



CFO Forum

The Great Resignation and the Great Retirement 2022 HR / Talent Priorities & Best Practices

January 19, 2022



MRC HR Forum Facilitators



Guest Speaker

- **Susan McDonald**, Vice President Client Services
CCI Consulting
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- Facilitator, MRC's HR Forum
- Two-time nominee for HR Consultant of the Year
- Lead five (5) HR Executive Roundtables throughout the region – approximately (100) Senior HR Leaders and HR Executives in these forums
- Senior Leader with CCI Consulting for over (14) years working with C-suite, owners and principals of manufacturers to support full spectrum of HR & Strategic Talent Management needs.

CCI Consulting: MRC HR Consulting Partner

CCI Consulting is a full-service HR & Talent Management Consulting firm, in business since 1988, working with **manufacturing clients** to drive growth and sustainable business results.

Client profile:

- Small to mid-market and large employers
- Privately-held, family-owned, private-equity-owned / VC investments
- Regional, national and international

CCI Footprint:

- Local – **MRCs Footprint**
- All metro regions across US
- Global scale

Sampling of how we are actively helping clients today:

- Compensation – Executive and small to large scale projects
- Employee Engagement Survey
- Executive and Non-Executive Coaching
- HR Assessment (structure; people and process)
- Interim HR staffing and projects
- Internal Career Management / Development
- Organizational Design
- Outplacement / Reductions-in-Force
- Retained, Executive Search
- Retirement Planning (Aging Workforce)
- Senior Leadership, Hi-Po and Frontline Leader Development programs
- Succession Planning
- Talent; Team; Culture, D,E&I Assessments



Agenda

Setting the Context

- *The Great Resignation*
- *The Great Retirement*
- *Top 10 HR Trends for 2022*

Best Practice Considerations to address 2022 Market & Labor Force Demands

- *Talent Acquisition*
- *Talent Retention*
- *Employee Engagement*

Funding / Tax Credits to Leverage for hiring & training

The Context... The Great Resignation

January 7, 2022: <https://www.kiplinger.com/economic-forecasts/jobs>

- **A big drop in the unemployment rate in December, to 3.9%**, suggests that businesses will continue to have difficulties hiring this coming year.
- **The labor force remains smaller than what it was prior to the pandemic**, as many workers either took early retirement or delayed their reentry into the job market because of trouble finding childcare or because of infection fears.
- **A tight labor market** will mean **more job openings** taking **longer to fill**, and **higher-than-normal wage increases**.
- **Wages increased 5.8%** from a year ago for production workers.
- **The number of part-time workers looking for full-time work is declining** as more of them become full-time, and more people are joining the labor force to look for work.

The Context... The Great Resignation

- Statista, a market and consumer data website, reported that, **“The number of Americans quitting has now exceeded pre-pandemic highs for eight straight months**, as employers, especially in low-wage sectors, are struggling to fill open positions.
- “I certainly think that the pandemic has led **many people to reevaluate their work and their priorities and what they want to do**,” Elise Gould, senior economist at the Economic Policy Institute said in a statement to Business Insider.
- **SHRM reported that on average it costs six to nine months of an employee’s salary to replace him/her/them.** For an employee making \$60,000 per year, that comes to 30,000 - \$45,000 in recruiting and training costs.

The Context... The Great Resignation

- The Great Resignation reportedly affecting the manufacturing sector more than other sectors
- Manufacturers need to work harder than ever to find and keep workers

