



7 actionable  
strategies

to boost employee  
retention.



randstad

human forward.

# introduction.

Great employees drive progress. When talented workers stay put, teams get stronger, profits increase and brands gain traction in the marketplace. In other words, employee retention is a crucial part of success — but it has become more challenging to achieve.

World events, including the pandemic and Russia/Ukraine war, foster uncertainty in society, while the **changing attitudes of younger generations** have introduced a more fluid workforce.

Manufacturing industries have been hit particularly hard, and it's not confined to any one world region. For example, when calculating monthly quits (only those employees who left voluntarily), United States manufacturers reported a **rate of 1.6 in September 2018**. However, by September 2022, just four years later, that rate had **increased to 1.9**, a difference of almost 50,000 employees leaving during the month.

According to a recent poll, Vietnamese workers in manufacturing admit to being stressed 'often' and 'very often,' giving the industry the dubious award of having the **highest rate of stressed employees**.

Furthermore, worker turnover in the manufacturing industry affects more than HR costs, as discovered in a [study by Wharton's Ken Moon](#). He tracked the amount of product failure among cell phone devices and compared it to worker turnover. Results showed a distinct correlation; increases in weekly turnover rate led to increases in product failure. This study confirms that manufacturers must institute robust employee retention programs.

Fortunately, there are employee retention strategies you, as a business owner, can implement to keep your employees engaged and loyal. In this guide, we'll examine several actionable ways to reduce turnover and boost your retention percentage.



# unpack your company culture.

The first step to reducing employee turnover is better understanding your current company culture. The best way to conduct this assessment is to gather key data points.

- [conduct engagement interviews](#)  
[Exit interviews](#) provide final opportunities to learn why employees leave. In contrast, ongoing engagement interviews represent a preemptive strike against turnover because they help you collect information before workers decide to leave.
- [create an anonymous survey](#)  
Employees aren't always comfortable speaking to higher-ups face to face. Many people feel more at ease responding to anonymous surveys; if initial uptake isn't good, you can always add a response incentive.
- [approach influential employees](#)  
Admired and well-liked employees usually know what's up on the factory floor. Ask informal leaders about morale in the general workforce and find out if they have ideas for improvement.
- [appraise your culture](#)  
To determine how your business stacks up against the competition from a culture perspective, especially in regard to Gen Z workers, consider hiring an independent consultant to assess policies, procedures and morale.

With your company climate sorted out, you can move on to the next phase: how to retain employees. The following seven strategies can help you create an effective employee retention plan.



# 1. flexible scheduling.

[Hybrid work models](#), including flexible scheduling and remote connectivity, are here to stay, and that includes jobs in the manufacturing industry. While many employers were initially keen to 'get back to normal' as quickly as possible, employees were not.

[Randstad's Workmonitor 2022](#) surveyed employees worldwide to find out what workers want from their careers. Not surprisingly, flexibility was a major driver in choosing a job (42% said they wouldn't accept a job that didn't let them modify their schedules). However, more remarkable was how many employees were willing to change jobs to receive a more flexible workday. Approximately one-third of adults aged 18 to 34 admitted to quitting a job that was too inflexible.

Not every facility or production line has the luxury of remote work available. For example, Workmonitor 2022 found that only 23% of blue-collar workers had the ability to work offsite. However, flex shifts and variable work weeks are becoming standard among many manufacturers, and some have even experimented with [part-time shift work](#).

By taking advantage of the opportunities you can offer, you'll position yourself as a progressive employer, making it easier to entice and retain manufacturing workers.

Start by developing a comprehensive company policy for remote and flexwork opportunities. Then continually review and update these guidelines to align them with a post-pandemic workplace environment.

Secondly, consider working with a workforce management company. This type of dedicated, on-site support can help alleviate pressure from your in-house team by handling the [day-to-day workforce management](#), such as ensuring all shifts are filled.



# 2. meaningful work.

Employees have new expectations when it comes to work. They're looking for much more than a paycheck, placing emphasis on social change, corporate responsibility and climate awareness. Meaningful work contributes to job satisfaction, and job satisfaction is a significant employee retention driver.

According to the Workmonitor 2022 Survey, on average, [33% of employees globally](#) would rather be unemployed than work a less than satisfying job. Per country, the breakdown is as follows: Japan 15%; Germany 29%; United States 39%; Turkey 47%; and India 63%.

Now let's look at how surveyed employees say they feel in their lives and on the job. Gallup's State of the [Global Workplace 2022 report](#) offers some sobering statistics. Worker stress has increased, reaching all-time highs in 2021, even after the pandemic somewhat subsided. Almost 80% of employees are not engaged in their work, and only 9% of all workers globally consider themselves thriving in life and engaged in their work.

When you look at the survey results above, is it any wonder workers are switching jobs at increased rates or electing to remain unemployed? For instance, in the United Kingdom, [3.1% of employees](#) changed jobs in 2022's third quarter, a significant increase and also one of the highest rates comparatively.

