

EMPLOYEE ENGAGEMENT AND RETENTION

120,000 people
release: NOV 2013
37 countries

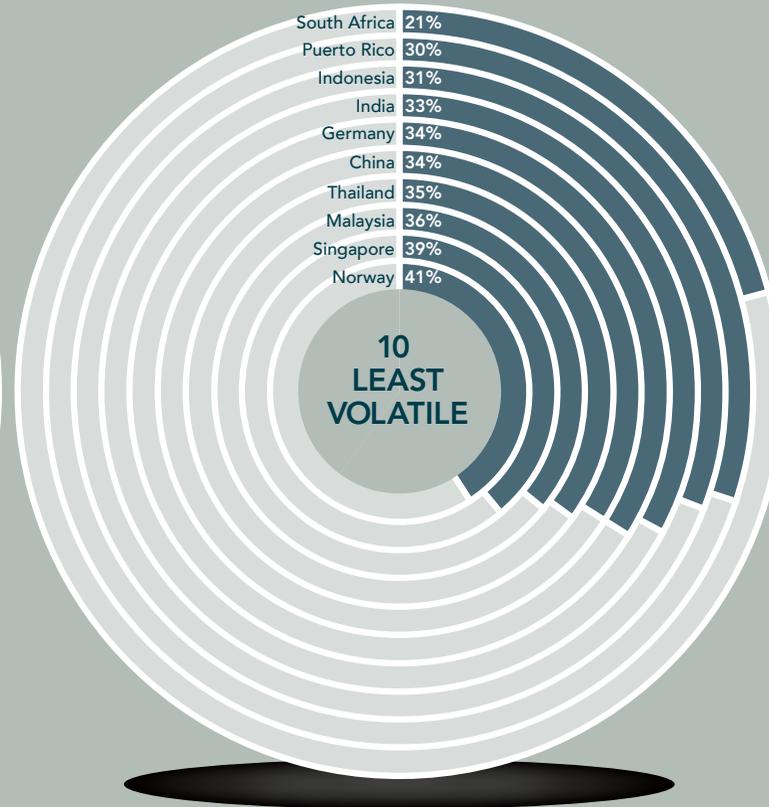
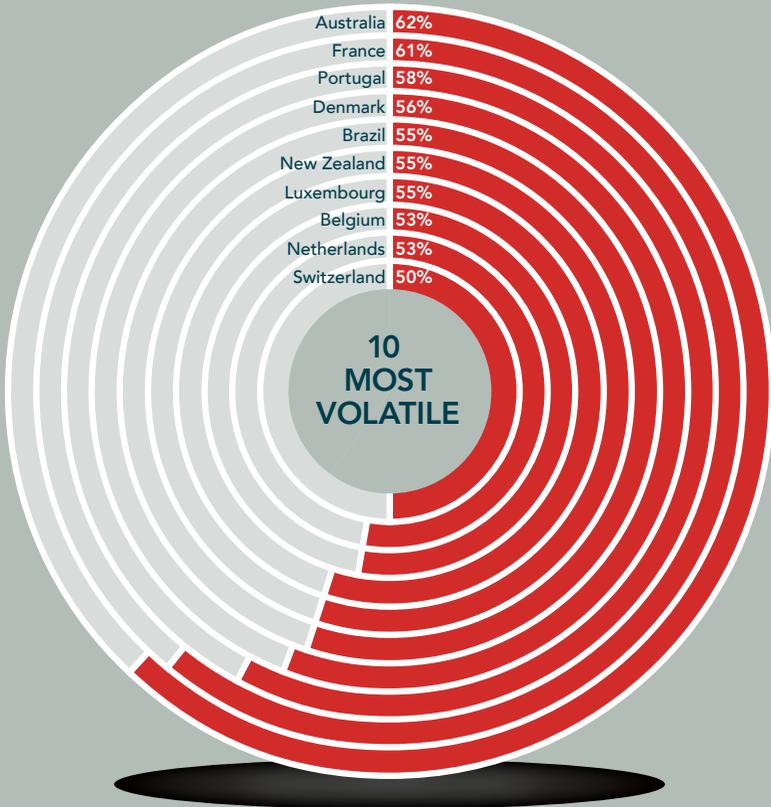


EMPLOYEE CONTENTMENT: 2013

The economic environment is testing the employee/employer partnership, with employees ready and willing to switch jobs should a better prospect arise. Almost half of all respondents, globally, have changed employers in the past year, with the greatest rate of job-changers in the EMEA region.



JOB CHANGE IN THE PAST YEAR



CHINA

64%

are happy in their current jobs

27%

frequently think about quitting

60%

actively look for a better job, even when happy in their current role

71%

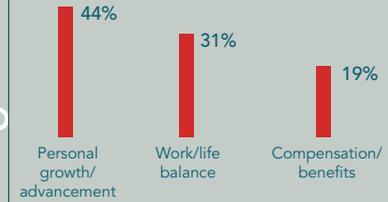
say their manager has a direct influence on their job satisfaction

29%

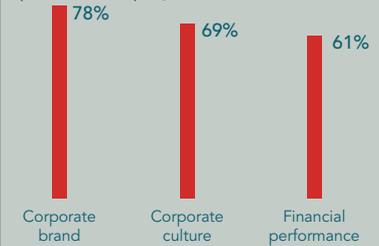
feel more loyal to their employer when compared with a year ago

IT'S NOT ALL ABOUT THE MONEY

Key factors influencing job choice



Key factors influencing potential employees



HOW TO BE A BETTER MANAGER

Aside from salary/benefits, there are a few key elements that can improve the manager-employee relationship



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THE KELLY GLOBAL WORKFORCE INDEX 2013

The *2013 Kelly Global Workforce Index* (KGWI) brings together work and workplace insights sourced from more than 120,000 respondents from 31 countries across the Americas, EMEA and APAC regions.

It takes the form of an annual survey that canvasses a wide spectrum of opinions on issues impacting the contemporary workplace, with a particular focus on the perspectives from different generations, industries, occupations and skill sets.

Topics covered in the 2013 KGWI survey include:

- Career Development and Upskilling
- Workplace Performance
- Employee Engagement and Retention
- Social Media and Technology

This third installment, on the topic of Employee Engagement and Retention, looks in some depth at the employee-employer relationship, including issues such as employee loyalty, happiness and commitment to the job. It also examines views about the employer's reputation as a preferred place to work, and the circumstances under which employees explore alternative jobs and careers.

WHY EMPLOYEES ARE MOVING

The economic upheaval over recent years has had an unsettling impact on many employees who have chosen to switch jobs in search of career certainty and financial security.

Unfortunately, many of those who do make the switch face difficulties settling in to their new roles, with uncertain outcomes for them and their new employers.

There is a big challenge for employers in managing the onboarding of new recruits so that they are productive and integrate well into the organization.

Simply changing jobs does not make for contented employees, and a big factor is the way that managers and supervisors handle the transition.

EMPLOYMENT VOLATILITY (BY REGION)

→ Almost half of respondents globally, (47%) have changed employers within the past year, with the greatest rate of job-change in the EMEA region (51%) compared with the Americas (45%) and APAC (42%).

Globally, 36% said they have considered changing jobs, while just 17% claim that they are not interested in changing employers.

Have you changed employers within the past year? (% "Yes" by Region)

Global



APAC



Americas



EMEA



- Yes
- No, but I have considered changing employers
- No, I am not interested in changing employers

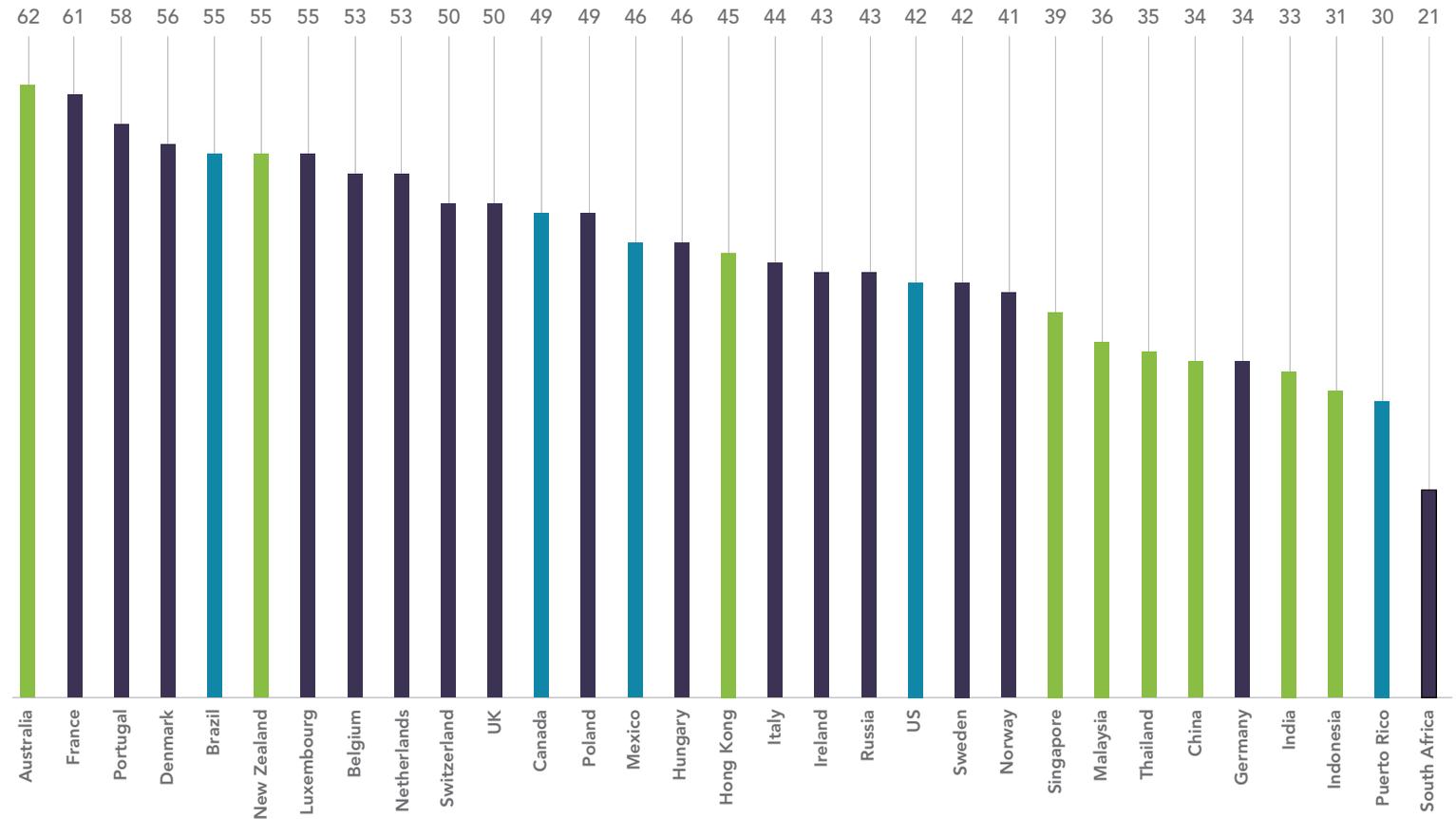
EMPLOYMENT VOLATILITY (BY COUNTRY)

