

HOW TO MANAGE EMPLOYEES IN TODAY'S WORKPLACE

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With the unemployment rate dropping to 4.5% in March, a level not seen since 2007, employee retention has become a major challenge for companies of all sizes.¹ A recent study by Future Workplace and Kronos found 87% of employers surveyed view employee retention as a critical priority.²

With low unemployment and salaries expected to increase by 3% this year, more workers may be tempted to explore other career opportunities.³ The U.S. Bureau of Labor Statistics recently reported wage and salary workers had stayed with their current employer for an average of 4.2 years.⁴ The number was even lower for workers ages 24 to 35, who averaged 2.8 years of tenure.⁵

Some companies are strengthening their “employer brand” image and offering a wide range of perks and benefits to entice and retain employees. Others are revising their entire approach to the employee experience to focus on activities that strengthen employee engagement and satisfaction.

Companies lose employees when managers overwork them, fail to recognize contributions and exceptional work, do not honor commitments, hire and promote the wrong people, and fail to recognize employees as people.⁷

Ford Motor Company, for instance, is transforming its commercial business model and simultaneously undertaking a global human resources initiative that's altering its employee policies and focus. The process emphasizes listening to what employees want, learning about the problems and challenges they face in their jobs, and finding ways to empower them in their daily work.⁶

“People don't leave companies — they leave managers” is a decades-old workplace adage. The critical factor in retention is often the relationship between managers and their employees. Companies lose employees when managers overwork them, fail to recognize contributions and exceptional work, do not honor commitments, hire and promote the wrong people, and fail to recognize employees as people.⁷

Many workers, especially millennials, no longer want to be managed in a traditional way. They want coaches who help them develop professionally and leaders who challenge and engage them. They want the flexibility to work from home and determine their schedules. Many want opportunities to pursue their passions and engage their creativity, to feel intellectually challenged, and to develop and expand their skills.⁸

SO WHAT'S A MANAGER TO DO?

There are several ways that managers can strengthen employee engagement and satisfaction:⁹

- **Listen** — Don't wait for the annual performance review to meet with employees. Meet with them regularly, either in scheduled or informal meetings, to learn about their career goals, their personal and professional challenges, and their ideas for improving work processes and projects.



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- **Demonstrate respect** — Not all employees want face-to-face interactions. Some prefer texting or email. Take the time to figure out how best to interact with employees and demonstrate respect for their preferences, time constraints, workloads and personal commitments.
- **Challenge** — Although nearly every job entails some routine or mundane tasks, it’s important to provide employees with intellectually challenging experiences. Work with employees to find opportunities that engage their interests and challenge them.
- **Collaborate** — Find occasions for employees to work together on projects in unexpected ways. This will help them forge new working relationships, build bridges between groups, and further develop their interpersonal skills.
- **Train** — Co-develop learning plans for employees to help them develop their talents and strengthen their résumés. Employees who have the chance to acquire credentials and skills are likely to appreciate the manager and company that enable their development.
- **Invest** — Outdated technology can discourage and frustrate employees, making it difficult for them to work productively and navigate effectively throughout the workday. Technology should reduce stress by enabling employees to work effectively from any location and by improving efficiency.

To discuss these topics in more detail, please contact your PNC Relationship Manager.

- 1 “United States Unemployment Rate Data Chart,” commentary and data posted by Joana Ferreira, Trading Economics, April 7, 2017. Available at: <http://www.tradingeconomics.com/unitedstates/unemployment-rate>
- 2 “What Employers Will Worry About in 2017,” by Dan Schawbel, Fortune, Dec. 28, 2016. Available at: <http://fortune.com/2016/12/28/employers-2017-employee-retention-unemployment/>
- 3 “What Employers Will Worry About in 2017,” by Dan Schawbel, Fortune, Dec. 28, 2016. Available at: <http://fortune.com/2016/12/28/employers-2017-employee-retention-unemployment/>
- 4 “Employee Tenure in 2016,” Bureau of Labor Statistics press release, U.S. Department of Labor, Sept. 22, 2016. Available at: <https://www.bls.gov/news.release/pdf/tenure.pdf>
- 5 “Employee Tenure in 2016,” Bureau of Labor Statistics press release, U.S. Department of Labor, Sept. 22, 2016. Available at: <https://www.bls.gov/news.release/pdf/tenure.pdf>
- 6 “Rewriting the rules for the digital age: 2017 Deloitte Global Human Capital Trends,” a study published by Deloitte University Press, 2017, pages 57-58. Available for download at: <https://www2.deloitte.com/content/dam/Deloitte/us/Documents/human-capital/hc-2017-global-human-capital-trends-us.pdf>
- 7 “9 Things That Make Good Employees Quit,” by Dr. Travis Bradberry, TalentSmart blog, undated. Available at: <http://www.talentsmart.com/articles/9-Things-That-Make-Good-Employees-Quit-172420765-p-1.html>
- 8 “9 Things That Make Good Employees Quit,” by Dr. Travis Bradberry, TalentSmart blog, undated. Available at: <http://www.talentsmart.com/articles/9-Things-That-Make-Good-Employees-Quit-172420765-p-1.html>
- 9 “How Millennials Want to Work and Live,” a study by Gallup, Inc., 2016. Available for download at: <http://www.gallup.com/reports/189830/millennials-work-live.aspx>

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