The good news is that you have the opportunity to fill a gap in peoples' lives, and by offering meaningful work, you can not only gain new workers but improve retention of employees.

If you're unsure what 'meaningful work' looks like, ask your employees directly. Some staff members want to make a difference in the world through corporate programs; others want to know that the company is promoting social justice and inclusivity from within.

Meaningful work relies on communication. Share corporate aims and allow employees to be a part of them. For example, if your company has pledged to support Ukraine relief efforts or sponsors a recycling program, make sure everyone from top management down to the newest hire understands their role in these philanthropic efforts.

Canada-based Lululemon is one such example. The company ensures suppliers have similar sustainability goals, sponsors a program to [resell used goods](#), and its founder, Chip Wilson, recently pledged a [considerable donation](#) to support British Columbia parks. As a result, employees at Lululemon can feel they're making a difference through their work.

# 3. better training.

Learning & Development programs represent a pathway to continued growth and are a tried-and-true employee retention strategy. Very few people dream of repeating the same tasks day in, day out, ad infinitum. Instead, they envision being given more responsibility within their departments, getting promoted and one day, working their 'dream jobs.'

Most training plans begin with a combination of orientation and onboarding and then progress to a tech and soft skills curriculum. Safety and quality control training are also vital in the manufacturing, logistics and automotive sectors.

With the shift toward [digitalization and automation in manufacturing](#), employers will need a different set of skills in the workforce. Using current employees to bridge the skills gap gives you an advantage in the race to restructure.

According to the [L&D 2022 Report](#) from findcourses, employers in the United Kingdom and the United States are allocating more of their annual budget to upskilling and reskilling programs. Both countries prioritized management and leadership training. The second and third spots for the UK concerned closing the skills gap and tech training. The US also had closing the skills gap as a second goal, but its third was strengthening soft skills.

Regardless of how your organization divides up its training budget, it's crucial to your retention plan that all employees know what options are available and how to access training.

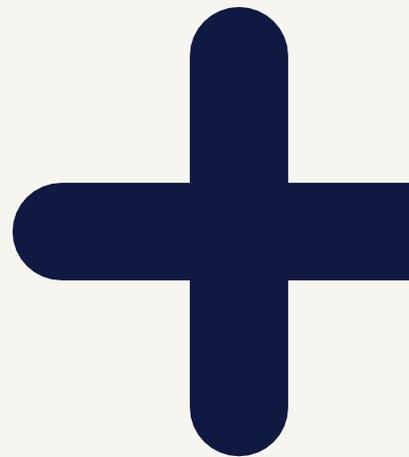
# 4. tackle bad bosses.

Bosses boss people around; leaders lead. Bad bosses — managers who micromanage, dominate the people they supervise or invite feedback only to respond with criticism — directly cause employee turnover.

[The Society for Human Resource Management](#) recently discussed ten reasons for workplace lawsuits. In the article, 5 out of the 10 were motivated by inferior supervision. From bosses who don't listen to those who are just plain mean, your management team could be contributing to your labor shortage.

To encourage employee retention, never ignore signs of leadership failure in your organization. If one of your departments has a consistently high attrition rate, for example, speak to your employees to find out what's going wrong. If workers fear retaliation, create an anonymous survey, using incentives to encourage participation.

If you do find evidence of bad management, confront the issue directly. Some supervisors improve after soft skills retraining — communication or leadership, for instance. Others habitually fall short or commit misconduct; in that case, a managerial reshuffle might save the day.





# 5. employee recognition programs.

Employee recognition programs make people happy. Factory workers often feel like faceless drones, and delivery drivers work long hours in relative isolation. Well-conceived recognition programs improve morale by making employees feel valued, which is key to retaining talent.

While slightly cliché, 'Employee of the Month' programs still work well. Goal-based recognition programs, such as those listed below, are also effective:

- end-of-month pizza parties for departments that meet production goals
- employee work anniversary recognition

Observe other companies (including your competitors) in your industry or region to see what works for them. Sometimes just letting your employees know you're listening can be a huge encouragement, which means not just asking for their opinions but acting on them.

[Great Place to Work](#), an organization that evaluates businesses regarding employee satisfaction, has found through their research 'when employees feel respected

by managers and organizational leadership, they are more likely to stay with their organization long-term.'