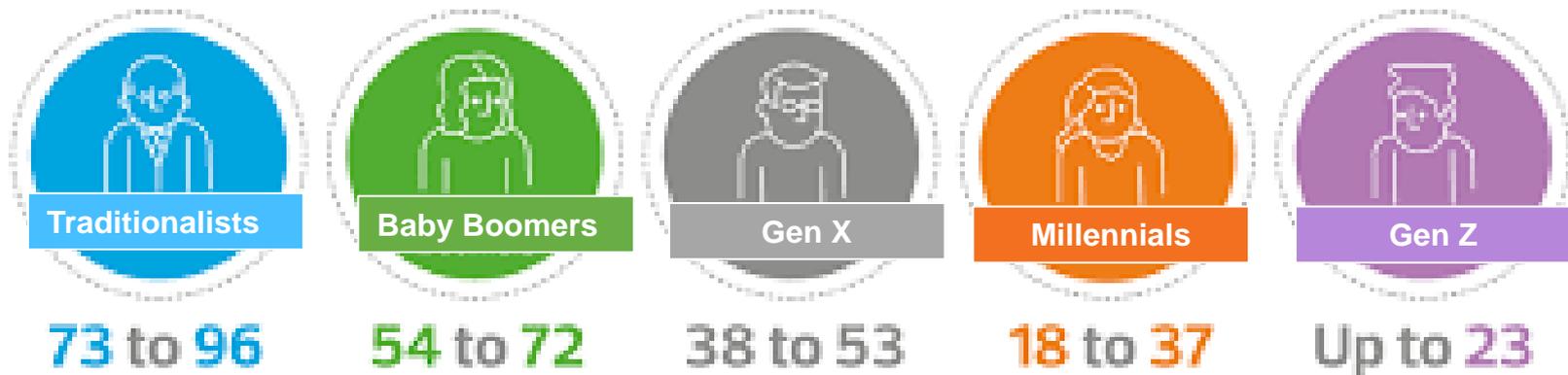
More Context... The Great Retirement

- **In the US alone, 10,000 baby boomers turn 65 every day.**
According to an article by Arlene S. Hirsch, M.A., LCPC, for SHRM, this is something that started in 2011 and will continue until 2030.
- **The rate of retirements exceeds that predicted** by the demographic shift of baby boomers into retirement.
- This Great Retirement is a particularly important trend to understand as the nation is grappling with widespread labor shortages.
- **Urgent need to retain older workers for knowledge** (documentation), **transfer** and mentoring

Complexities in Talent Strategies

Employers Need to Adapt to Different Needs / Demands

Five generations are in the workforce:



Top 10 HR Trends for the 2022 Workplace

#1. The Future of Work is Employee well-being. Well-being now is an employer's opportunity to support employees in all aspects of their personal and work lives.

FIGURE 1: FIVE KEY LEVERS OF EMPLOYEE WELL-BEING

Financial Well-Being	<ul style="list-style-type: none">• Overall compensation, type of retirement plan, financial wellness and education
Mental Health Well-Being	<ul style="list-style-type: none">• Access to an Employee Assistance Program, mental health sessions with a therapist or coach, mental health apps
Social Well-Being	<ul style="list-style-type: none">• Company culture, work-life balance, and type of relationships at work and outside of work
Physical Well-Being	<ul style="list-style-type: none">• Health insurance, wellness programs, workplace safety, availability of exercise sessions in person or virtual
Career Well-Being	<ul style="list-style-type: none">• Access to training and development, tuition reimbursement, internal mobility opportunities, performance reviews, coaching and mentoring

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Top 10 HR Trends for the 2022 Workplace

#2 Employee Well-being Benefits Can Stem The Great Resignation

- While raising wages is one way to attract and retain employees, research conducted by Paychex and Future Workplace among 603 full-time workers found 62% of employees identified well-being benefits as key a key factor in deciding whether to apply for a new job.
- This was especially true for Gen Z, where 67% strongly agreed or agreed that well-being benefits will be a priority for them in evaluating new job offers.
- The employee well-being benefits most in-demand include financial well-being and emotional/mental health well-being. Financial education and training are growing in importance for workers across generations.

Top 10 HR Trends for the 2022 Workplace

#3 Hybrid Work Is What The Majority Of Workers Want

Accenture's survey finds that 83% of workers prefer a hybrid work model and that 63% of high-growth companies have already adopted a "productivity anywhere" workforce model.

