

# MaxImizing Insights

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## 4 out of 10 Employees Looking for New Jobs

### Job Stress Cuts Performance

- Workers that describe themselves as stressed have more than double the absentee rate of other employees.
- Interpersonal problems caused by stress often blow up into verbal or even physical conflict among workers or disobedience or disloyalty between worker and supervisor.
- Highly stressed workers are rude and alienating to co-workers, clients, vendors, and customers.
- Stress causes workers to make errors and burn out on the job. It causes workplace turnover.
- It distorts emotional and physical perception, causing workers to overreact to normally small incidents and to overlook safety problems.
- It lowers productivity and can cause accidents.

Source: HRNext, BLR

Maximizing Insights is written, edited and published monthly by Ira S. Wolfe for:

### **MaxImize**

*Companies hire for skill, but fire for attitude.....we measure attitude.*

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**A** funny thing recently happened to over fifty employers on their way to a job fair.

While expecting to see a parade of out-of-work, humbled candidates pleading for jobs, these employers were only half right. Nearly four out of every ten job seekers already had jobs!! These employees were not desperate nor down-trodden, just tired and dissatisfied, looking for a better opportunity – and better pay. Folks, that's forty percent of the currently employed who are actively looking for new jobs.

Employers can learn a great deal from these job seeking candidates through the information they shared with Success Performance Solutions, at the end of September.

Over 700 of the 1000-plus job seekers completed the survey at the September 2003 Lancaster (PA) Chamber Fall Job Fair.

Workers see more growth potential if they were to leave their company than stay with their current employers.

Despite economic uncertainty, nearly seven out of 10 U.S. workers say job change will be at their own initiative.

39 percent of the workforce now has worked for six or more employers, up from 27 percent in 1999.

45 percent of workers want to change jobs at least every three to five years, up from 26 percent in 1999.

Source: Spherion

**A**s an employer with job positions to fill and the nation's unemployment rate at its highest rate in years, you would think the job of a recruiter would be easy.

Wrong. Having an ample supply of candidates is only half the battle and in many cases, makes the job even harder. The volume of applications is exploding but the qualified pool of talent is still dry. Finding qualified candidates to do the work is still a struggle and from all indications and workforce forecasts, employers "ain't seen nothin' yet."

Employers during the late 1990's just got a glimpse of what is on the workforce horizon. A few are just beginning to learn what the Perfect Labor Storm is really all about.

Employees in the 1990s sat in the cat-bird seat and a revolving door was sent in motion with employees controlling the throttle. When the economy faltered, free agency slowed and employers sighed with relief. Concerns about job security humbled many the once aspiring and ambitious incumbents.

But the wheels of demography and socioeconomics continued to turn. The Perfect Labor Storm continues to grow and gain momentum. As employers are finding out, The Perfect Labor Storm isn't just about finding workers to fill jobs. It's about recruiting enough qualified workers when you need them.

## Employees Just Want A Little Respect

If there is even a lick of truth that employees will stick with their jobs if they like their supervisor, then employers should stand up and take notice.

Not surprising, 69 percent of the employed job seekers said they were dissatisfied with their current job. You would expect this if they were attending a job fair.

Why were they looking? Seventy-three percent were dissatisfied with their pay and 72 percent were dissatisfied with their benefits.

The good news is that nearly 54 percent were satisfied with their direct supervisor/manager's ability to manage. And of those satisfied with their supervisor, 57 percent said they were very likely to be working at their same job two years from now.

Another 23 percent was on the fence if they would stay or not. Only 10 percent said that it was not very likely they would be working at the same place.

This does not mean that all is calm on the employer's home front. These currently employed job seekers were still looking. So what was it they were hoping to find?

Nearly 30 percent of the employed-and-satisfied with their supervisors were seeking better pay and 23 percent were looking for respect and recognition from their supervisor. Job security and career advancement followed with only 15 percent of these employed/supervisor-satisfied employees rating health care as a top benefit.

The good news for employers is that while everyone says they want better pay, the bond between an employer and supervisor may be a bit stronger than the attraction of the bigger paycheck.

Of those employed but still seeking better opportunities, 87 percent wanted to work for a business with a strong code of ethics.

Think about what you just read. With labor costs and benefits, especially health care, skyrocketing and blowing apart operating budgets, employers might heed what job seekers are saying.

Respect and recognition from a supervisor cost almost nothing and yet nearly 45 percent of all the respondents were dissatisfied with their supervisor's ability to manage.

While job security and career advancement are never employee guarantees, employer loyalty and a culture that walks the talk can go a long way toward keeping the talent an employer already has. Considering that nearly 2 out of every 5 employees is looking for a better job, if you can't keep them, then it is a strategic imperative that you set in place a plan to replace 40 percent of your workforce in the near future, not including new positions created.

