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Proven Strategies to Engage and Retain Your Workforce

This resource contains ideas and best practices from companies that have made employee engagement a priority. While wages are an entry point to attracting and retaining talent, there are many activities that can boost engagement.

Over the past few years, employee engagement has become a top priority for many companies. As hiring increased and workforce availability decreased, many companies have revisited their practices for engaging and retaining employees.

In 2020, although unemployment has risen, employers are facing new challenges:

- Competition against unemployment and stimulus pay
- Individuals with childcare issues or homeschooling needs
- Concerns about personal safety and the choice to stay home

The Labor Participation rate, the percent of individuals working or looking for work, is at historic lows – and is much lower than previous recessions. In September, the Labor Participation rate was 61.4, down from February when it was 63.4.

Participation Rate – Over Time



Labor Force Participation Rate



Source: Bureau of Labor Statistics

The Value of Retaining Employees

According to new research from more than 600 US businesses with 50-500 employees, 63.3 percent of companies say retaining employees is more difficult than hiring them.

Employee engagement impacts business success and should be included in a business strategy. According to a recent Gallup study, the businesses that scored the highest on employee engagement showed 21 percent higher levels of profitability than those in the lowest quartile. Companies with highly engaged workforces also scored 17 percent higher on productivity.

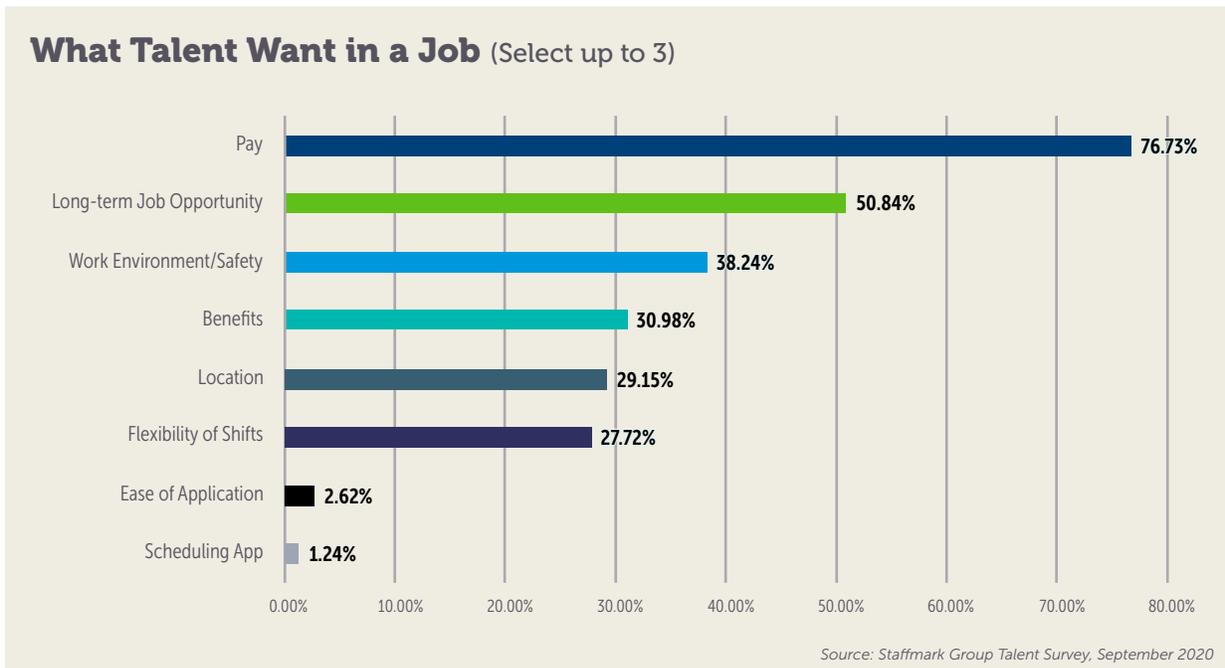
Having strategies to improve engagement and retention influence job placement results. For example, an employer that maintains a workforce of 500 hourly employees and experiences 20 percent monthly turnover will lose 100 employees per month, lose 1,200 employees per year, and replace their workforce 2.4 times each year.

This leads to a never-ending list of jobs that need to be refilled and employees who need to be trained.

How Wages Impact Retention

For many positions, it's a job seeker's market, and wages play a significant role in the ability to attract and retain talent. There are many jobs available, and the companies with the best wages will win. Some candidates are applying with multiple companies and may be contacted after they have already started a new job. This can lead to early quit rates and candidate ghosting if other offers are more competitive.

