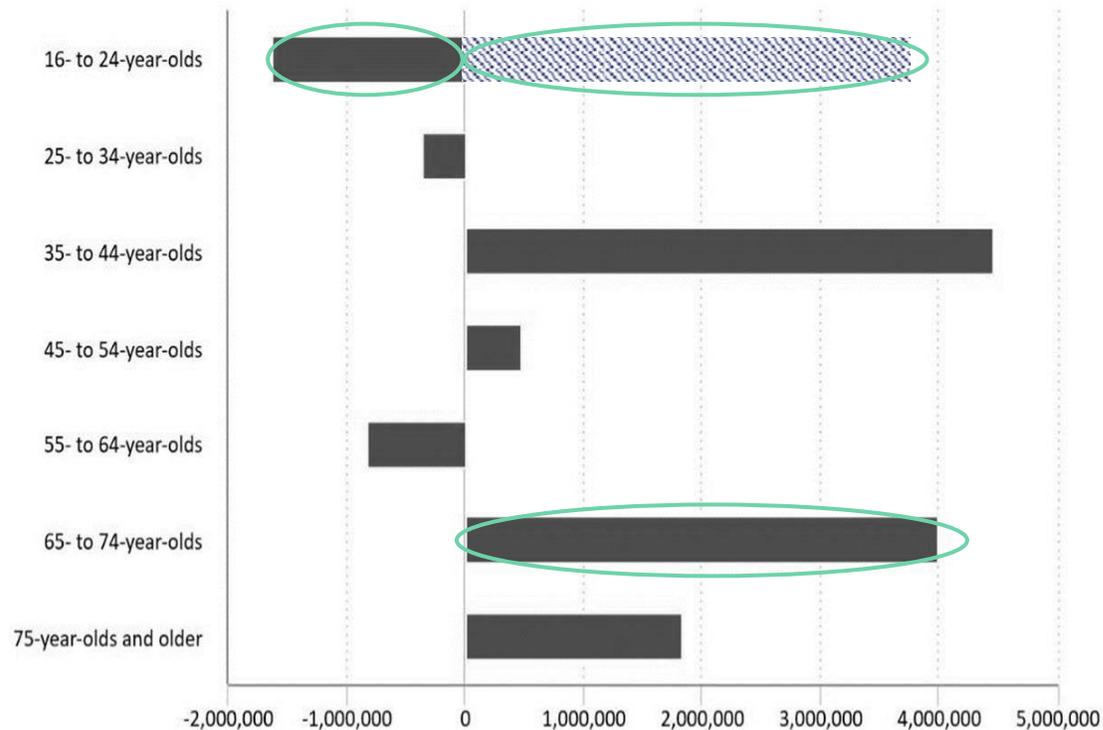
- Labor force participation rate is nearing 63% at 62.6%
- 6.0 million unemployed people (June 2023 BLS)
- 1.4 million marginally attached to the labor force (not included above)\*

*\* These individuals wanted and were available for work and had looked for a job sometime in the prior 12 months but had not looked for work in the 4 weeks\**

Source: [bls.gov/news.Release/empsit.nr0.htm](https://www.bls.gov/news.release/empsit.nr0.htm)

# Shifting Generations of Workers

Chart. Numeric change in the civilian labor force by age group, projected 2019–29