This means clearly defining how they will create a fair and equitable workplace for all employees regardless of location, communicate how leaders will manage employees they never physically see, and how teams will achieve work flexibility while meeting their goals.

Top 10 HR Trends for the 2022 Workplace

#4 Employees Seek Companies Whose Values Match Their Own

Studies show 75% of workers say they expect their employer, and business in general, to be a force for good in society.

This percentage reaches 80% for those under 45 years old.

#5 Skills Based Hiring Is on the Rise

More companies are piloting skills-based hiring, or the practice of setting specific skills and competency requirements for a job rather than only looking at a candidate's credentials.

Skills based hiring expands the prospective talent pool but also allows internal employees opportunities greater visibility into their career mobility by providing them with educational pathways for specific industries and job functions.

Top 10 HR Trends for the 2022 Workplace

#6 Longevity Leads To Multiple Careers

[Stanford Center on Longevity predicts half of today's 5-year-olds can expect to live to the age of 100](#) and over the course of 100-year lives, they can expect to work 60 years or more.

Amazon Career Choice has committed \$1.2 billion to fund hourly workers in bachelors or associate's degrees, high school diplomas, GEDs, and English as a Second Language.

They also will offer proficiency certifications targeted to re-skill workers for in-demand fields such as Engineering, Information Technology, Mechanical and Electrical Trades, Healthcare, Construction, Transportation, and Accounting.

Top 10 HR Trends for the 2022 Workplace

#7 Up-Skilling HR Is Critical To Lead Workforce Transformation

Often, HR focuses on training and up-skilling key business roles and forgets about up-skilling their own team members. The HR and Learning teams have become the cobbler's children, forgotten and left to their own devices to up-skill themselves. This needs to change.

Top 10 HR Trends for the 2022 Workplace

#8 Power Skills Include Human Skills & Digital

Working in 2021 taught us we need to develop resilience to adapt to rapid fire changes in how and where we work.

LinkedIn 2021 Learning Report listing of the top ten power skills include a mix of resilience and technology/digital fluency skills.

FIGURE 4: TOP TEN POWER SKILLS FOR 2022



Top 10 HR Trends for the 2022 Workplace

#9 Working Parents Expect a New Employer Value Proposition

McKinsey research finds working parents are more likely to have left their jobs during the past 2 years than their non-parent counterparts

Reasons:

pressures of working from home and juggling childcare responsibilities, struggles with returning to the office but not finding consistent childcare, and reevaluating their overall work-life balance.

HR leaders should pay special attention to the unique needs of working parents and consider creating special work practices to address their needs such as; subsidized childcare and expanded parental leave for new mothers and fathers.

Top 10 HR Trends for the 2022 Workplace

#10 The HR Leader Role Has Been Elevated And Changed Forever

- Mobilizing from initial days of the pandemic to today's vaccine mandate (*and last week's supreme court ruling*) and new employee demands... has magnified the importance of the HR leader role (and HR Dept/team) as never before.
- It became clear, as we moved through the phases of this pandemic - this was **a complex business and people issue** and the HR leader was pivotal to its response.
- Organizations are assessing HR infrastructure, HR talent and HR processes to make sure the HR function can meet the heightened complexities and demands of the business.

Recruiting/ Talent Acquisition

How do you navigate the ever-increasing labor market complexities & demands? What should be prioritized focus to improve success in securing talent to meet business demands?



