

EMPLOYEE ENGAGEMENT: THE ANTIDOTE TO TURNOVER

NOT SIMPLY IMPORTANT, BUT IMPERATIVE FOR HIGH-PERFORMING WORK ENVIRONMENTS

Employee engagement is an issue that should be of concern to every business. Engagement is measurable, and it represents the degree to which an employee is attached to his or her job, co-workers, and organization. Engagement significantly influences one's willingness to learn and perform at work, which generates higher productivity and impacts overall company performance and profits. Data recently published by Gallup, Inc. show engagement among U.S. workers is holding at a scant 33%. This means seven out of ten people are “checked out,” or are actively hostile towards their employers—seven out of ten. Gallup also reports that manufacturing workers are the least engaged occupational group in the nation, sitting even lower at 25% engagement. These statistics shed light on the fact that employees today do not feel heard; that they have no voice or opportunity for their opinions to shape their workplace in a meaningful way.

33%
ENGAGEMENT
AMONG U.S.
WORKERS

**HAPPIER,
ENGAGED
PEOPLE
STAY AT
THEIR
JOBS
LONGER**

At Elwood Staffing, we understand the great importance of giving our temporary associates a voice, and we have developed a simple program that gives them a platform to be heard. Our Associate Engagement Program focuses on the systematic collection, analysis and interpretation of candid and confidential feedback provided by our working associates. The results are then shared with our clients in a way that allows for open, objective and frank dialogue between the local Elwood team and the client's senior leadership with the objective of increasing associate satisfaction to ultimately improve job performance and retention rates.

Elwood has conducted over 150 client site studies across a variety of industry verticals throughout our nationwide footprint. More than 11,000 associate interviews have been conducted and documented. This meaningful sample has equipped us with the knowledge to understand what is in the hearts and minds of our associates.

The simplicity of our program's approach has allowed us to quickly understand how our associates feel about their assignments, while gaining actionable insights. We then work with our clients to facilitate positive work environment changes, driving better worksite performance and increased retention. The first step of the process utilizes the Net Promoter Score® methodology developed by Fred Reichheld and poses two simple questions:

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Question 1 asks, “On a 0-10 scale, how likely is it that you would recommend this assignment to one of your friends or family members?” Respondent scores are then categorized as follows:

PROMOTERS (score 9-10) are associates who work with passion and feel a profound connection to the client company and to Elwood Staffing.

PASSIVES (score 7-8) are associates who bring little energy to the company and cannot be counted on as long-term assets.

DETRACTORS (score 0-6) are associates who aren't just unhappy at work, they are busy acting out their unhappiness. Every day, these workers undermine what their engaged coworkers (promoters) accomplish. From these scores, the Net Promoter Score (NPS) is calculated by subtracting the total percentage of detractors from the total percentage of promoters. A strong NPS, in this scenario, indicates satisfied, engaged and loyal associates who will refer others.