→ By country, both Australia and France saw more than 60% of respondents change jobs in the past year.

More than 50% switched jobs in Portugal, Denmark, Brazil, New Zealand and Netherlands.

Some of the lowest rates of job-change were in South Africa (21%), Puerto Rico (30%), Indonesia (31%), India (33%), and China (34%).

Have you changed employers within the past year? (% "Yes" by Country)



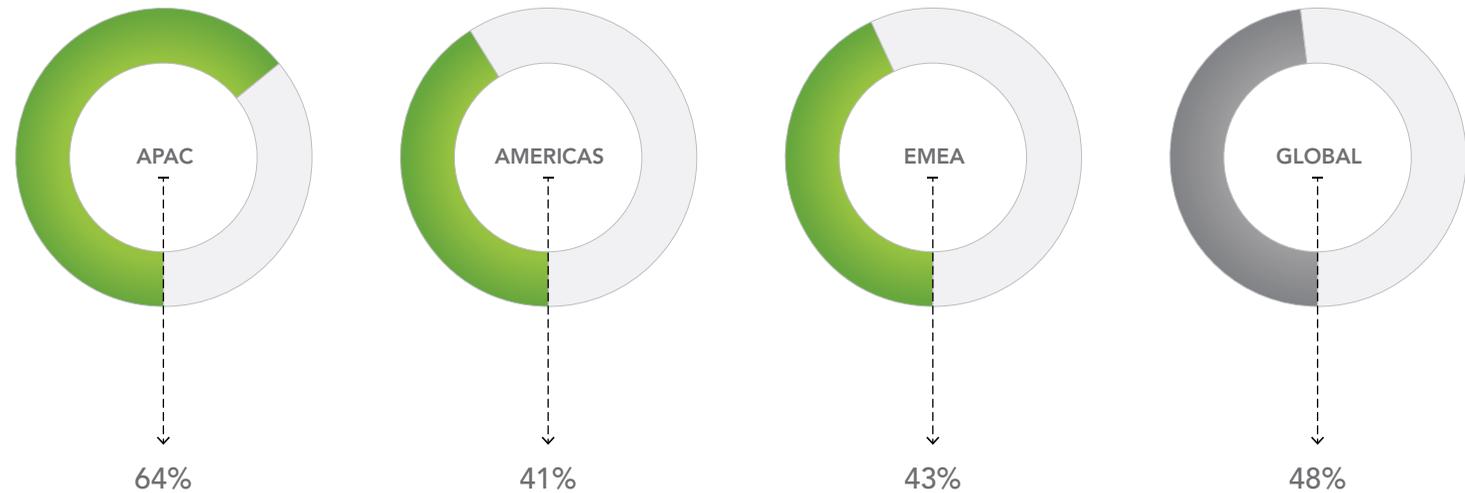
HAPPINESS WITH JOB SWITCH (BY REGION)

→ It is worth noting that a change of jobs does not automatically translate into a more contented employee.

Less than half (48%) of the global respondents who changed jobs are actually happy in their new roles.

However, the job-changing experience varies in different global markets. In APAC, almost two-thirds (64%) of job-changers are happy in their new positions, compared with only 43% in EMEA and 41% in the Americas.

If you have changed employers in the past year, are you happy in your new role/job? (% "Very Happy" or "Happy" by Region)



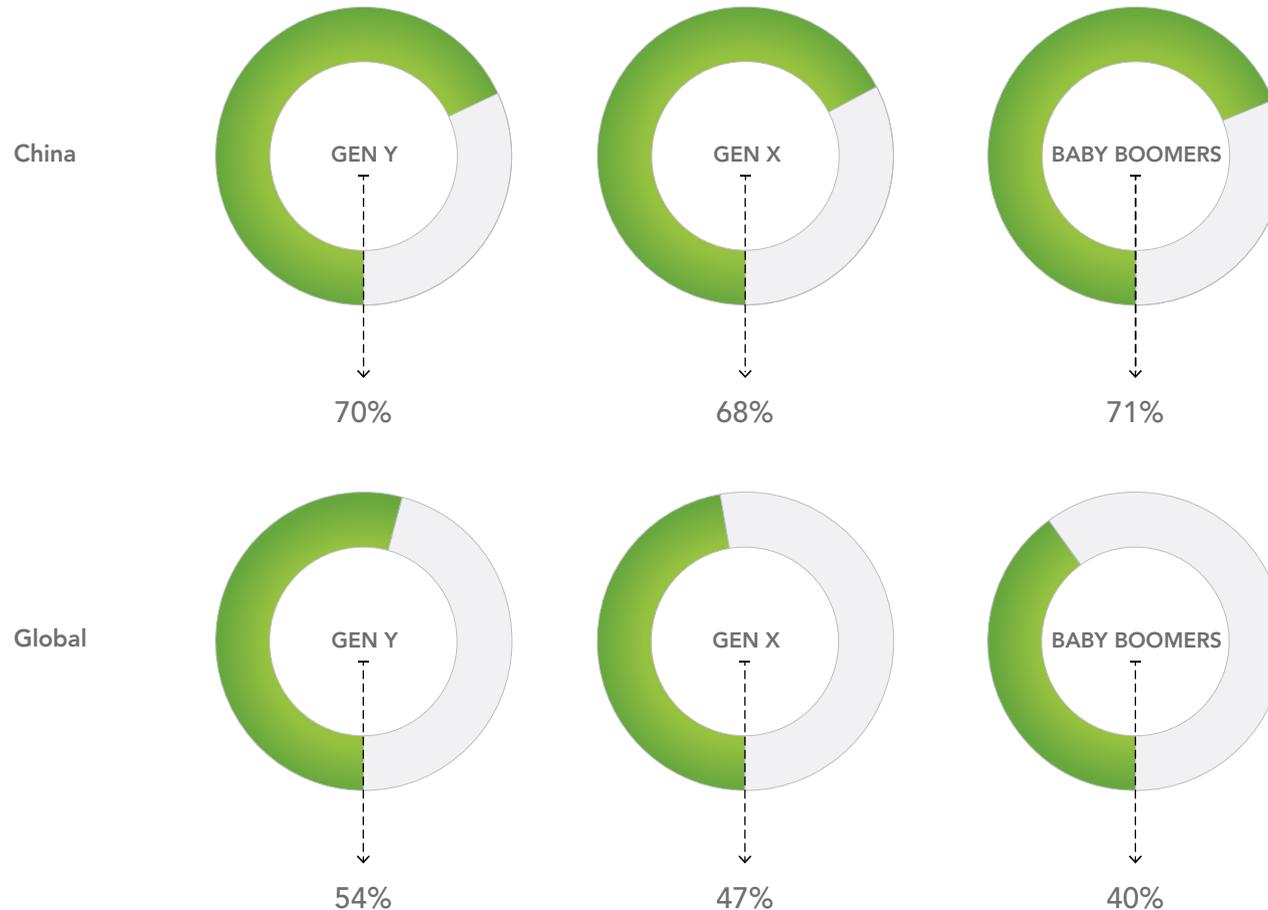
HAPPINESS WITH JOB SWITCH (BY GENERATION)

→ There is quite a difference in the employment outcomes of those who do change jobs among the various workplace generations.

Globally and in China particularly, Gen Y have a considerably better result, with 54% and 70% reporting they are happy in their new roles.

Although only 40% of Baby Boomers globally say they are happy, the percentage is much higher in China with 71%. Surprisingly, Gen X in China is the least happy across all generations with only 68%.