Attract – Talent Acquisition



- **Consider the post-pandemic employee market and interests of all generations in your Candidate Pipelines**
 - **Employer Brand / Value Proposition from candidates' perspective**
 - Culture, Mission, Reputation, Financial Stability, Growth & Development Opportunities, Community Involvement & Contributions, Flexibility, Respectful Workplace (D,E&I), Spectrum of Benefits, Reputation management,
 - **Total Rewards**
 - Competitive Salary, Pay Equity (transparency), Bonus Opportunities, Commission programs / no ceilings, stock, equity, employee-ownership...earning potential
 - Competitive traditional group employer benefits
 - Broader range of out-of-the-box benefits – comprehensive wellness (including mental health services at level of physical health benefits, college loan (debt) repayment, elder care and childcare support, fertility / adoption programs, paternity leave the same for all genders and birth and adoptive parents, pet insurance, Public Transportation allowance, free lunches

Attract – Talent Acquisition

- Flex Time, Remote Flexibility, Work-Life Balance, other perks?
- No pre-employment drug testing unless safety positions / exclude marijuana from testing
- Ease of application process
- Respectful & efficient interview process
- Timely feedback

Engage – Talent Acquisition



- **Full Lifecycle Engagement**

- **Pre-application**

- Website information and impressions projected | your value proposition
- Social media
- Human touchpoints | Networking
- Community / Industry Contributions
- Subject Matter Expertise | PR
- AI to match candidates to jobs

- **At Application**

- Online / mobile (easy) while also allowing other options for other generations
- Effective Applicant Tracking System that fuels efficiency and candidate engagement. Manage Candidate experience AND relationship.
- Acknowledge application & educate on process and timing
- FAQs

Sourcing



- **Expanding Your Candidate Pipelines**

- Veterans
- Immigrants
- Older workers (hire & retention)
- Disabled (both visual and non-visual)
 - Neurodiversity describes the idea that people experience and interact with the world around them in many different ways; there is no one "right" way of thinking, learning, and behaving, and [differences are not viewed as deficits](#).
 - The word neurodiversity refers to the diversity of all people, but it is often used in the context of autism spectrum disorder (ASD), as well as other neurological or developmental conditions such as ADHD or learning disabilities.
- Stay-at-home mothers returning to workforce
- Non-violent formerly incarcerated
- Opioid Rehab Back-to-Work | Disabilities
- Candidates outside your industry
- Part Time positions | Job Share positions | Former Employees

Sourcing

Creative Recruiting Resources

- <https://recruitmilitary.com/>
- <http://www.veteranjoblistings.com/about.html> (post jobs for free)
- <https://www.momrelaunch.com/employer/>
- <https://generocity.org/philly/2018/01/26/smart-practices-hiring-returning-citizens-formerly-incarcerated-philadelphians-reentry/>
- <https://www.paep.uscourts.gov/employment> (United States Probation Office, Eastern District of PA)
- <https://www.ziprecruiter.com/>
- <https://www.indeed.com/>
- <https://www.manufacturingjobs.com/>
- <https://www.ihiremanufacturing.com/>
- <https://www.linkedin.com>
- <https://www.manufacturingcrossing.com/>
- <https://www.roadtechs.com/#manuf>
- <https://jobstars.com/manufacturing-job-sites/>



Sourcing



- **Leveraging internal pipelines?**

- Employee Referral Programs
 - Incorporate pay-off over time; higher pay-off against tenure
- Internal Career Development Programs
- Talent Retention components of management expectations and rewards
- “A” players’ Talent Acquisition & Retention Committee
 - Ideas to attract and recruit other “A” players
 - Part of full-lifecycle recruitment process
 - Ideas for talent acquisition and retention
- Client referrals
- Vendor referrals
- Candidate referrals

Engage



- **Full Lifecycle Engagement**

- **First conversation | Phone Screen**

- Respectful and efficient. On time. Candidate experience.
- Share insights as to the contributions / importance of this role to success of the company. Convey excitement about the opportunity to engage in conversation to explore candidate's interest and alignment with needs of the role.
- Ensure anyone 'touching' your candidates understand the business and have positive, engaging style of communication in addition to ability to effectively 'vet' candidates for technical skills/experience, culture-fit and competency / behavioral-fit.
- Manage expectations – process and timeline.
- If not fit for this role – anywhere else?
- Looking for motivators and job seeker priorities throughout process especially for top tier candidates
- Candidate referrals

Engage



- **Full Lifecycle Engagement**

- First through Final Interviews

- Respectful and efficient. On time.
- Clear directions and instructions
- Dedicated parking
- Someone to meet / greet and escort to interview location(s)
- Input from “A Players Committee”
- Make sure everyone involved in interview process is trained and understands they are vetting while also cognizant that they are ambassadors of the organization and reflection of the brand. Ensure trained from compliance perspective as well.
- Structured process, questions, documentation and decision process – compliance
- Be clear on next steps, process and timing. Honor it.
- Stay in touch. Provide ability to ask questions.