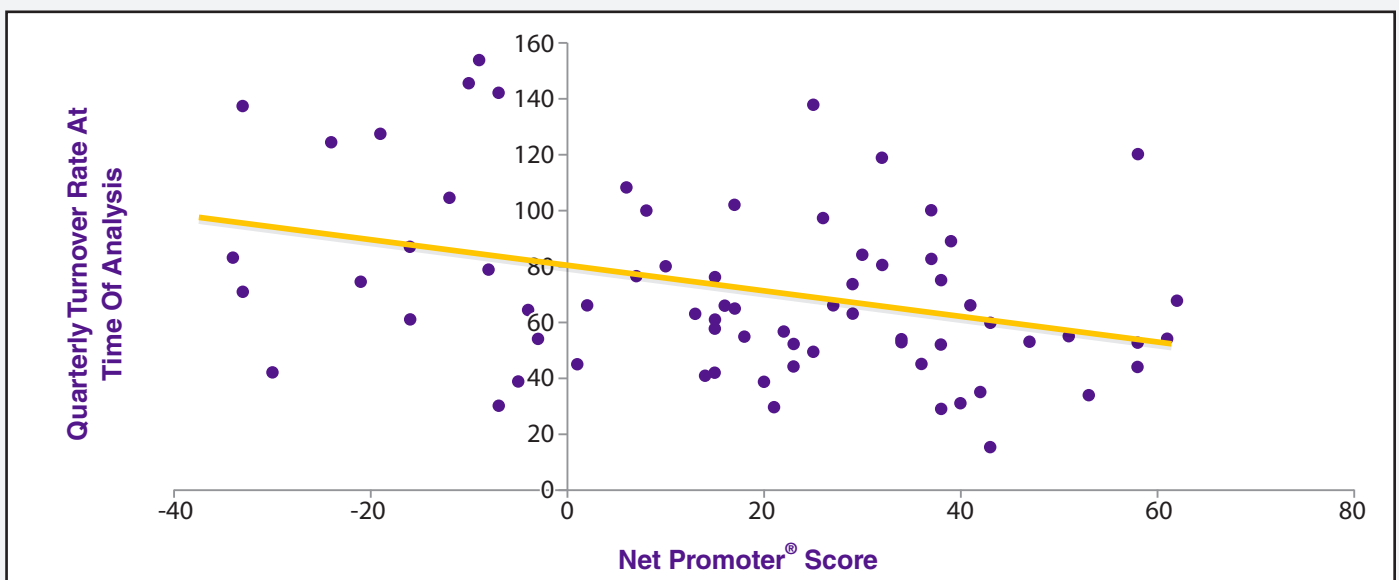
Question 2 asks, “If we could facilitate any changes to make your assignment better, what changes would those be?”

96%
OF CLIENTS MADE
WORKPLACE
CHANGES

The answers to this question are significant, as 96% of the clients who have participated in the program made a variety of changes to their environments in response to the knowledge gained. This level of commitment demonstrates to associates that the company is listening, values input and is willing to make adjustments.

The feedback we've collected thus far supports the concept that happier, engaged people stay at their jobs longer. The trend line in Figure A suggests that the higher the NPS, the lower the turnover rate. This begs the question—how can you increase your number of fully engaged associates (promoters)? Actively finding ways to engage a larger percentage of your workforce will positively impact your bottom line. And how do you do this? Start by asking for and listening to feedback from your workforce. Then take proactive, visible steps based on what you hear and learn.

Figure A: DATA-DRIVEN INSIGHTS – The Impact Of Engagement On Retention



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In conclusion, we would like to share a few best practices we've consistently identified as "stay factors" among workers in companies with low turnover and high employee satisfaction:

PAY AS A DIFFERENTIATOR: As always, associates are happier when they receive compensation they consider fair and deemed higher than other companies in the area. It should also be noted that offering a higher pay rate will generally attract a higher caliber applicant pool, increasing worker performance and retention. Additionally, defined pay progressions also aid in lowering turnover (e.g., 30 days, 90 days and 6 months).

CLEAR CONVERSION PROCESS: Associates want to know exactly when and how they will be converted to the client company's payroll; whatever the process, make it well-defined and administer it consistently.

INCLUSION: Associates are happier when they feel like a part of the client company as opposed to "just a temporary employee." Open communication lines by conducting daily start-up meetings where associates can receive information and ask questions.

TREATMENT BY SUPERVISORS: Employees need to be treated with respect by their immediate supervisor and feel like valued members of the team.

FEEDBACK: Associates want constant feedback—positive and constructive—from both Elwood and the client company.

TRAINING/ORIENTATION: It's imperative to provide adequate and timely training to each new associate. We know that associates need to know the "how to," but the best performing companies also share the "how come." Associates also like to be coached on areas for improvement.

OVERTIME: Associates do have lives outside of work and it can be frustrating—and often inconvenient—to be told at the last minute that they must stay late for a determined period of time. The issue is not necessarily an aversion to working OT hours, but the lack of notice. Organizations that engage in "stay factor" practices try their best to provide as much notice as possible so that employees can adequately arrange for babysitting, transportation, and other needs.

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