If you have changed employers in the past year, are you happy in your new role/job? (% "Very Happy" or "Happy" by Generation)



WILLINGNESS TO RECOMMEND EMPLOYER

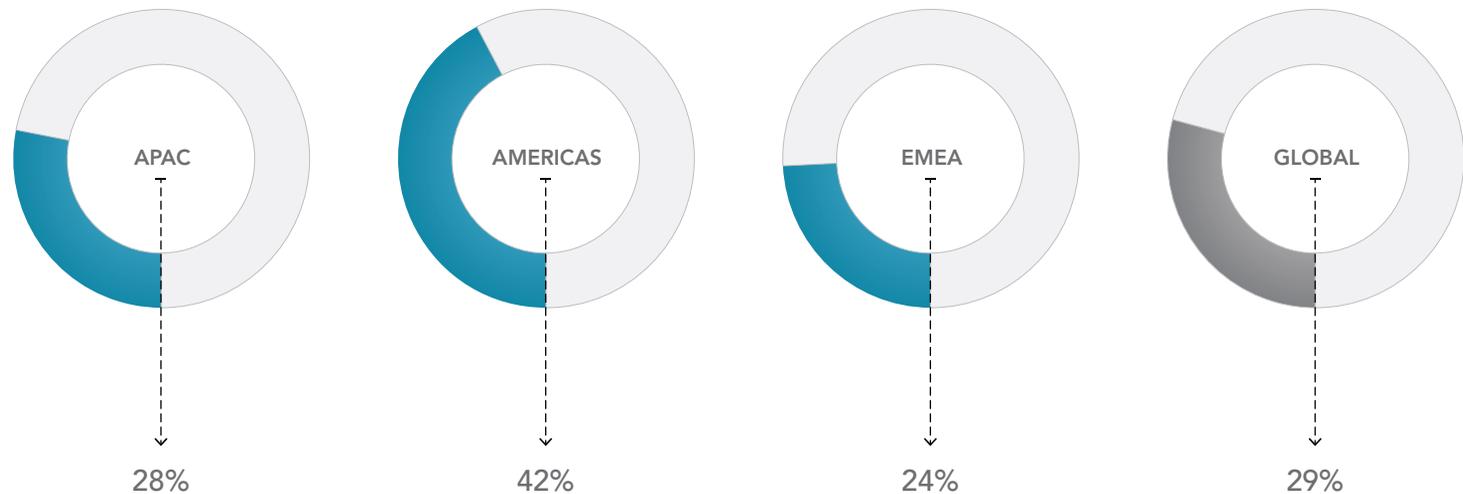
→ A key indicator of employee satisfaction is the willingness of an employee to recommend their employer as a preferred place to work.

Globally, just 29% say they would be strongly inclined to recommend their employer to a friend or colleague as an employment opportunity.

But there are sharply differing views across the globe from employees regarding their employers.

While 42% of respondents in the Americas would strongly recommend their employer to friends or colleagues, only 28% of those in APAC and 24% in EMEA would be willing to do so.

How likely would you be to recommend your employer to a friend or colleague as an employment opportunity?
(Respondents rating 9 & 10 on a scale of 1–10 where 1 = “Definitely would not” and 10 = “Definitely would”)



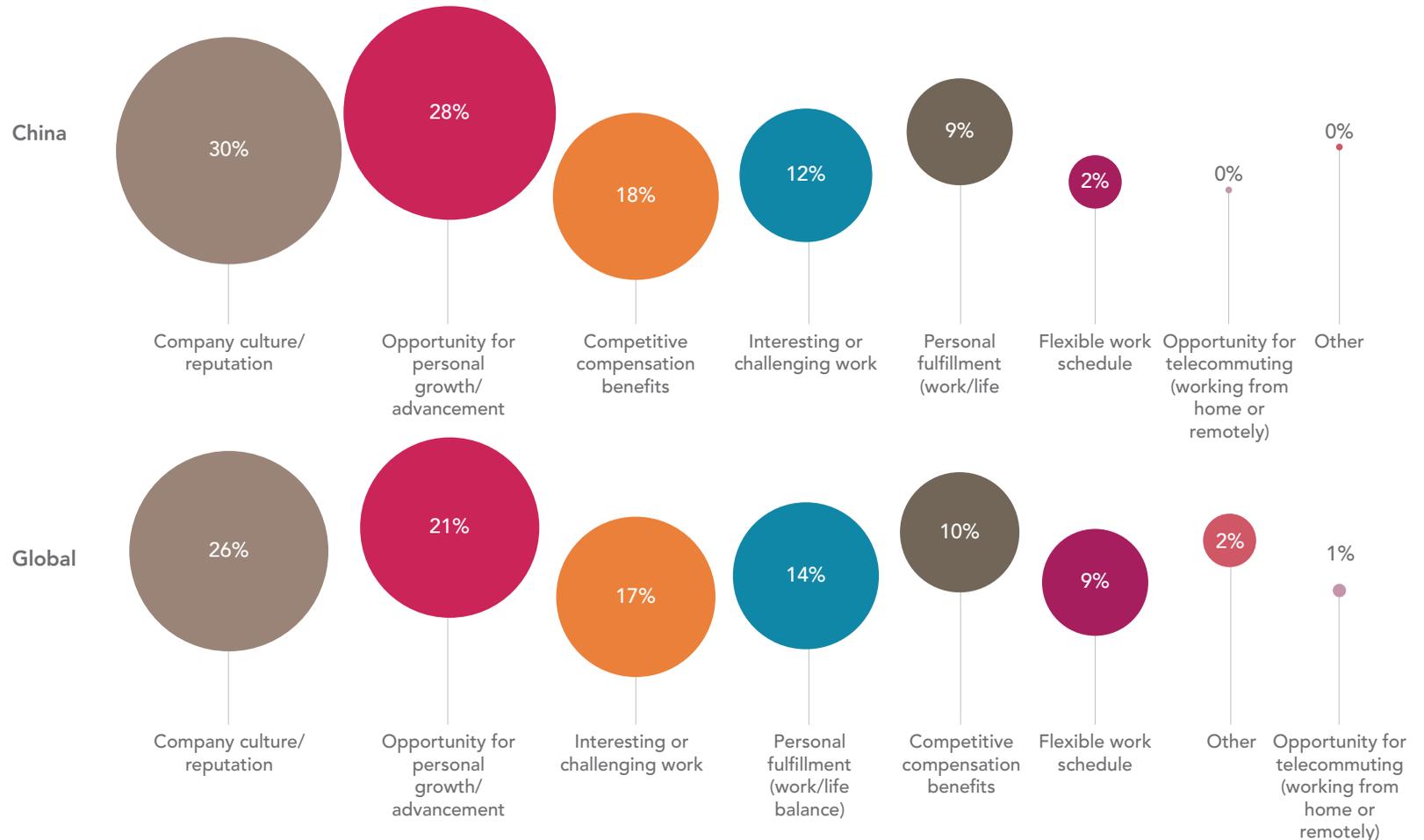
FACTORS INFLUENCING AN EMPLOYER REFERRAL

→ Among respondents in China who would recommend their employer to a friend or colleague as an employment opportunity, 30% cite "company culture/reputation" as the primary influence for the recommendation. The second most influential reason is "opportunity for personal growth/advancement", at 28%.

Although globally and in China the two most influencing factors are the same, the percentage drops slightly with "company culture/reputation" at 26% and "opportunity for personal growth/advancement" at 21%.

Contrastingly, "competitive compensation benefits" (18%) is the third highest important factor in China but is one of the least important globally.

Which of the following factors are most influential in terms of the likelihood that you would recommend your employer?
(Respondents who rated 9 or 10 on a scale of 1–10, where 10 = "most likely to recommend")



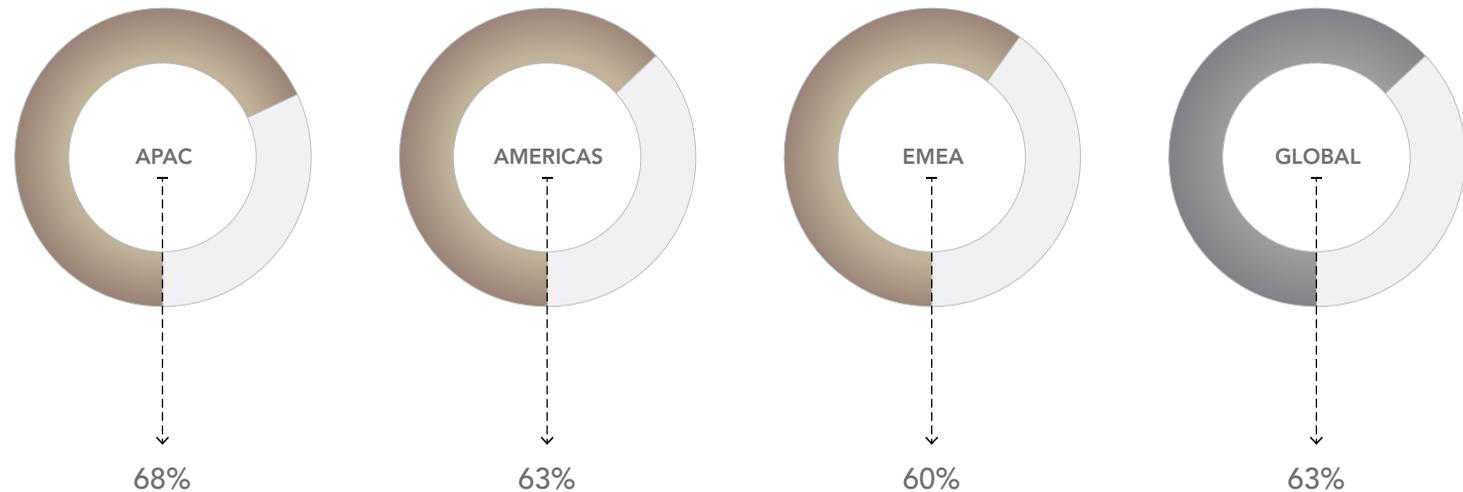
IMPACT OF DIRECT MANAGERS ON EMPLOYEE SATISFACTION

→ It is sometimes said that employees don't leave companies, they leave managers.

