



Employee Engagement &
Retention vs Attraction



**Alliance for
Manufacturing
and Technology**

Agenda

- Introductions
- Survey Update
- Turnover
- Engagement & Retention
- Attraction Strategies

Measure Turnover.

Voluntary – When the employee leaves a job, typically more expensive and impactful to the organization.

Involuntary – When the employer asks the employee to leave, not all turnover is bad.

New employee turnover – Typically in the first year of employment.

What is your turnover rate?

Cost of Turnover (SHRM)

<https://www.amtmep.org/calculate-your-cost-of-turnover/>

Turnover Cost Calculation					
Enter information into the Essential Data section, and columns C and E as applicable. The formulas will automatically calculate total costs for turnover.					
Essential Data					
	Exiting position's hourly rate of pay (or for an average turnover cost, provide an average pay rate here):				
	Supervisor's hourly rate of pay:				
	HR/recruiting/payroll average rate of pay:				
HARD COSTS		Hours	Wages	other costs/fees	Total
Separation costs	Exit Interview - Staff administration time		\$0.00		\$0.00
	Exit Interview - departing employee being interviewed time		\$0.00		\$0.00
	Payout of annual leave for departing employee		\$0.00		\$0.00
	Other separation costs (unemployment benefits)				\$0.00
Separation Costs					\$0.00
Vacancy costs	Current employee extra work (added shifts/ OT)		\$0.00		\$0.00
	Temporary hire				\$0.00
	Vacancy Costs				\$0.00
Replacement costs	Requisition/Job Postings (Administrative time & ad, costs)				\$0.00
	Interviewing time		\$0.00		\$0.00
	Pre-employment testing (administrative time and/or costs)		\$0.00		\$0.00
	Reference/Background checking (time and/or vendor costs)		\$0.00		\$0.00
	Drug testing (administrating time and/or vendor costs)		\$0.00		\$0.00
	Job offer and rejection letter administration time		\$0.00		\$0.00
	Orientation administration time		\$0.00		\$0.00
	Orientation - new hire time		\$0.00		\$0.00
	On-the-Job Training (time of trainer/supervisor)		\$0.00		\$0.00
	On-the-Job Training - new hire time		\$0.00		\$0.00
	Replacement Costs				\$0.00
HARD Costs of Turnover Total					\$0.00
SOFT COSTS		Hours	Wages	other costs/fees	Total
Separation Costs	Loss of productivity of departing employee (existing employee performance commonly reduces to 50% to 75% of normal productivity)				\$0.00
	Lost productivity of co-workers (increased time discussing departure and organizational conditions.				\$0.00
	Increased workload for employees				\$0.00
Separation Costs					\$0.00
Vacancy Costs	Lost productivity of vacant position				\$0.00
	Lost productivity of supervisor (time spent filling in, coordinating schedule changes)				\$0.00
Vacancy Costs					\$0.00
Replacement costs	Lost productivity during new hire learning curve				\$0.00
	Lost productivity of co-workers mentoring and supporting new hire				\$0.00
	Lost productivity of supervisor due to additional coaching and oversight needed for new hire				\$0.00
Replacement Costs					\$0.00
SOFT Costs of Turnover Total					\$0.00
TOTAL COST OF TURNING OVER ONE EMPLOYEE (hard costs + soft costs)					\$0.00

Engagement Surveys

•In its Q12 Engagement Survey, Gallup examines a dozen questions that measure worker engagement and are linked to business outcomes such as retention, productivity, profitability, customer engagement, and safety:

- 1) Do you know what is expected of you at work?
- 2) Do you have the materials and equipment you need to do your work properly?
- 3) Do you have the opportunity to do what you do best every day?
- 4) In the past seven days, have you received recognition or praise for doing good work?
- 5) Does your supervisor, or someone at work, seem to care about you as a person?
- 6) Is there someone at work who encourages your development?
- 7) Do your opinions seem to count?
- 8) Does the mission/purpose of your company make you feel that your job is important?
- 9) Are your fellow employees committed to doing quality work?
- 10) Do you have a best friend at work?
- 11) In the past six months, has someone at work talked to you about your progress?
- 12) In the past year, have you had opportunities at work to learn and grow?

You can't handle the truth...