Staffmark Group conducted a nationwide survey in September 2020, receiving 2,024 responses. The leading reason for accepting a job was "pay," followed by "long-term job opportunity." This data reveals the importance of a company promoting and discussing long-term opportunities and benefits with new hires.



Employee Engagement & Retention Best Practices

Be inclusive. Companies that treat their contract employees as part of the team and include them in regular activities have a culture where people believe they have a future. These companies include all employees in appreciation events, such as lunches or snacks, and recognize them just like an internal employee. Employers who treat contract employees like outsiders almost always have higher turnover rates.

Onboard to retain. All employees should receive the same level of respect and attention:

- Introduce to department leadership team and coworkers
- Send a welcome message
- Discuss the training process
- Get to know their names

Offer training and support. Ensure all employees have the best knowledge and tools available to perform their jobs. Create a defined training process and deliver it consistently. If possible, assign dedicated trainers for on-the-job training.

Prioritize recognition and appreciation. Employees want to feel heard and valued. Recognition leads to increased motivation, a sense of pride, and self-confidence at work. As a result, the employee takes more initiative, tries harder, and takes more responsibility.

Provide feedback. Many employees thrive on employee feedback – one-on-one time spent sharing results and celebrating achievements. Without feedback, employees have no understanding of their contributions, which is especially frustrating for new employees. Feedback is especially important to the Millennial generation.

Involve the leadership team. Company leaders should understand their employee engagement responsibilities and have resources to engage their teams. Meet with your leaders to:

- Communicate results
- Discuss strategies and opportunities to improve turnover
- Ensure that they understand that retention is everyone's responsibility

84%

of highly engaged employees were recognized the last time they went above and beyond at work, compared to only 25% of actively disengaged employees.

Source: Employee Engagement & Modern Workplace Report

Ideas to Make Work More Fun

Power Hour. This activity is ideal for environments where productivity is measured. Announce a Power Hour during the shift and offer recognition for the highest performer of the Power Hour. Quality of work should also be a factor when selecting the winner.

WOW Wednesdays. Recognize employees on each shift for top performance, most improved performance, best or most improved quality, etc.

Kickoff Event. Come up with slogan for your peak season and make it fun by having the leadership team complete a challenge based on meeting goals.

Employee Committee. Select employees from different departments and have them come up with recognition and appreciation ideas for each quarter.

Wall of Fame. Create a wall with photos of new employees. This can be used to reinforce current job opportunities or a referral program.

Daily Checklist to Engage & Retain

- Know every person's name and use it during discussion.** Get to know something personal about each employee.
- Share how each employee's job supports the overall operation** and why it is important.
- Give specific feedback** about job performance. Compliment a job well done. Offer suggestions for improvement and/or show how the task can be done more efficiently.
- Share results** against goals throughout the shift. Teams will pull together to achieve goals.
- Celebrate** quality work and say thank you often.

Case Study: Two Results, Same Company

An analysis was completed for a company with high turnover. Two sites were analyzed. Both managed entry-level workers who performed repetitive work, yet one had low turnover and the other had high turnover.

Low Turnover Site	High Turnover Site
<ul style="list-style-type: none"> • Shift start up meetings held every day • Visible supervisor in work area and on floor • New hires welcomed • Management knew everyone's name • Performance feedback given daily to everyone • Training was a priority • Team had healthy competition on who was performing the best and having fun • Lot of "high-fives" from the supervisor <div style="text-align: center;">  ENGAGED WORKFORCE </div>	<ul style="list-style-type: none"> • Associates did not know who their supervisor was • Waited to see if workers would return before investing in proper training • Production communication boards were not updated • No regular shift start-up meetings • Culture lacked focus on engagement • Turnover was 50% higher with a high rate of voluntary turnover. <div style="text-align: center;">  DIS-ENGAGED WORKFORCE </div>

While there is no one-size-fits-all solution, these engagement practices are proven to make a difference. The ROI can be seen in everything from productivity and retention to customer service and profitability. If you'd like additional information on how to become a more employee-centric organization, please connect with us. We'd love to share how our staffing solutions can help you build a stronger workforce that is invested in your company's success.

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Staffmark Group is a family of staffing brands with a mission to align people and companies to create opportunity. We provide the expertise, connections, and technology to help people and companies succeed. If you need a job, we want to provide it. And if you need staff, we want to deliver the best candidates.

A proud member of RGF Staffing, Staffmark Group is organized into three operating units: Commercial Staffing Services (Administrative & Light Industrial), Technical & Professional Services, and Strategic Workforce Solutions. Our national network of 450+ branch and on-site service locations connects 250,000 talent annually.

Opportunity is everywhere, but it's not always easy to uncover. We partner with you to help you find it.

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