Certainly the influence of managers on employee morale and work performance is significant.

Globally 63% of respondents say that their direct managers have a significant impact on the level of their satisfaction and engagement, with the highest in APAC (68%).

To what degree does your direct manager/supervisor impact your level of satisfaction or engagement with your employment?
(Respondents who rated 4 & 5 on a scale of 1–5, where 5 = "significant impact" and 1 = "no impact at all")



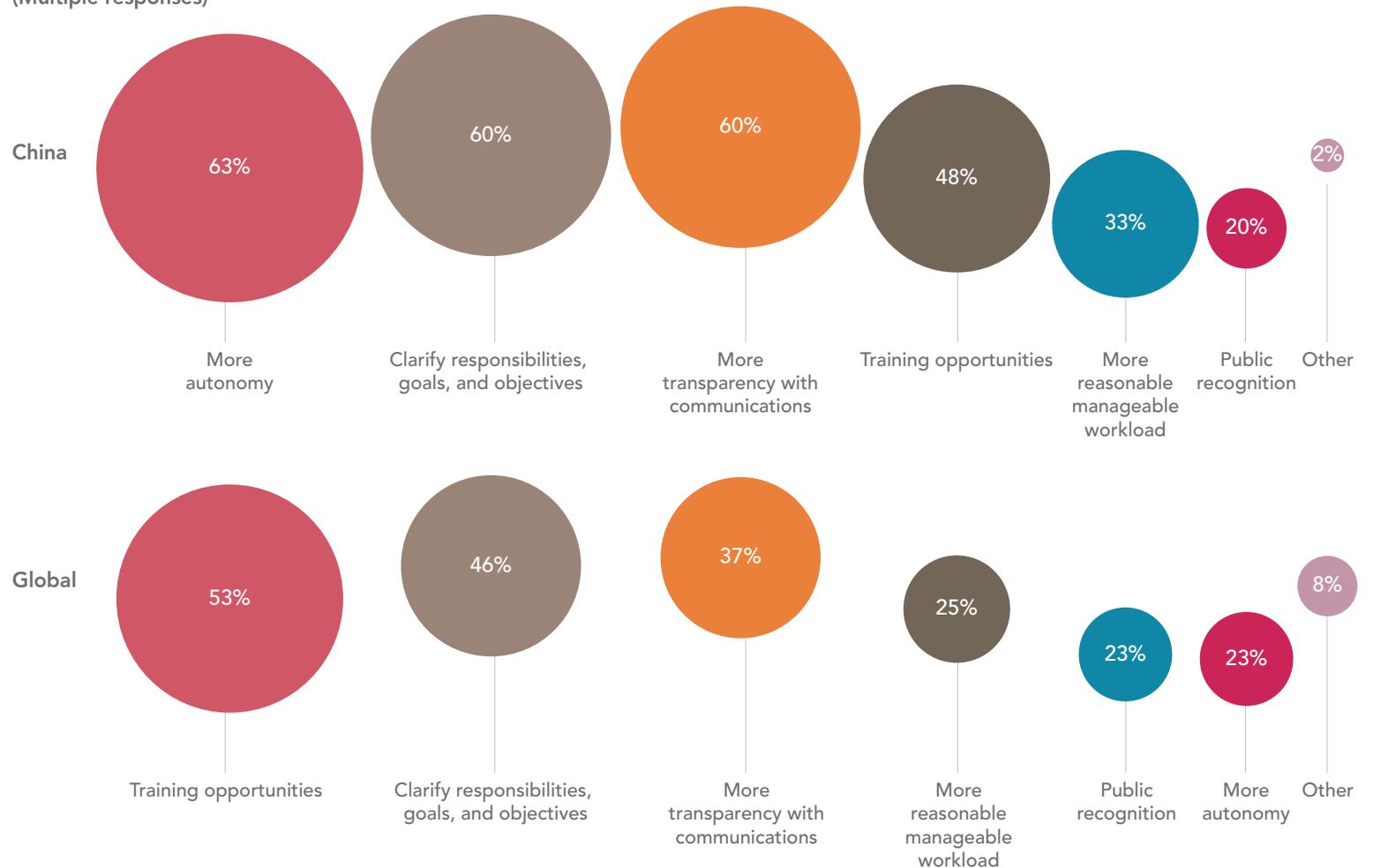
WHAT MANAGERS NEED TO DO

→ When employees are asked to reflect on the performance of their managers, there are a few key elements that are presented as ways of better addressing the manager-employee relationship.

In China, topping the list is the request for managers to give more autonomy, nominated by 63%. This was followed by "clarify responsibilities, goals and objectives" and "more transparency with communications" both fairing at 60%.

Globally, the most requested is the opportunity for more training and skills development at 53% and the need for managers to clarify responsibilities, goals and objectives at 46%.

What could your direct manager do to improve your satisfaction or level of engagement, aside from salary/benefits or promotion?
(Multiple responses)



UNDERSTANDING WHAT WORKS

The world of work plays a pivotal part in all our lives, and the factors that contribute to a successful job or career are complex and intertwined.

Happiness in work is often defined as a key determinant of success, but jobs also need to fulfil a range of emotional, cultural, and economic needs.

The way that people feel about their work, view their work, and the manner in which they select certain jobs all play an important part in the way workforces are developed and managed.

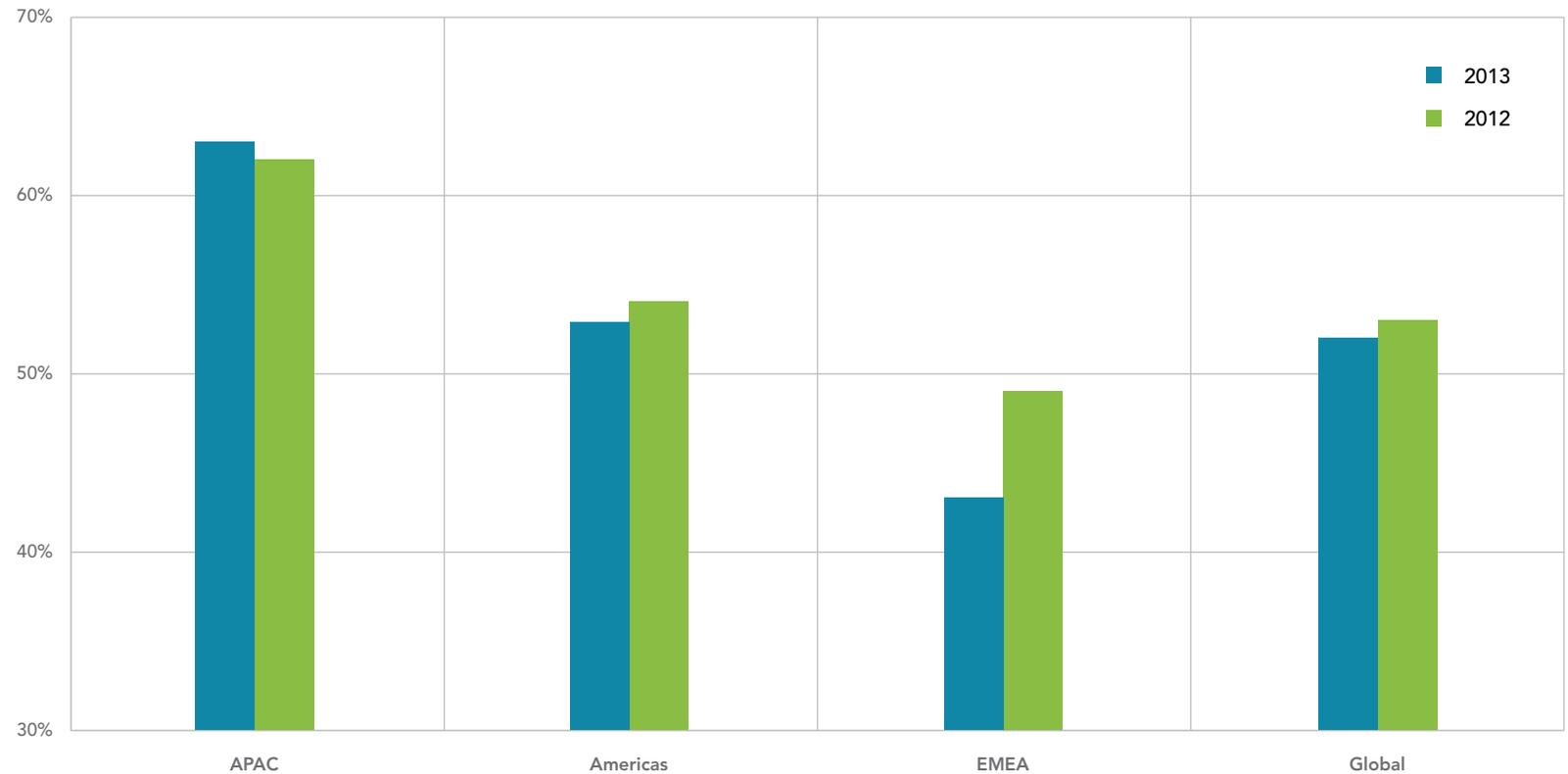
EMPLOYEE HAPPINESS

→ The survey poses to employees the threshold question “Are you happy in your job?”