Vetting



- Pre-employment Assessments
- Behavioral Interview Questions
 - Day-to-day, under stress, in dynamic change
- Culture-fit
- Formal as well as informal context
- How to ensure diversity consideration?
- Multi-dimensional feedback and inclusive, objective decision process
- Current to Future-State Needs
- Efficient and structured process

Offer - Negotiation



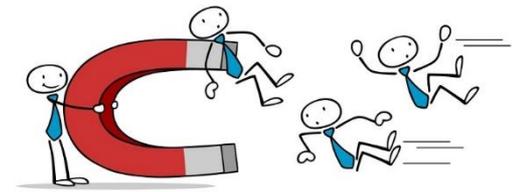
- Established Compensation Philosophy and Program. Transparency.
- To degree feasible – compensation should be clear at front end of process
- Ensure the right individuals are part of offer / negotiations
- Know where there is flexibility (or not) to structure offers
- Sign on bonuses with payout over-time (help them stick longer)
- Quantify the total value of compensation and benefits (Total Rewards)

Onboarding



- Start cadence of communication with candidates before start date
- Where possible, match new hires with employees to shepherd them through onboarding & assimilation process
- All equipment ready day 1
- Effective New hire training
- Time with direct manager and team members day 1 with onboarding plan
- First 90 days training plan / peer system
- Proactive check-ins with new hires especially in first days and throughout probation
- Provide extra help where it is needed
- Solicit their perspective and ideas

Enhancing “Stick Factor”



- Ensure Frontline Leader training to equip people leaders for the demands of the role. This level leader has broadest reach & impact!
- Performance Management to drive employee engagement
- Check-ins at 90 days, 6 months, 1 year
 - Ask where derailers and obstacles exist in system; seek employee input
- Stay interviews; exit interviews – look for trends
- Mentor programs
- Internal Career Development Programs
- Recruitment metrics with reward for ‘stick’
- Management performance includes component for employee retention
- Effective Onboarding Programs at all levels / generations!

Talent Retention

How do you navigate the ever-increasing labor market complexities & demands? What should be prioritized focus to improve success in retaining talent to meet business demands?



Always Seeking Candidate & Employee Feedback & data points

- Exit Interviews
- Stay Interviews
- Candidate feedback
- New Hire check-ins / solicit for ideas / input
- Employee Engagement Survey / Pulse Check Surveys
- Compensation / Market Pricing / Surveys
- Track where Ex-employees are going; candidates-lost are going
- Track where your competitors are getting their new hires
- Aging workforce
- Top performing employees at all levels – where are problems?
Ideas for solutions

Employer Brand / Value Proposition

- Mission, Vision, Values. How are you creating value & impact?
- Culture – how are employees valued, respected, included and provided equal access to opportunities, exposure, equitable pay? ‘Do you – see me; know me? Am I just a #?’
- Total Rewards – Competitive Pay plus holistic & compelling benefits
 - The overall wellbeing of the employee and his/her/their family?
- Reputation as Employer-of-Choice
- Investment in effective training, my personal development / career runway / opportunities here for growth
- Working conditions / safety
- FLEXIBILITY – remote options / latitude
- Current tools & technology to do the job well?
- Work life balance

Manager as Coach

- Are **frontline managers** effectively trained on the Management 101 basics (compliance and process) but to be effective coaches to optimize individual and team performance?
- Especially in the face of high turnover conditions – are they supported and equipped to turn the tide – engage to retain?
- Is your company a potential target for union organizing?
 - Are your managers trained to recognize signs and respond appropriately?
- **Mid-level leaders** should not be forgotten. They need to model the behaviors and leadership attributes expected of frontline. They have difficult jobs of straddling strategic as well as operational/tactical priorities.