The Case for Engagement

The Gallup organization, based in Washington, D.C., conducted its ninth meta-analysis on the Q12 Engagement Survey, using 339 research studies across 230 organizations in 49 industries and 73 countries. Within each study, Gallup researchers statistically calculated the business/work unit relationship between employee engagement and performance outcomes that the organization supplied. This ninth iteration of the meta-analysis further confirmed the well-established connection between employee engagement and nine performance outcomes.

Median differences between those units that scored in the top quartile of engagement and those that scored at the bottom quartile were:

- 10% in customer ratings.
- 21% in profitability.
- 20% in sales productivity.
- 24% in turnover in high-turnover organizations, 59% in low-turnover organizations.
- 70% in employee safety incidents.
- 28% in shrinkage (thefts).
- 41% in absenteeism.
- 40% in quality (defects).

How to spot engaged employees.

- Energized
- Pride
- Engrossed
- Real engagement vs the façade of engagement

Well-Being

- Physical—overall health, stamina, energy
- Psychological—levels of stress, optimism, confidence, control
- Social—work relationships, work/life balance, equity, respect, connectedness

How to Drive Engagement

- Opportunities for development (Succession Planning)
- Confidence and trust in leadership
- Recognition and rewards (Be comfortable saying “Thank you”)
- Organizational communication that is delivered in a timely and orderly way
- Engage the spouse/family

Managers/Supervisors are the Key to Engagement

- Communication Positive/Negative
- Consistency
- Caring
- Problem Solvers
- Minimize Roadblocks
- Breaks down projects into manageable components
- Defends direct reports

Employee Engagement Metrics

- Employee Absence Rate
- Workers Compensation Incident Rate
- Revenue per Employee
- Yield Ratio (Recruiting)
- Turnover Rate

The Case for Retention

- Part of business strategy
- Starts in the interview process
- Stay interviews
- Recognition Programs

Stay Interview Questions

- 1) What do you look forward to when you come to work each day?
- 2) What do you like most or least about working here?
- 3) What keeps you working here?
- 4) If you could change something about your job, what would that be?
- 5) What would make your job more satisfying?
- 6) How do you like to be recognized?
- 7) What talents are not being used in your current role?
- 8) What would you like to learn here?
- 9) What motivates (or demotivates) you?
- 10) What can I do to best support you?
- 11) What can I do more of or less of as your manager?
- 12) What might tempt you to leave?

Performance Management

- Aligned with organizational strategy
- \$ for desired behaviors and results
- Performance Appraisal
 - Feedback (Communication)
 - Allocate Rewards
 - Development
- Consistency (Manager/Supervisor Training)

Staffing Strategy

- Must align with organizational strategy
- Short- and long-term plan
- Understand organizational culture
- Get similar positions involved in the process

Branding

- Social Media
- Print
- Recruiting Events
- Community Involvement
- Word of Mouth (Referrals)
- Have a Hook!
- Think about generational differences.

Recruiting

- Up to date Job Descriptions
- Pre-hire testing
- Internal
 - Referrals
 - Posting (Communication)
 - Succession Planning
- External
 - Institutions
 - Internships
 - Job Boards, Applicant tracking systems
- Realistic Job Previewing
 - To allow the organization the opportunity to portray the job objectively—including both favorable and unfavorable aspects
 - Avoid buyers' remorse

Work/Life Balance

- Banking, investment guidance
- Household needs, laundry services
- EAP, legal assistance
- Wellness programs, weight loss, exercise, smoking cessation.
- Incentives for Healthy Lifestyles

Work Permits

- The H-1B visa provisions authorize the employment of select qualified individuals who are not otherwise authorized to work in the United States. The intent of this program is to help employers that cannot otherwise obtain needed business skills and abilities from the U.S. workforce for certain specialty occupations. The H-1B visa is valid for up to three years and renewable for an additional three years, for a maximum of six years.

Attraction (Thinking outside the box)

- Transportation
- Benefits opportunities
- Housing
- Daily pay
- Pet insurance
- Student loan repayment
- It's all about the perks!!

Orientation and Onboarding

- Make the first day impactful
- Structure the first year
- Use the buddy system
- Succession planning starts day one
- Cross-functional relationship building



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