Approximately half of global respondents (52%) say that they are either “happy” or “very happy” in their jobs. The result in 2013 is little changed from the figure in 2012.

The geographic picture is more intriguing. Those in APAC are consistently more content in their positions, with 63% either “happy” or “very happy”, significantly higher than in the Americas (53%) and EMEA (46%).

Are you happy in your job? (% “Happy” and “Very Happy” by Region)



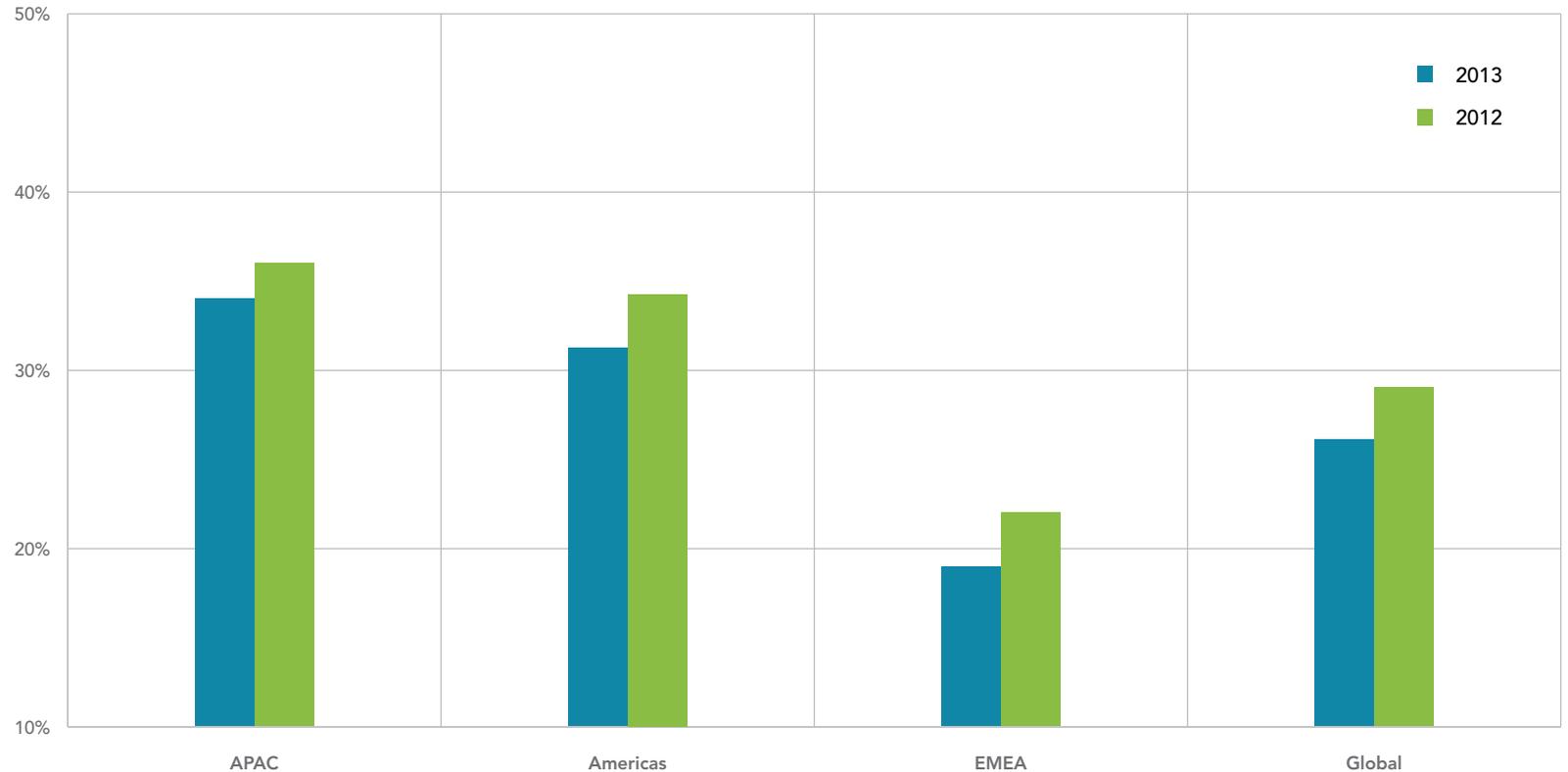
EMPLOYEE LOYALTY

→ The idea of employee “loyalty” to an employer is one that has come under considerable stress during the global economic downturn and its aftermath.

Perhaps not surprisingly, employee loyalty is relatively low and falling, down from 29% in 2012 to 26% in 2013.

In the Americas and APAC, employee loyalty sits above 30%, but in EMEA it is just 19%, down from 22% a year earlier.

Compared with a year ago, do you feel more or less loyal to your employer? (“More loyal” by Region)



KEY FACTORS INFLUENCING JOB CHOICE

→ In China, the key factor influencing job choice across all generations is "personal growth/advancement", nominated at 44%. In fact, this factor seems to be more important to Gen Y in China than other generations globally.

Globally however, nominated "personal fulfillment (work/life balance)" (38%) as the key factor and seems to be of particular importance to the older respondents than the younger generations.

The issue of "compensation/benefits" ranks third most important at 26% globally and 19% in China, remaining largely steady across the generations.

Which of the following factors would drive your decision to accept one job/position over another? (By Generation)



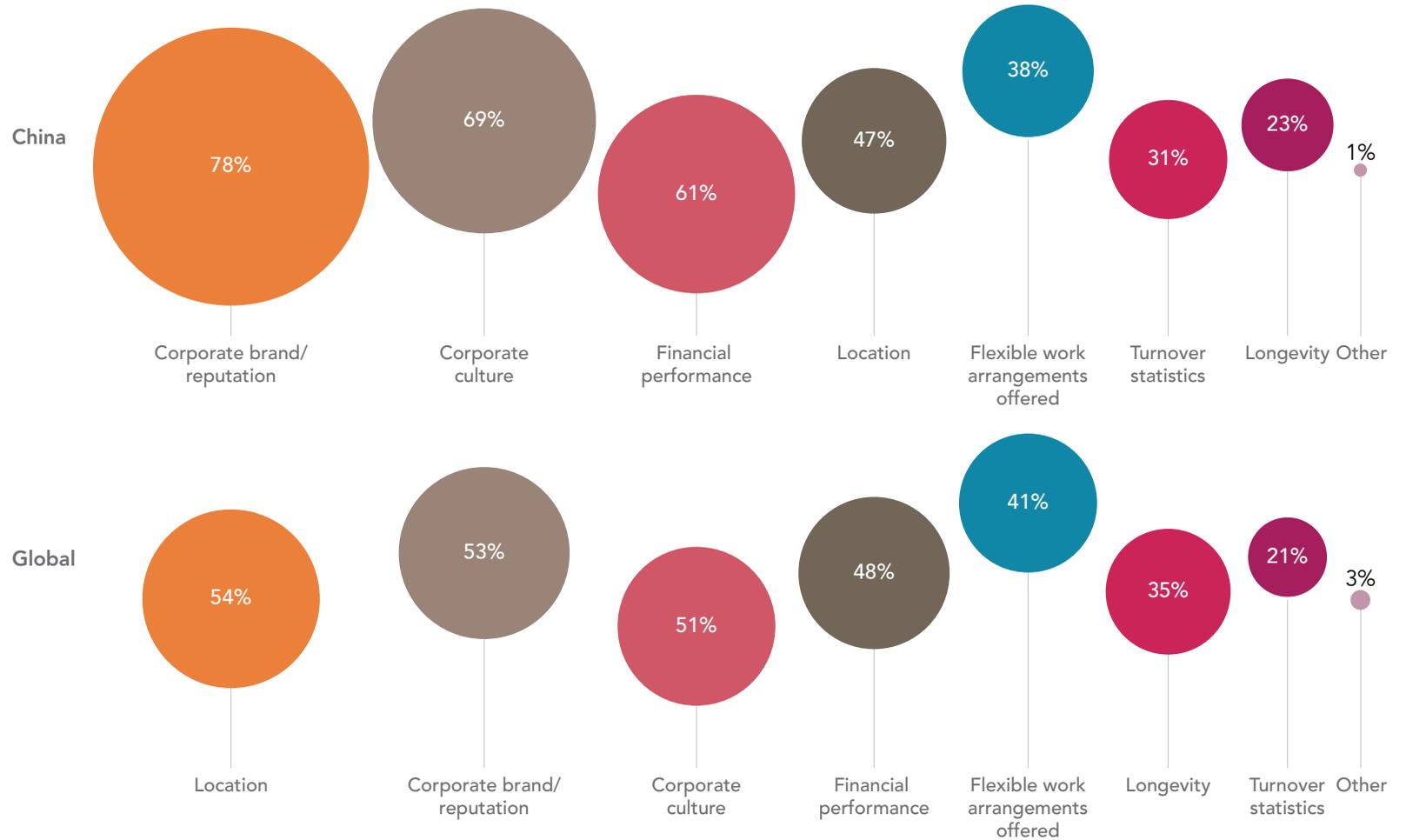
CRITICAL FACTORS IN JOB EVALUATION

→ Of the host of issues that are weighed up by employees in deciding on the right job, the prime consideration is location, cited by 54% globally.

For professionals in China however, "corporate brand/reputation" is the most important factor, nominated at 78%, when evaluating a potential job opportunity. The next factor was "corporate culture" with 69% agreeing its importance. "Financial performance" was also nominated as one of the top factors at 61% as professionals view a company's growth in the market as a sign of job security.