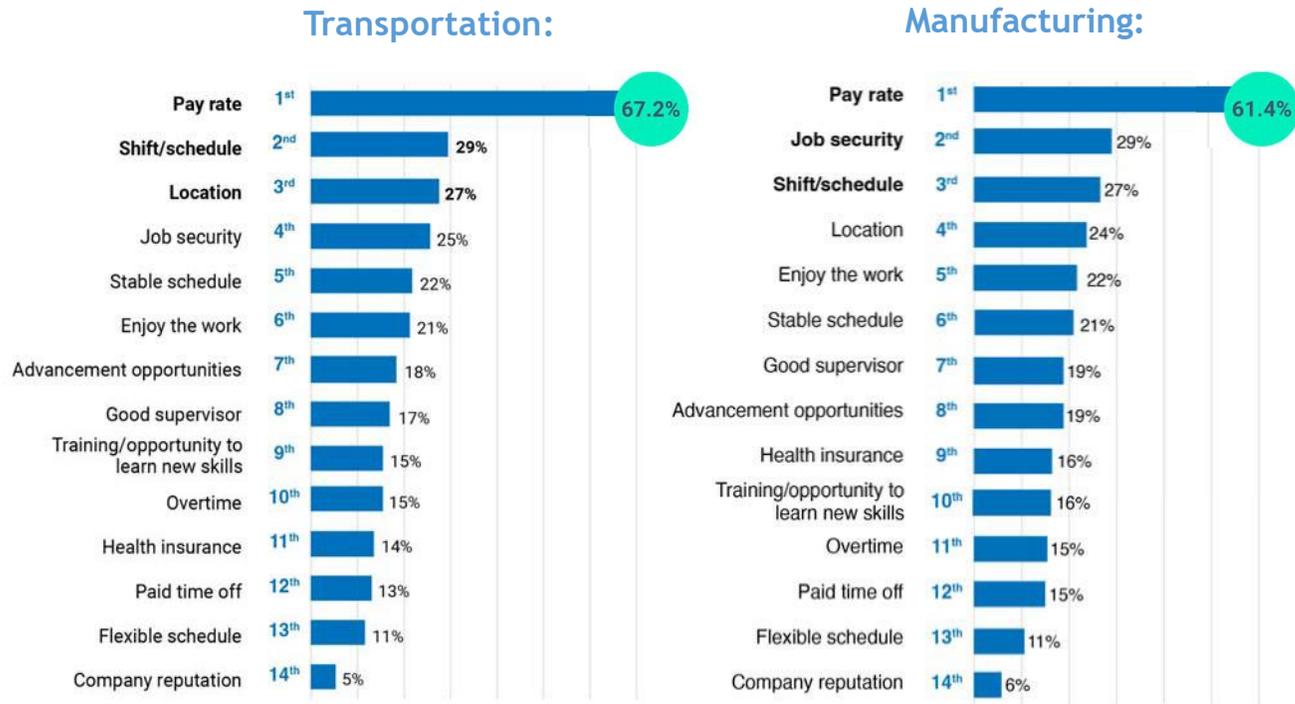


Note: The civilian labor force excludes active duty members of the U.S. Armed Forces and people who are confined to, or living in, institutions or facilities such as jails, detention centers, and skilled nursing homes.  
Source: U.S. Bureau of Labor Statistics, Employment Projections program.

- Baby Boomers are retiring at a record pace
- Millennials are the largest generation in the workforce
- Change in the social contract between employer and employee in last 40 to 50 years
- Millennials and Gen Z have a different perspective about work-life balance

# Top Motivator: Pay Rate

“What is most important to you when looking for a job?”



Pay remains the biggest motivator - by far - when looking for a job. It was the number one ranked choice across all industries.

Clerical: 69.4%  
Transportation: 67.2%  
Manufacturing: 61.4%

Job security, shift/schedule, and location all tie for a distant second or third place.

This was a ranking question, so totals will not equal 100%.

# Pay Increase vs. Paid Time Off

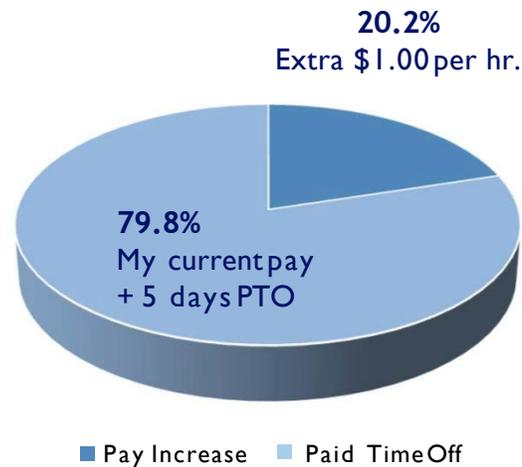
Cost differential between the preferences:

**5 additional days PTO at \$18 / hour**  
Cost = \$900 /year  
(includes a 25% COB X 40 hrs.)

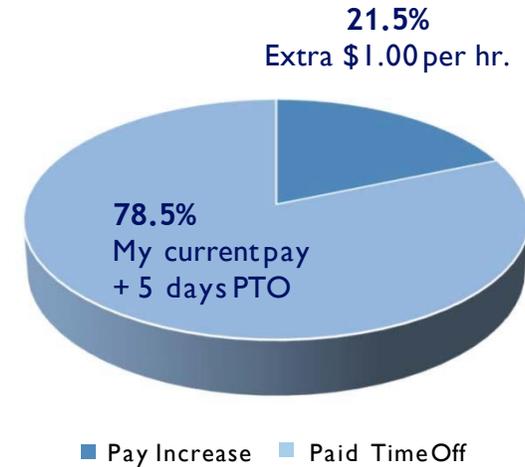
vs

**\$1.00 per hour increase**  
Cost = \$2,600 /year  
(includes a 25% COB for 2,080 hrs.)

Transportation:

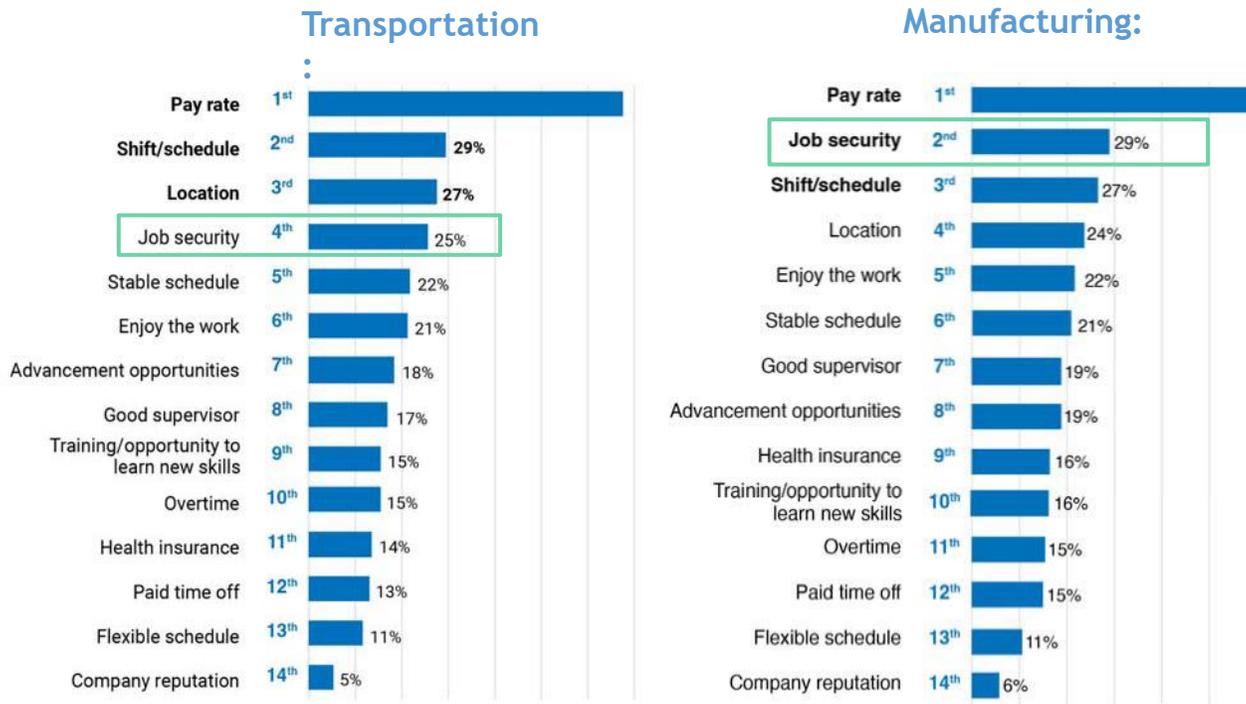


Manufacturing:



# Job Security is a Top Motivator

“What is most important to you when looking for a job?”



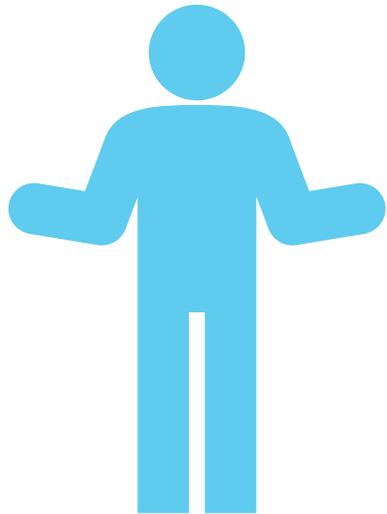
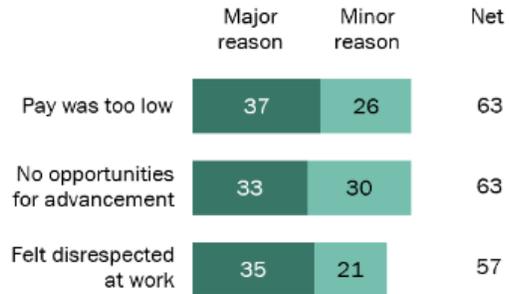
Job security consistently ranks as a top 5 motivator across most sectors when looking for a job. This is likely a reflection of seeking stability amid an uncertain economy.

Looking by work sectors, it was #4 for 25% of transportation workers.

This was a ranking question, so totals will not equal 100%.