But career advancement is a two-edged sword. To retain employees, creating opportunities for advancement is only one piece of the puzzle. Advancement requires new or improved skills.

How did these employees rate their skills?

Nearly 70 percent of the respondents rated their overall job skills as above average or better. Yet only 46 percent rated their understanding of business trends and how a business operates and makes money as above average. And just 59 percent felt they can apply appropriate methods and solutions to a variety of problems with above average skill. Nearly 79 percent felt their best strength was in how well they relate with people.

Source: Success Performance Solutions

### Setting A Hire Standard

*This is the 5th of 5 Tips to Setting "A Hire Standard".*

#### Tip No 5 -

#### Use Only Non-Clinical Tests

- There is a significant difference between clinically oriented psychological assessments that measure such things as intelligence depression, schizophrenia, bipolar disorders and the like and those that are specifically developed by professional test specialists (psychometricians and industrial/organizational psychologists) for a particular business or industrial use.

- Clinically oriented psychological assessments are medical in nature and the information obtained potentially violates the Americans with Disabilities Act, which states that employers "shall not conduct a medical examination or make inquiries as to whether such applicant is an individual with a disability or as to the nature and severity of such disability."

The information contained in many non-employer-specific, clinical assessments also is dangerous because such tests often ask for personal information, which may be construed as violating a candidate's right to privacy.

*Source: A Hire Standard, HR Magazine, July 2003*

### The Power of Wal-Mart

- One in every 278 Americans now works for Wal-Mart.
- Wal-Mart accounts for 1.5 percent of the U.S. gross domestic product.

# Stormy Labor Forecast Facts

## Take Two Aspirins and .....

Imagine offering \$180,000 as a starting salary with full insurance benefits and you get no takers.

No this isn't just any job but an opportunity for a cardiologist. And the lack of suitors is exactly the plight of many doctors and hospitals looking for physicians

The percentage of young doctors dropped from 10.7 percent in 1989 to 5.6 percent in 2000.

The US is likely to be short about 85,000 physicians by 2020, although some experts predict the shortage can increase to as high as 200,000.

Our population is aging and technology is advancing. We are living longer and the thirst for quality of life is unquenchable. Medical advances keep us healthier but the complex interactions of age, chronic diseases and modern drugs requires medical oversight. And this oversight is in jeopardy.

One example of the impending crisis is in the care of diabetics. In 2002, 6.5 percent of adults had diabetes.

The disease increases a person's risk of heart attack, kidney failure, infection, amputation and blindness.

In 2001, about 22 percent of people age 45 and over who were admitted to U.S. hospitals were diabetic.

The shortages of physicians is just one missing link in an industry filled with vacancies. No immediate solution is in sight. Nurse, radiologist, and pharmacist shortages won't just cause inconveniences but may determine the difference between life, death and a quality of life.

These physicians shortages are much more serious for specialists than family physicians. Currently four jobs are available for every new radiologist as well as cardiologists.

## Executive Failure

The rate of failure for new executives is 40 percent to 60 percent within the first 18 months and, within five years, two-thirds of executive hires fail.

Such a failure costs the company 20 times the salary of the executive.

## Life begins at.....

- Life expectancy in 2001 extended to 77.2 years.
- In 1900 a newborn American could expect to live 47.3 years.
- In 1980, life expectancy was 68.2 years.

## Turnover Costs Small Businesses, Too

High turnover costs are not isolated to big business. A small business paying an employee an hourly wage as low as \$5.25 per hour incurs the minimum cost of \$3,528.58 (25% x \$14,114.10) every time an employee turns.

## The Changing Face(s) of Our Workforce

Manufacturing has cut 645,000 jobs in the past year.

Retail has cut 49,000 jobs.

But the tide is turning:

Health care has added 248,300 new jobs.

Residential construction added 41,7000

Retirement communities added 15,400.

Source: US Department of Labor

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## Diabetes and The High Cost of Healthcare

The total health care costs of a person with diabetes in the USA are between twice and three times those for people without the condition.

Direct medical and indirect expenditures attributable to diabetes in 2002 were estimated at \$132 billion.

Attributable indirect expenditures resulting from lost workdays, restricted activity days, mortality, and permanent disability due to diabetes totaled \$39.8 billion.

Per capita medical expenditures totaled \$13,243 for people with diabetes and \$2,560 for people without diabetes.

No cost estimates were projected for the nearly six million people believed to have diabetes but who have not yet been diagnosed.

Source: American Diabetes Association

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