Other elements that touch on an employer's business performance, culture, and benefits are still important to many.

What factors are most important to you when evaluating a potential employer or job opportunity?



DETERMINANTS OF EMPLOYER REPUTATION

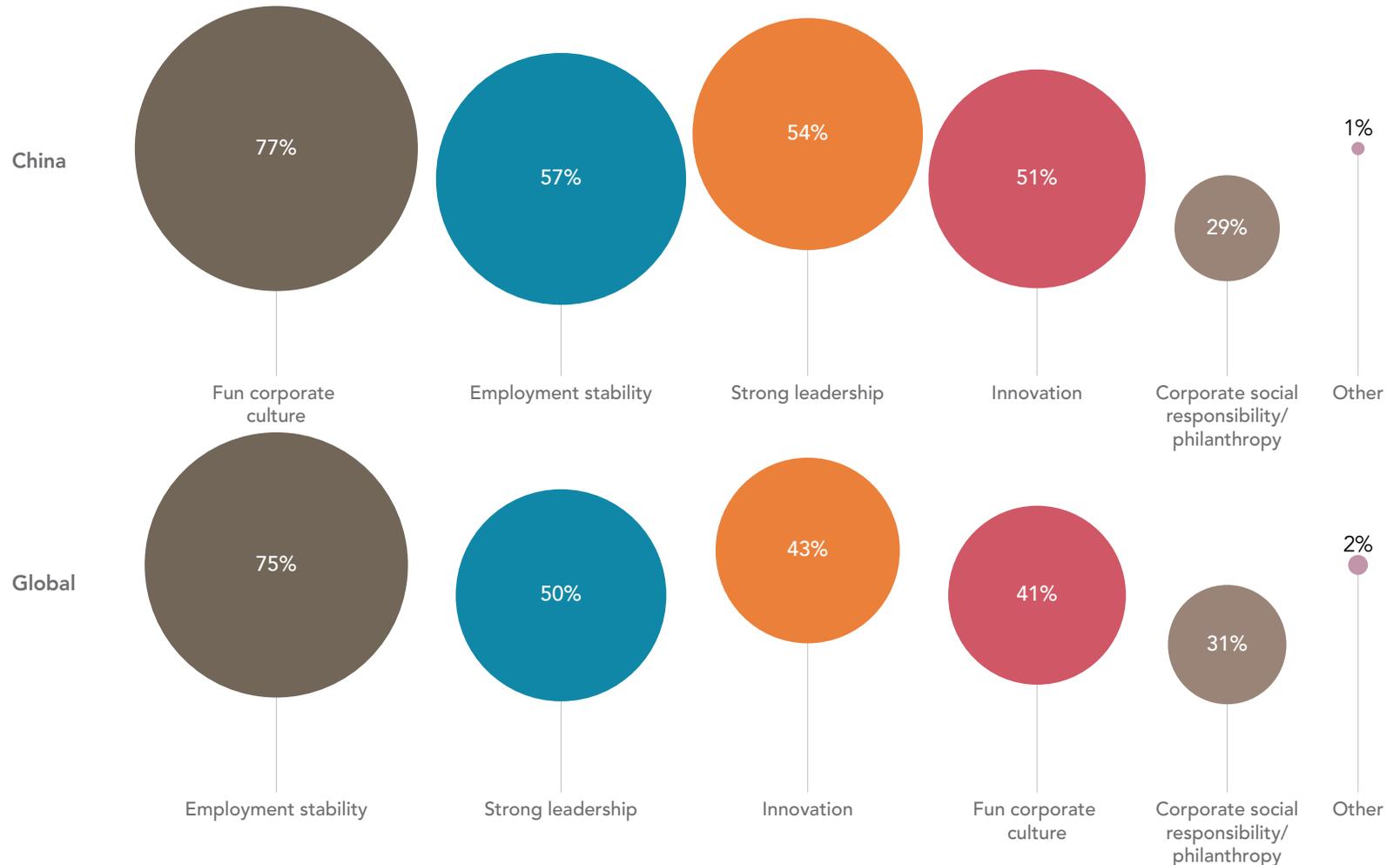
→ In the eyes of the employee, there is one issue that dominates when it comes to evaluating an employer's reputation – employment stability.

Globally, an overwhelming 75% of respondents say that a stable employment environment is their prime consideration in judging the reputation of a potential employer.

However in China, the determinants of employer reputation for Chinese professionals is a fun corporate culture, nominated at 77%.

The second most frequently cited factor is employment stability (57%) followed by strong leadership (54%).

When considering the reputation of a potential employer, what factors are most important?



STAYING OR SWITCHING?

The global economic recession had a profound impact on the way employees view their work and their employers.

For employees worldwide, job stability took precedence over improved salaries and benefits as business activity slowed and thousands were laid off.

Many firms that had built employee goodwill over decades had to make the difficult decision to scale back operations and reduce headcount.

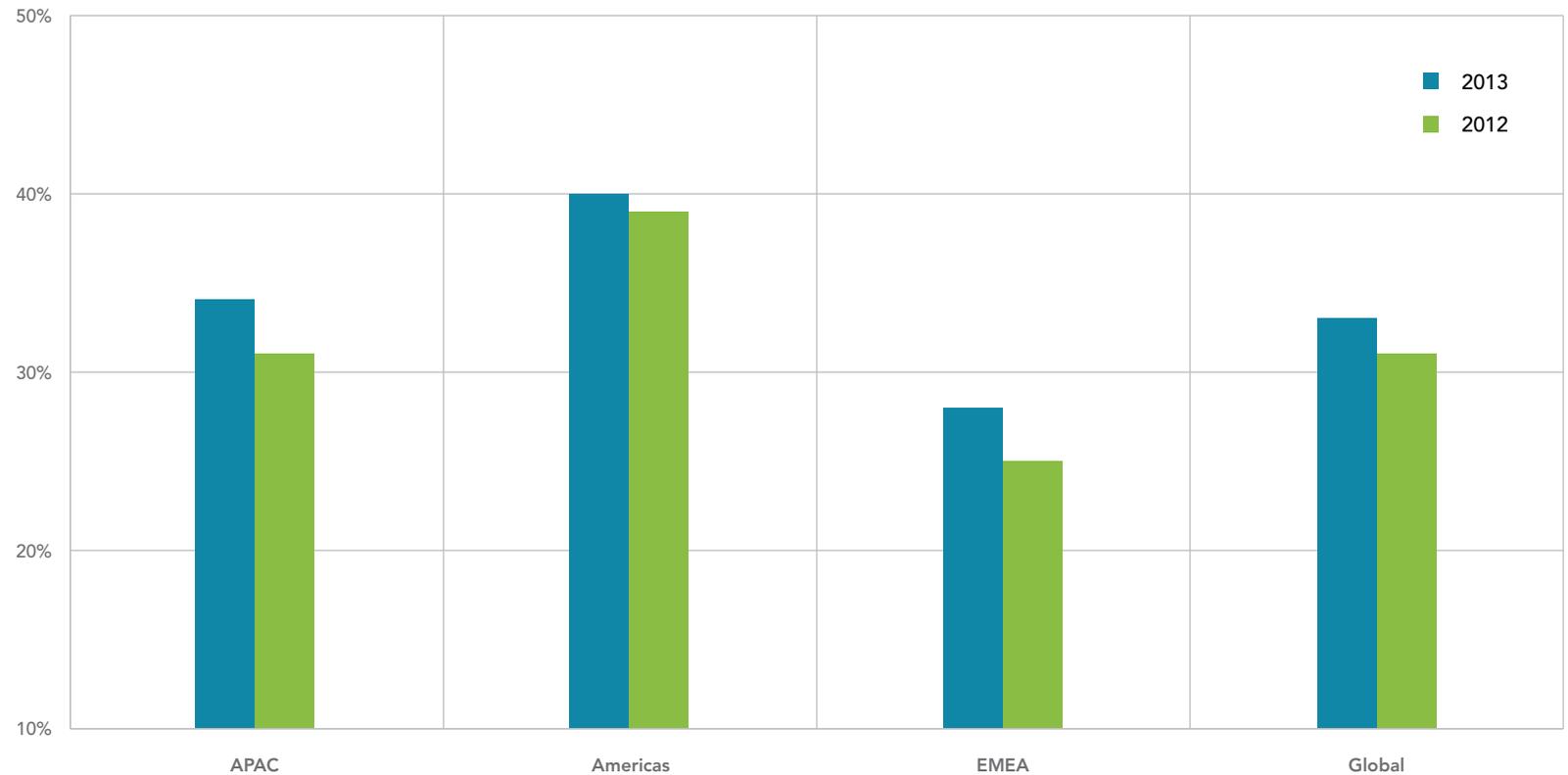
It is only some years after the worst of this economic crisis that we are seeing the lasting effect on employee attitudes and behaviour.

EMPLOYEE COMMITMENT TO JOB

→ One-third of respondents, globally, describe themselves as “totally committed” to their employers, up only slightly from 31% the previous year.

The picture varies across the globe. All regions saw increases in the level of commitment, with the highest level in the Americas (40%), compared with 34% in APAC and 28% in EMEA.