## Top reasons why U.S. workers left a job in 2021: Low pay, no advancement opportunities

Among those who quit a job at any point in 2021, % saying each was a \_\_\_ why they did so



## R-E-S-P-E-C-T Find out what that means to me.. (before it's too late!)

- ▶ According to the Pew study, 57% of Americans quit their jobs in 2021 citing that a consideration in making this decision was feeling disrespected at work.
- ▶ A growing trend in reasons why employees have left their previous employers: *“I felt like I wasn't appreciated/not supported/treated unfairly”*.

# Recommendations

1. Offer **competitive wages** and **focus on advancement opportunities**. With job openings continuing to outnumber candidates, focus on what motivates job seekers and retains employees.
2. **Show respect and compassion for workers**. Seek to understand their experience, explain hidden rules, and give second chances.
3. **Focus on retention**. Be a highly engaged employer with clear values so that employees understand how their contributions are helping the business and want to **STAY!**

# What is Retention?

Employee retention involves strategic actions to keep employees motivated and focused, so they choose to remain employed and fully productive for the benefit of the organization.\*



\*SHRM: Managing for Employee Retention

# Why Retention Matters



It minimizes cost and increases productivity, stabilizes culture and contributes to employee morale.



It promotes the health, culture and success of your organization.



The time, stress, and cost of hiring and training new employees are significant, and turnover can have a negative impact on your business outcomes.



Retention plays an important role in another key business driver: employee engagement.