Succession Planning | Earlier Pipeline Talent too

- **Traditional Succession management & development of top two tiers of leadership**
 - C-suite (significant emphasis on senior team development)
 - Their direct reports
- **Strategic Workforce planning & management**
 - Current-to-Future State Business Strategy / Plan
 - Workforce assessment – aligned to strategy
 - What is needed (jobs / skills / SME / competencies) today; next 1 to 2 years; next 3 to 5 yrs
 - Where are there gaps/ risks? / Talent Strategy – where rent, grow, buy?
 - Assess current talent / where mission critical jobs / roles / people?
 - Strategies to retain individuals, align against current to future roles, individual and cohort development plans to accelerate readiness
- **Internal Career Pathing / Development Programs** to retain early pipeline talent
 - Vertical and horizontal growth paths

Workforce & Professional Development

- **Self-directed / access to training & development programs**
- **Cohort, company-driven training & development programs**
- **O-T-J training – stretch assignments**
- **Job Shadowing**
- **Mentorship Programs**
- **Employee Action Teams / Opportunities for exposure and chances to solve problems and bring ideas to the table**

Diversity, Equity & Inclusion

- Authentic component of the culture? Beyond race and gender? Beyond 'training'.
- Infused into talent acquisition, development, management, compensation / rewards, engagement processes?
- All people leaders understand what it is to be an inclusive leader?
- Employees understand their responsibilities in culture that values diversity, equity & inclusion?
- Incoming candidates are assessing. Your current diverse employees are assessing and being vigorously courted!
- Pay transparency. Compensation philosophy and comprehensive, updated program that promotes career pathing for retention. Consistency in comp decisions to protect the organization.

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- Succession Planning / Strategic Workforce Planning
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Any Questions?

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Best Practices

- New hires-create a process to use programs and tax credits.
- Programs:
 - On the Job Training funds-up to 12k per new hire IF:
 - the company is registered
 - the position is qualified (HPO)
 - the candidate is qualified and registered

Work with Careerlink-OJT is administratively complicated

Available nationally-have to use local Careerlink office

OJT Best Practice

- Key to success is to integrate skill assessment and training requirements and delivery into your recruiting, interviewing, hiring and training/ performance reviews.
- Requires a senior commitment to define the culture
- Employees will spot a fake effort asap!
- Huge recruiting and retention benefits!

Another Hiring Best Practices

- **Work Opportunity Tax Credit**

Long time program to provide benefits to the employer to hire certain candidates including recent veterans, welfare recipients, part time/under employed, criminal history and other hard to employ candidates

Ranges from \$300 to over \$10,000 per hire

WOTC details

- Administratively complicated with a 30 day limit (from the start date).
- Very few HR departments have this process in place.
- Best practice is to use our partner-they do all the work, seamlessly, for a small contingent payment upon success!

Other best practices

- State or local incentives for new job creation-related to new site or expansion
- Credits up to 10% of payroll, for five years, for each new hire are possible. KIZ type zones may have a plan or a certain sector.
- Non profits often qualify but don't know it.
- Need a plan.
- May be local new hire programs yielding tax credits.
- Hiring and training assistance also.

Hire a vet program example

- Philadelphia has had an additional \$2k credit for employers to hire a vet. City council is voting to increase this to \$5k-in addition to the state credit. Example- a combat injured, recently discharged vet creates between \$10k and up to \$15k in credits to the employer.

Comments ?

- Need more info-contact me.
- Let me know your thoughts and questions

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Thanks for joining our group!

Questions?

What action steps are you taking away from this session?