# 6. great pay, better benefits.

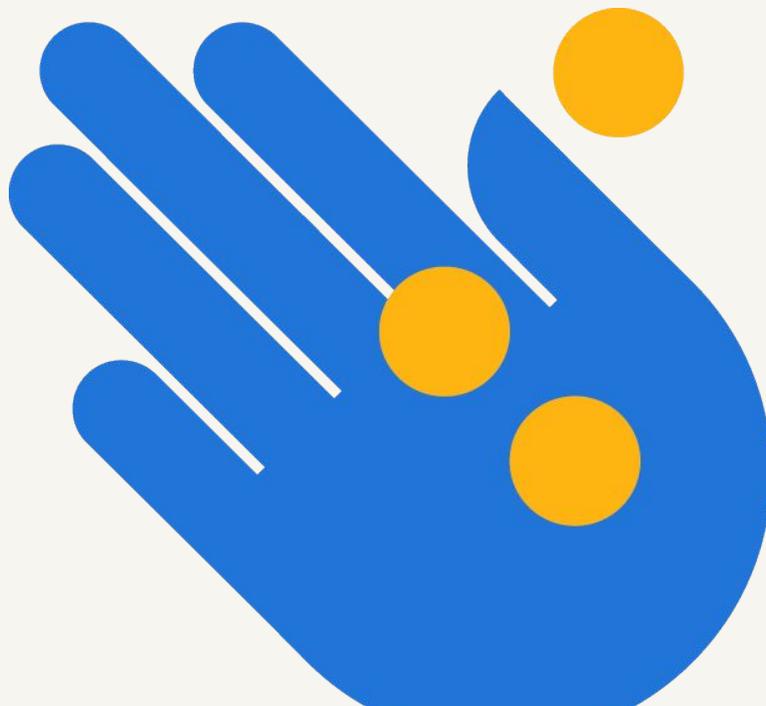
If your company has a higher-than-average employee turnover, examine your pay and benefits structure. It's vital to keep pace with other companies in your industry, so do ensure that your hourly rates and salaries are competitive. You'll lose employees left and right if you offer less than your peers.

Furthermore, workers need help coping with the [extra costs of living](#), and many expect their employers to ante up. If your pay increases aren't keeping pace with inflation, you may lose even long-time previously content employees.

Employee benefits are equally important. Consider offering prime benefits, such as:

- flexworking
- health insurance, including medical, dental and vision
- company-matched pension plans
- paid time off
- gym membership benefits

The bottom line is that workers who feel well taken care of from a financial and well-being perspective generally stay put.

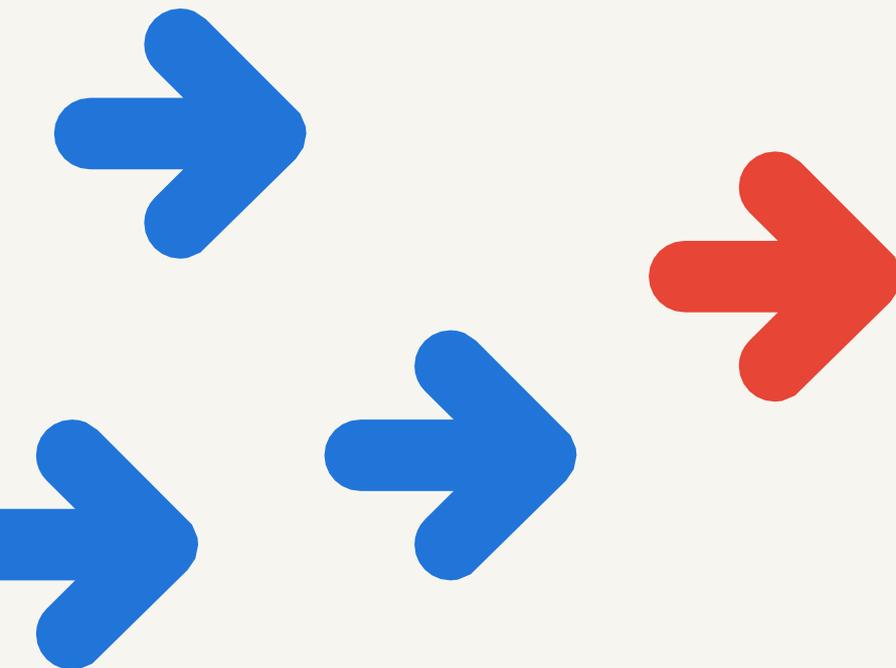


# 7. work with an HR solutions partner.

Working with a human resources partner can help you improve employee retention from the onset. Why? Because the right HR firm can help you find the right candidates. Employees whose goals and core beliefs align with your company culture tend to stick around; in contrast, people who don't fit in usually leave.

Candidates who look good on paper but don't perform well after they're hired present a recruitment conundrum. Staffing companies who recruit on a daily basis can provide invaluable insights when hiring new workers. They'll work in tandem with your HR department, sharing resources and analyzing your current hiring practices to strengthen the overall recruitment process from start to finish.

The best global HR partners keep thousands — or tens of thousands — of pre-vetted candidates in a centralized database. When you contract with them, they draw on their existing talent pool to fill vacancies quickly and efficiently.



## partner with randstad

Employee retention in manufacturing can be challenging without external input — and that's where Randstad comes in. With six decades of staffing and recruitment as well as workplace management skills under our belts, we know how to find, hire and motivate the right staff for you.

[Contact Randstad](#)