# Why Do We Need to Focus on Retention?



THE COST OF  
TURNOVER



DECREASE IN  
EMPLOYEE MORALE

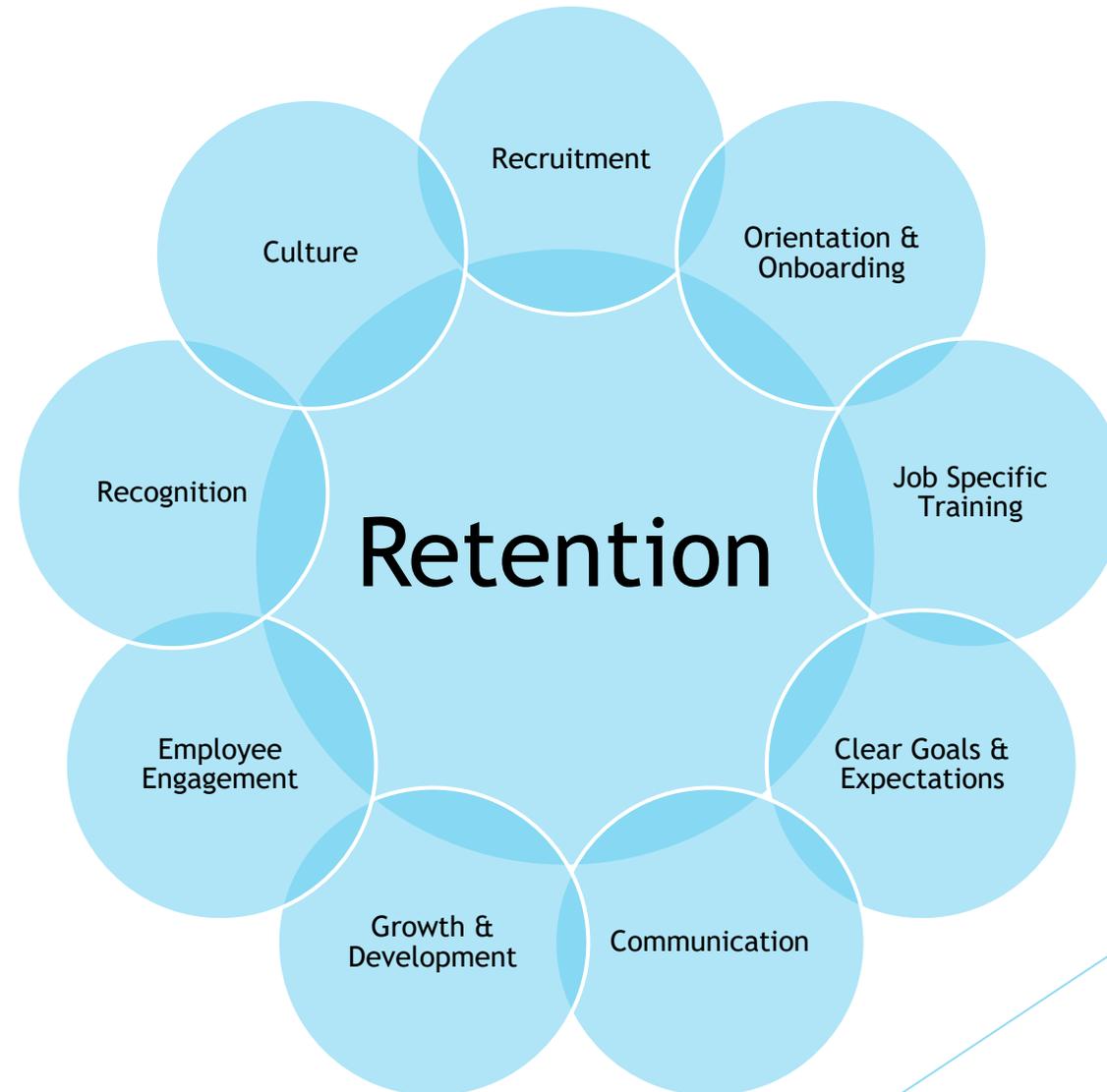


LOSS OF COMPANY  
KNOWLEDGE



DISRUPTION OF  
CUSTOMER SERVICE

# The 9 Pieces of Retention



# Starts with Recruitment

- Retention starts with Recruitment
- All about “Candidate Experience”
- Interviews “Goes both ways!”
- Clear Messaging - Defining your company



# Recruitment to Onboarding

They said yes...now what?

- Engagement - Onboarding - Day 1 - What to expect next at each step in the process
- Welcome to the Team! Setting the tone for employment experience
- Now what do I do? Developing an Outstanding New Hire experience that reflects your company culture

# Measuring Retention

Average rate across all industries in 2022 - 90.6%

- ▶ Key metrics and methods for measuring retention
- ▶ Use of employee surveys and feedback
- ▶ Exit Interviews
- ▶ Reviews - Google/Glassdoor



# Employee Engagement



# Feedback and Communication

90% of workers say that are more likely to stay at a company that takes and acts on feedback.

- 2020 Engagement and retention report, achievers

# Company Culture

- ▶ Lead with empathy
- ▶ Communicate effectively
- ▶ Inspire
- ▶ Uphold your company's values





## Company Culture – Improving our Greatness!

- ▶ Establish a Strong Code of Ethics
  - ▶ Zero Tolerance Policies
- ▶ Inclusive Hiring Practices
  - ▶ Diverse teams make better decisions 87% of the time!
- ▶ Establish Clear Lines of Communication
  - ▶ Employees need to know best way to communicate concerns with their management.
- ▶ Check In with your Team
  - ▶ Regularly scheduled One-on-One discussions

# Recipe for Retention

- **R**ecruit great employees
- **E**xpectations are clear
- **T**rain and develop
- **A**sk for feedback
- **I**nform and involve
- **N**otice what they do



# Industry Retention – Strategies to consider

(saved the sales pitch to the end!)

1. **Develop strategic partnerships** that will enhance the industry's ability to engage and retain talent.

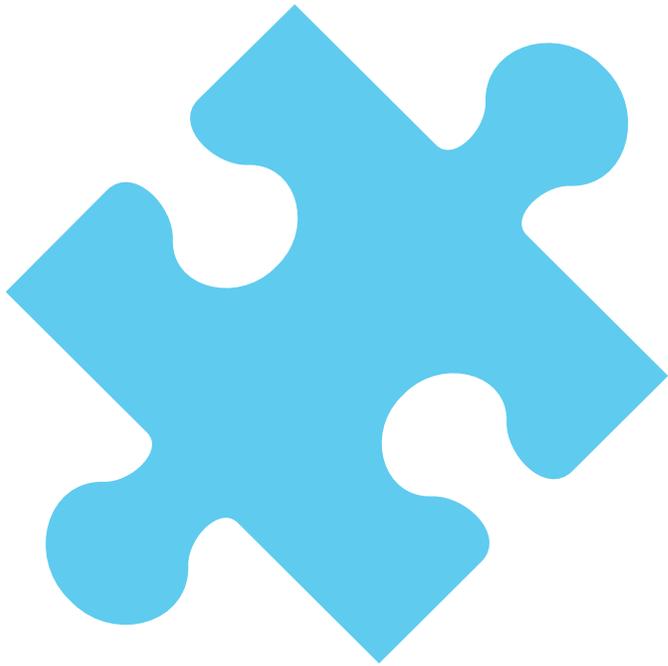
2. **Promote industry opportunities.**

Focus on aligning business opportunities across industry organizations to entice new talent.

# Industry Retention – Strategies to consider

3. Understand the labor climate with the flexibility and willingness to adapt.

4. Recognize opportunities to **RETAIN** talent within the industry as business opportunities change for your organization.



# Jeopardy!

<https://jeopardylabs.com/play/abacus-jeopardy-7>