

Reducing turnover

How workforce analytics can help lead to better employee experiences



Saratoga

A PwC Product

Summer 2021 may have been the height of the Great Resignation, but it's not over yet. The **US Bureau of Labor Statistics** reported that 20 million US workers quit their jobs (the highest ever recorded) while companies across the country collectively posted over 10 million jobs. With **88% of executives** saying they're seeing higher turnover than normal, business leaders are grappling to identify the underlying causes.

One contributing factor to this wave of attrition is a shift in employees' priorities. Corporate culture, social justice and equity, well-being and other intangible benefits are now top of mind for workers. But only **35% of employees** say their company has very effectively created an inclusive work environment for all employees, and only 31% believe their company has addressed employee wellness.

If employees can't trust their employers to provide empathy, support, engagement and opportunity, they're more likely than ever to move to a company that can.

In light of the sweeping impacts of the Great Resignation—combined with the expansion of the hybrid workplace—how does your organization revive the proverbial “ghost town” of workforce culture? The answer is revealed when organizations adopt a data-driven, methodological approach. Only then can business leaders get a truly accurate pulse of their employees' current state and have what they need to reexamine initiatives and offer progressive employee experiences for all.



How to build a culture where your people can stay, contribute and excel

Most employees (**77%**) who resign reveal in their exit surveys that their employer could have retained them. To entice top employees to stay, companies can adopt a strategy of “re-recruiting” — make a proactive, compelling internal offer now rather than waiting for them to get an offer elsewhere.

Companies can do this by following a three-pronged approach: Understand, respond and activate/optimize, using workforce analytics as the driving force to help produce measurable change.

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Understand

A workforce analytics approach can be used to pull in source data so HR leaders can understand who is leaving and from where, the extent of the impact and, most importantly, why.

Combine insights from surveys and benchmark data with live feedback to make more meaningful connections between how your employees are feeling and active business objectives. Insights help answer questions like, are you rolling out enough support, and if you believe you are, do employees agree? Are you communicating what resources are available? What are other industry leaders doing and how do you compare?

For diversity, equity and inclusion insights, use surveys and data across the employee lifecycle, milestones and subgroups for gender, age, race and ethnicity. Beyond traditional demographics, workforce analytics can help you understand the intersections of these aspects to better understand nuances. This will help highlight potential blindspots and culture deficiencies.

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Here's how it may look:

- **Race:** Employees identifying as non-white dropping off as you get higher up the career ladder, spotlighting the lack of inclusive mentorship opportunities.
- **Gender and age:** Women leaving right around the time they're starting families or taking on caregiving responsibilities, indicating the need for additional family leave benefits.
- **Skills:** A hybrid workforce changing **future skill requirements**, exposing the need for a system or processes to identify **skill gaps**.

By visualizing historical data and comparing it to internal and external benchmarks, you can identify the possible cracks—and the well-performing experiences you can replicate—within your employees' holistic experiences. When you see how you balance out, you can begin implementing strategies that cement engagement, satisfaction—and retention—back into place.

Data Types

- Qualitative and quantitative
- Structured and unstructured
- Internal and external

Systems

- HRIS
- Recruiting
- Payroll
- Communications

Talk and Listen

- Interviews
- Focus groups
- Chat
- Email

Surveys

- Onboarding
- Stay
- Exit
- Pulse
- Engagement

Outcomes

- Holistic, data-driven understanding of current and historical turnover
- Understanding of hot spots and root causes
- Visualizations/Dashboards to summarize findings

Respond

Once you understand root causes, the next step is to define solutions. But don't feel like you have to come up with the answers alone. In fact, if you want more employee buy-in, it's better if you co-create the solution with them. Make employees a part of the conversation to gain a deeper understanding into what kind of solutions they want right now and into the future.

What do you need to fix? What do employees want?