How committed or “engaged” do you feel with your current employer? (% “Totally Committed” by Region)



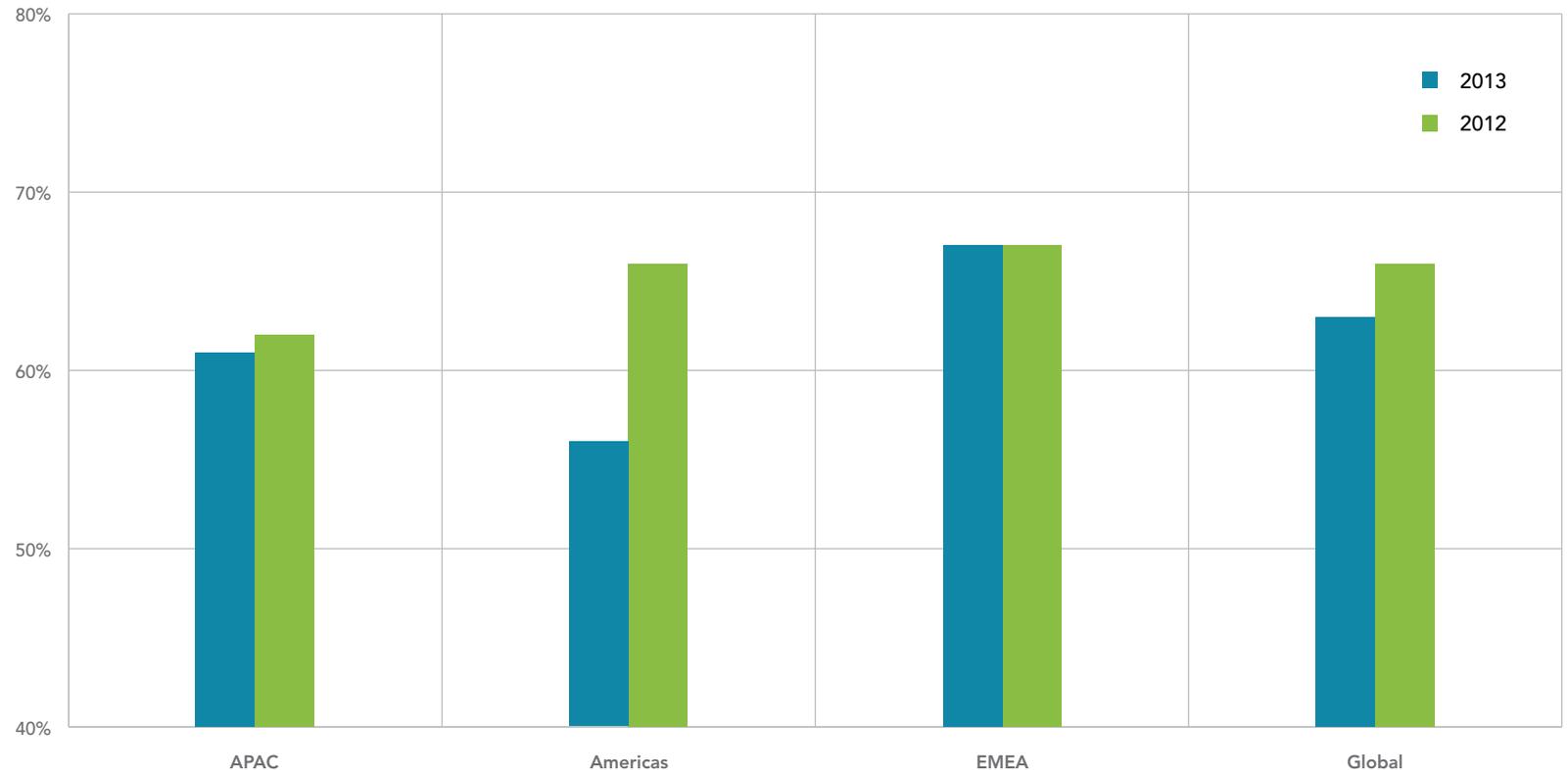
INTENTION TO SWITCH JOBS

→ When it comes to changing employers, the number of people intending to look for a job with another organization has decreased. A total of 63% of workers intend to look for a job with another organization within the next year, down from 66% in 2012.

Virtually all of the difference is accounted for by a big downward shift in the Americas from 66% to 56%.

Job-switching plans are down only slightly in APAC from 62% to 61% and steady in EMEA at 67%.

Do you intend to look for a job with another organization within the next year? ("Yes" by Region)



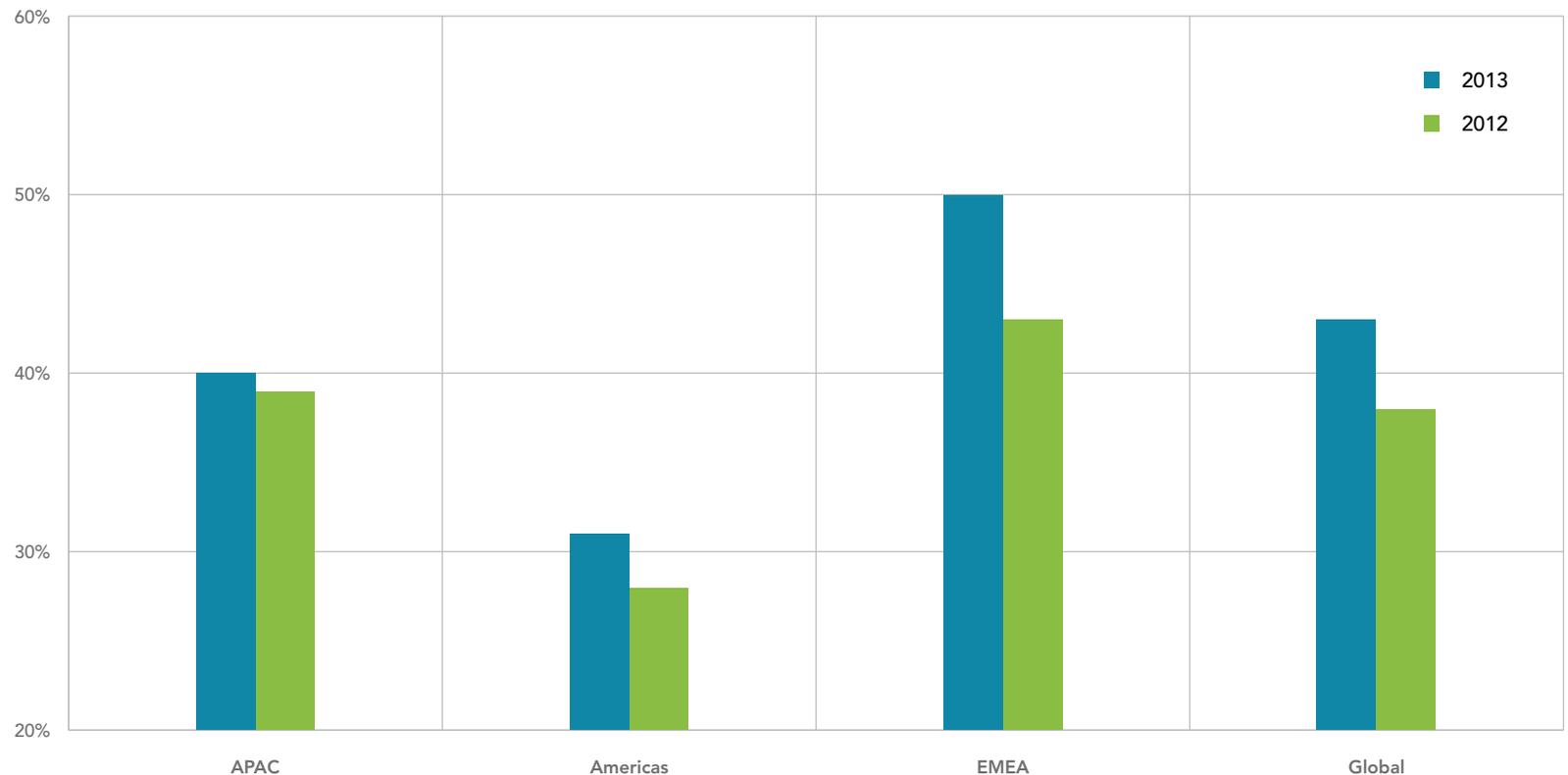
EMPLOYEES CONTEMPLATING QUITTING

→ There are many employees who are in a constant state of disquiet in their employment arrangement. They spend a considerable amount of time considering other job options.

Globally, 43% say they frequently think about quitting their current job and going to another employer. This is a jump from 37% reported in 2012.

Across all regions, there is a rise in the number of people who are frequently thinking about quitting, with the biggest increase in EMEA, up from 43% to 50%.

