



## Janet's Special Report on Employee Loyalty

**When it comes to the subject of employee loyalty, a lot of managers are in denial. Big time denial. Because most managers actually think their employees are loyal to them, loyal to their jobs, and loyal to their employer. The reality: Most employees ARE NOT LOYAL. Believe me, they want to be. But you (and/or others in your organization) are making it impossible for them to be loyal. (This fact is what Morale-Based Marketing is all about.) Read the following sobering statistics and quotes from experts who live and breathe this stuff. Then—because you know that knowledge is power—take action. Your employees want to be loyal. They're waiting for someone to notice and to fix what needs to be fixed. They're waiting to be appreciated. They're waiting to be listened to. Valued. Communicated with. Rewarded and recognized. Empowered. Really—they're waiting!**

In a 2007 survey of nearly 12,000 employees nationwide, Salary.com found that more than 60 percent of employees planned a new job search within the next three months. Although salary is a factor in the decision to change employment, Salary.com's senior vice president of compensation, Bill Coleman, says, "While pay is important, it isn't everything," said Coleman. "The real surprise is that employers are largely unaware of the real reasons for employee dissatisfaction beyond pay. This disconnect could lead organizations to focus on the wrong issues and as a result, experience high employee turnover and replacement costs."

A 2005 workforce study by Towers Perrin found that 86 percent of the world's employees are not willing to go the extra mile for their employers.

A poll by the Society for Human Resource Management found that three-fourths of U.S. workers are not loyal to their employers and are actively looking for a new job.

Statistics show that the greatest employee turnover happens within the first 18 months of employment.

Research conducted for The Conference Board in 2007 found that job satisfaction among Americans continues to drop, with no evidence that this attitude will reverse in the near future. The study found that less than half of all Americans are satisfied with their jobs, and the decline is true among workers in every age and income category. The Conference Board study shows that less than 36 percent of employees are happy with their workload, work/life balance, communication channels, and potential for growth.

Get more information about employee loyalty at [ThePowerOfGoodwill.com](http://ThePowerOfGoodwill.com),  
or by calling 816-941-3600.



In 2005, the international recruiting firm, Hudson, surveyed 10,000 workers and released a study called “Why Employees Walk: 2005 Retention Initiatives Report.” They found that although the majority of employees require good pay and benefits to stay on the job, when needs are not met in the areas of career growth, and professional development, and when they do not have a good relationship with their boss, they are more likely to start a job search than when their complaints are low salary and poor benefits.

Gallup’s poll on employee engagement annually shows that two-thirds to three-quarters of U.S. employees are not engaged in their jobs. A lack of engagement or commitment is not just in the lower levels of the organization—it is often missing in the top executive team.

According to Dave Ulrich, human resources consultant and professor at the Ross School of Business at the University of Michigan, “My colleagues and I have found that next-generation leaders for an organization may be competent (able to do the work) and committed (willing to do the work), but unless they are making a real contribution through the work (finding meaning and purpose in their work), then their interest in what they are doing diminishes and their willingness to harness their talent in the organization wanes. Contribution occurs when employees feel that their personal needs are being met through their participation in their organization.”

U.S. workers rank stress as a top reason they would leave their company, yet only 50 percent of employers offer stress management programs to employees primarily because they are perceived to have low impact on employee attraction and retention, according to a report released by WorldatWork.

“If employees aren’t fully engaged, you don’t get maximum return for your investment from those employees—they’re not taking care of clients, innovation goes by the wayside, creativity starts to wane. And uncommitted employees are more vulnerable to other offers,” says Robert Morgan, chief operating officer of talent management in North American for the international consulting firm, Hudson.

A 2005 Hudson study of 10,000 U.S. workers found that only 25 percent are *unwilling* to leave their current employer. The study also found that half of the workforce expects to change companies within the next five years.

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“Many leaders don’t realize that the rules of business have changed almost overnight,” says Joanne G. Sujansky, Ph.D., founder and CEO of KEYGroup human resources consulting firm. “The old paradigm says that your primary focus should be on keeping your customer happy. The new paradigm says the employees have taken over that spot. Keep them engaged and they’ll keep your customers happy. Neglect their needs and they won’t be so concerned about keeping their end of the bargain. In the end, not only will some of them go elsewhere, your customers may follow suit.”

Leigh Branham, author of *The 7 Hidden Reasons Employees Leave*, analyzed 19,000 exit interviews conducted from 1999 – 2003 by the Saratoga Institute. He found it clear “that workers have lost faith in those at the top,” and “the sense of loyalty is pretty much gone.” Branham’s most significant finding was that workers rarely leave a job because of another job offer. They leave because they are pushed out by factors including unchallenging work, problematic teamwork, an unhealthy corporate culture, unfair treatment, and feeling that the company doesn’t care about personal development.

**It’s never too late to start creating a work environment that instills loyalty in your employees. Never too late. You’ll be surprised how small steps can make a big difference. You’ll love Morale-Based Marketing – and your employees will, too. Find out how it works and what you can do to get started. Contact Janet at The Power of Goodwill today!**

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