- Greater flexibility
- Training
- Career advancement
- Resources for mental health and well-being
- Commitment to diversity, equity and inclusion (DEI)

Use conjoint/preference analytics to determine which needs to prioritize

Design a solution

- Look at the human and business problems together
- Involve a cross-section of the right people—let employees create the experience
- Identify who is enthusiastic, who wants to stay and who wants to leave

Outcomes

- All key stakeholders working together to address areas where there are issues
- Tactical roadmap and plan
- Prioritized issues and solutions



You can use the “hotspot” groups identified in the Understand phase to create task forces, **focus groups** or interviews. Invite groups to share their experiences and ask questions even for tougher conversations around diversity, equity and inclusion. By understanding the **facts of today**, you can create better experiences for tomorrow.

Taking diverse views and different life stages into consideration will help you prioritize, design and roadmap flexible offerings that cater to your population, while also helping deliver on your overarching business goals.

You can then communicate your new strategy with your employees. Let them know you’ve listened to them, what you’re doing, why you’re doing it and how they can participate in more feedback gathering. As more employees trust that you’re listening, chances are that more will speak up to effect change and stick around for results.

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Activate and optimize

Once you've defined your employee-led initiatives, it's time to implement them. But how do you help confirm you have a system and culture that supports and sustains change for the long haul?

Part of the equation is involving and preparing your internal influencers to help champion the strategies and experiences you just created. The other critical component is having a system in place that can help track, measure and drive better performance and results.

Continuous benchmarking will help your company gain an understanding of your employee base as your business and culture advances. Predictive modeling will help you anticipate who is going to stay, outperform or possibly leave. Organizational network analysis will help you see the evolution of your internal collaboration and communication networks, and plan for when attrition may have cascading impacts.

This final step is key in boosting DEI initiatives. And **data-focused** companies can adopt these initiatives more rapidly and successfully than companies that focus on softer actions such as Friday afternoon social gatherings and magazine awards for diversity. With workforce analytics, you can visualize the outcomes and help create a supportive system that energizes your workforce and proactively manages attrition.

Retain your people

- Implement your retention strategies
- Create a network of your game changers
- Sustain the change (community, coaching, tools)
- Drive better performance and results (accountability and right measures)

Make sure it's working and look ahead

- Set goals
- Measure the outcomes
- Listen to your employees

Enable with analytics

- Organizational network analysis
- Predictive modeling (attrition, quality of hire, performance)

Outcomes

- Enthusiastic and energized workforce
- Environment to proactively manage retention and attrition in key roles

Use workforce analytics to help create experiences employees want

Workforce analytics tools can pinpoint the traits of top-performing employees, identify potential skills gaps and analyze pay gaps by gender or race to help you improve pay equity and make progress toward diversity goals. In other words, it's the key to unlocking experiences employees actually want and care about.

But to successfully balance operational goals while giving employees meaningful experiences, you need to know where you stand compared to other industry leaders and with your employees' perceptions. With industry-wide data to benchmark against, you'll see what gaps are in play in terms of employee experiences, gender, race and pay. You can see where you are performing well and where you can communicate resources more thoroughly.

A clear vision into your workforce also helps you map out investments in workforce and human capital functions, understand the true hierarchical shape of your organization, the proportion of external and internal hires and the talent ecosystem of contractors and supervised workers.



Know how you compare

To balance strategic and operational goals with evolving employee expectations, you need a system that can pull in your workforce data and compare it to industry benchmarking data.

Saratoga, a PwC product, is an established workforce analytics and benchmarking platform in the market, with 40+ years of experience, drawing data from hundreds of companies across 15+ industries.

The system covers industry sectors with over 700 metrics relating to diversity, turnover, talent acquisition, workforce productivity, span of control, succession, recruiting costs, hire quality, labor costs, HR cost and organizational structure.