Do you frequently think about quitting your current job and leaving your employer? ("Yes" by Region)



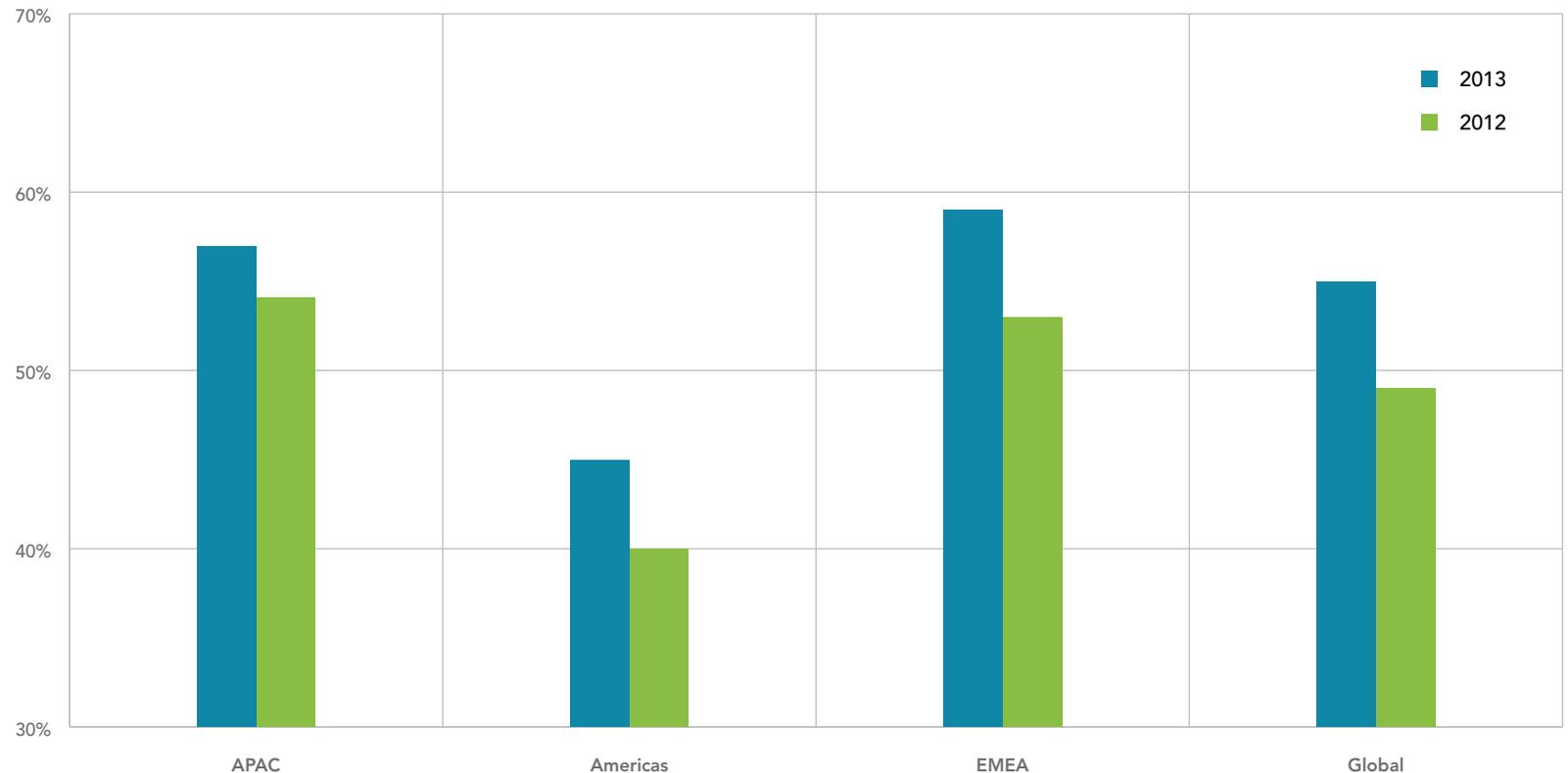
CONSTANT JOB SCANNING

→ Even employees who are happy in their jobs spend a considerable amount of time canvassing employment alternatives.

More than half of global respondents (55%) say they actively look for a better job even when they are happy in their current job, a significant increase from 49% in 2012.

The trend is evident across all regions. The most active job-scanners are in EMEA (59%) followed by APAC (57%) and the Americas (45%).

Do you actively look for better job opportunities or evaluate the external job market even when you are happy in a job? ("Yes" by Region)



FREQUENCY OF JOB SCANNING

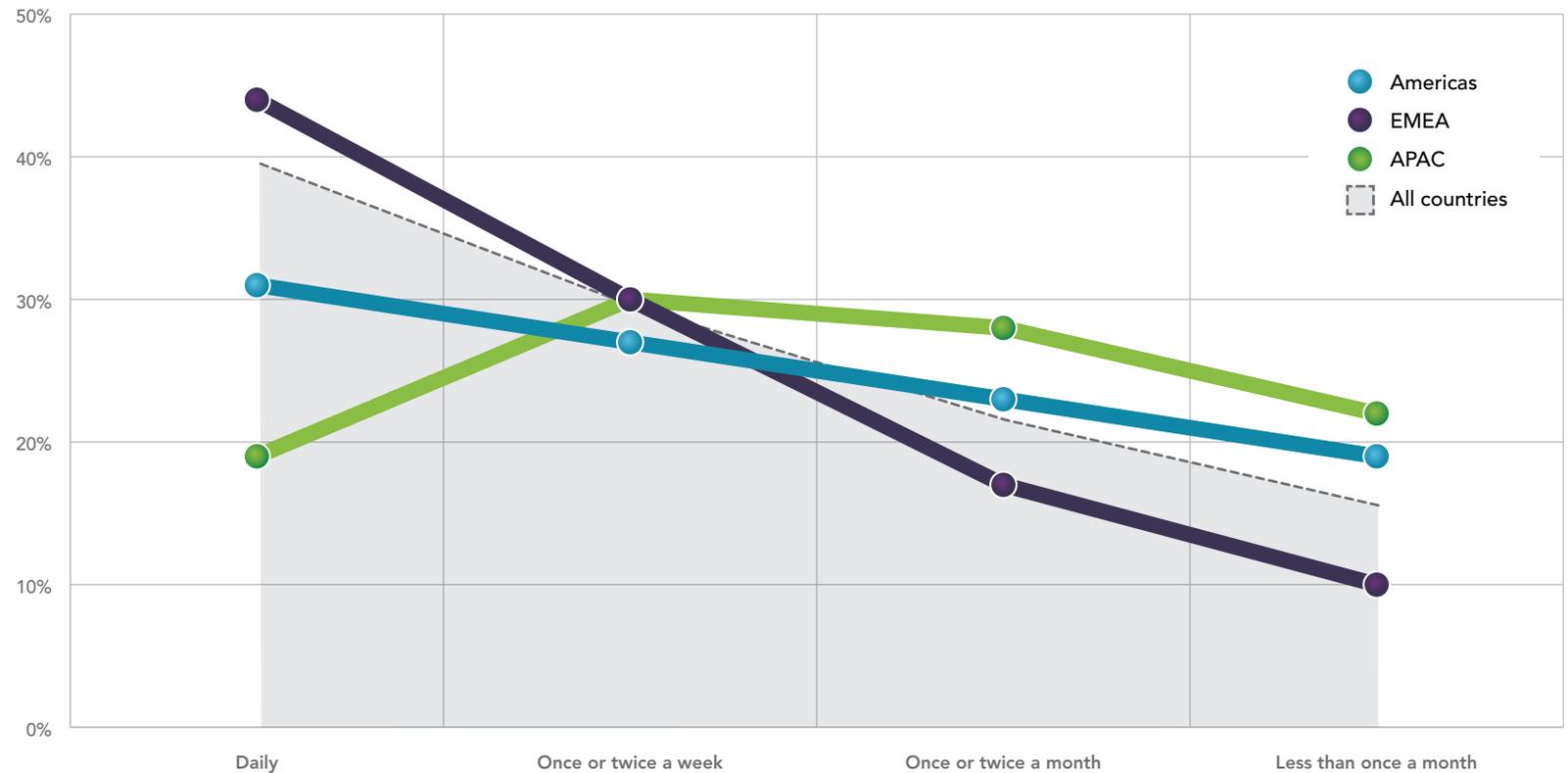
→ Keeping one eye on the jobs market can be a time-consuming activity for those who are constantly looking for alternatives.

More than one-quarter (29%) of job seekers look once or twice a week, and over one-third (34%) look for a new opportunity on a daily basis.

In EMEA, no less than 44% say they check the jobs market on a daily basis, while 30% do so once or twice a week.

Whereas in APAC, professionals are less active when they are happy in their job with only 19% who would look for a job daily.

How frequently do you look for a better opportunity or evaluate the external job market?
(Among those who actively do so even when happy in their job, by Region)



LOOKING FORWARD, NOT BACK

Many workers have experienced a significant shift in their attachment to employers in the wake of the global financial crisis, and this phenomenon is still shaping the employment relationship.

The difficult economic environment tested the employee-employer partnership in many organizations, and it still lingers in the minds of some workers.

Employees appear less content in their positions and are mindful about the importance of keeping their options open.

There is a transactional element to the way employees view their employment—less emotional attachment, and a more rational, arm’s-length assessment of career prospects and alternatives.

In this relatively fickle environment, employees are readily making judgment calls about the reputation of their employers and are ready to switch jobs should the need arise.

Importantly, the variable state of the economic recovery across the globe is reflected in markedly less optimism in EMEA than in the Americas and APAC, where conditions are more buoyant.

ABOUT THE KELLY GLOBAL WORKFORCE INDEX

The *Kelly Global Workforce Index* (KGWI) is an annual global survey revealing opinions about work and the workplace. Approximately 122,000 people across the Americas, EMEA and APAC regions responded to the survey. This survey was conducted online by RDA Group on behalf of Kelly Services.

ABOUT KELLY SERVICES®

Kelly Services (NASDAQ: KELYA, KELYB) has maintained leadership position in workforce solutions since 1946 based on a valuable premise: Investing in people. Serving clients around the globe, Kelly provides employment to more than 560,000 employees annually. Kelly has been active in the China market since 2007. The eight offices in Greater China provide specialist mid to senior permanent recruitment and Recruitment Process Outsourcing. Specializations in recruitment cover Accounting, Automotive, Banking & Finance, Chemical, Consumer & FMCG, Healthcare & Life Science, Industrial & Manufacturing, Human Resources, IT&T and other main industries.

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