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Know your people

Today's analytics tools and technologies allow you to connect data on both events and sentiments, providing you operational-driven insights so you can:

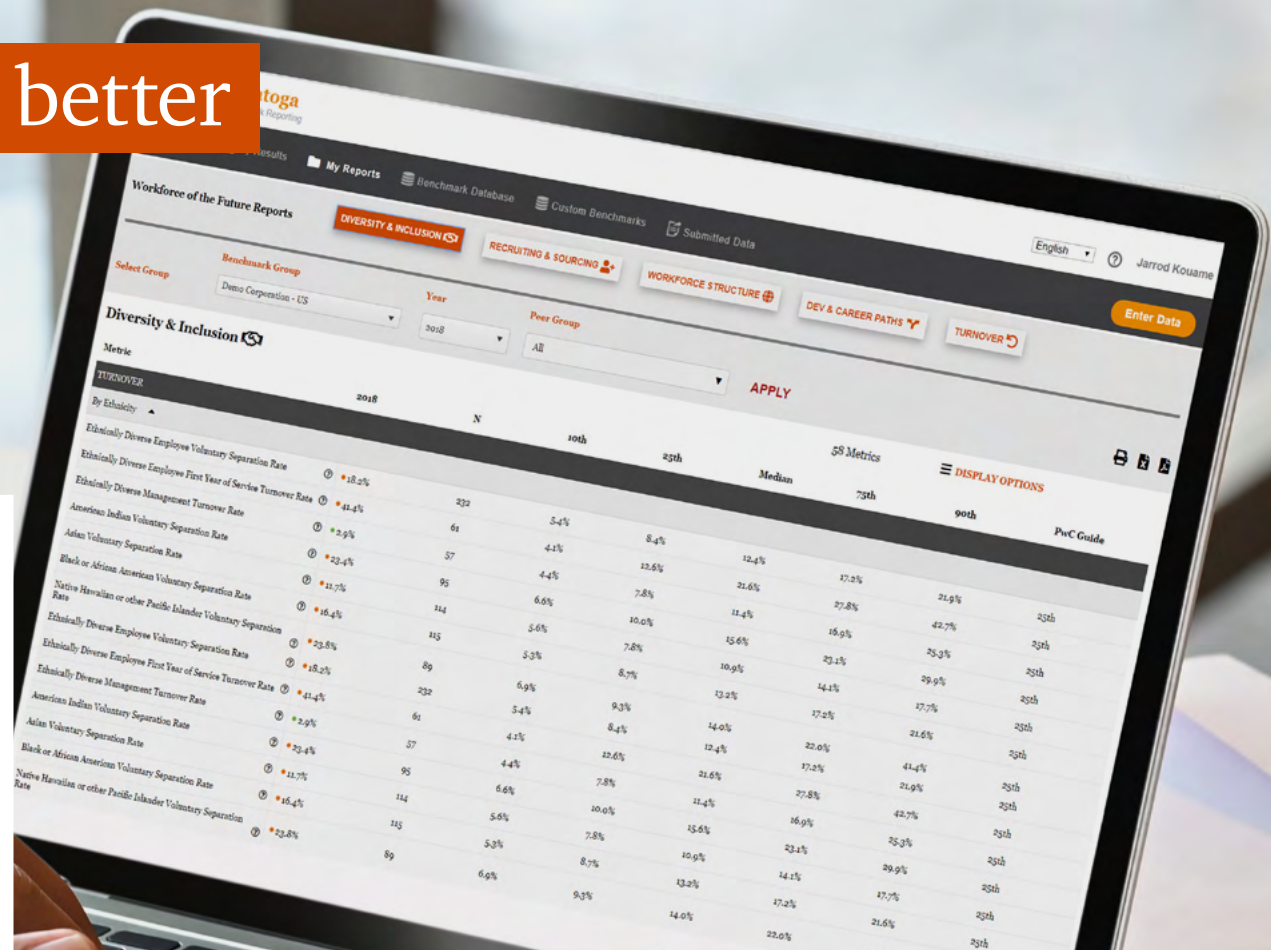
- Improve retention, satisfaction, engagement and performance
- Receive feedback as issues arise and pivot as things change
- Gain insight into your employee experiences
- Give people a chance to be heard to show that your company values their voice
- Assess key metrics across key groups to better understand what really motivates your people

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Know where you can do better

Through competitive benchmarking and advanced people analytics you can develop a strategy to help collect and use near real-time insights while taking measure of what matters most — the people that drive your business forward.





Discover how workforce analytics can improve employee experiences and unlock the power of your people. **[Connect with the Saratoga team today.](#)**



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