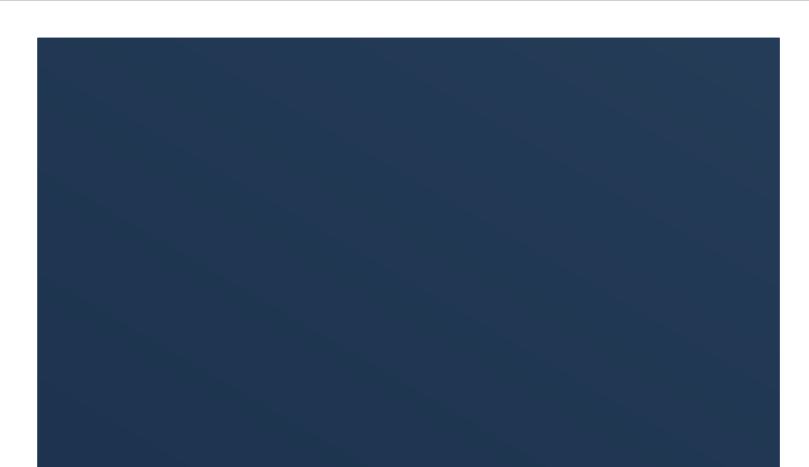


# ATTRACTION & RETENTION

QUARTERLY NEWSLETTER

3rd QUARTER 2024



# MARKET RECAP

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## The Job Market Remains Strong, Yet Competitive

The U.S. Bureau of Labor Statistics' recent Job Openings and Labor Turnover Summary revealed that the economy added 272,000 nonfarm payroll jobs in May, marking an acceleration in hiring following 165,000 gains in April. Furthermore, the Dow Jones consensus estimate was 190,000 for the month. Although the number of jobs added was far higher than expected, the unemployment rate rose to 4% from 3.9% in April. Economists have been expecting the unemployment rate to stay unchanged at 3.9%, so this is the first time the rate has broken that level since January 2022.

The number of job openings is an indication of the strength of the labor market and the broader economy. Job openings fell to 8.06 million in April, the lowest since February 2021. Monthly job openings have steadily decreased after peaking in March 2022 but remain at a high level. However, April's report is consistent with a gradual slowdown in the labor market. While employers pulled back on hiring in April, they did continue to add jobs to meet customer demands.

Increased cost pressures, such as inflation and interest rates, are slowing down labor market activity but not to the extent expected. Despite the labor market's current challenges, there are still plenty of opportunities for workers who want a new and better job. However, the competition remains fierce as people are eager to switch jobs.

### Employer Takeaway

The labor market is proving to be resilient and appears to be rebalancing. Savvy employers will continually monitor employment trends to stay competitive in today's evolving market. Organizations will likely continue to have difficulties attracting and retaining workers, resulting in increased labor costs as they raise wages and offer competitive benefits to attract talent. As the labor market cools, employers should stay tuned to the current status of the labor market and the trends that impact how they can tangibly put together successful talent strategies.



MARKET  
RECAP



# SECURING TALENT

## Retaining Employees in 2024

Around 27% of U.S. workers quit their jobs in 2023, which, according to a common turnover calculation, cost employers nearly a trillion dollars to replace. Unfortunately, turnover is expected to climb this year, and labor experts predict another form of the “Great Resignation” will take place as workers choose to leave their jobs. A LinkedIn survey found that 85% of workers plan to look for a new role in 2024, almost a 20% jump from the previous year. The trend is seen particularly in younger generations, including Generation Z, millennials and Generation X. Therefore, employee retention remains a critical challenge for employers across industries this year.

### Reasons Why Employees are Quitting

While today’s workers see both the possibilities and risks of job or career changes, many choose to explore new opportunities and leave their current employers. In general, workers are leaving employers due to the following:

- Inadequate salaries
- Limited career advancement
- Work-life imbalance
- Health and family issues
- General unhappiness with management or the company

Overall, employees are taking more ownership of their happiness, finding the job that’s the best fit for them while fulfilling personal responsibilities.

### Retention Best Practices for Employers

As the job market evolves and employee expectations shift, companies must adopt innovative strategies to keep their talent engaged and satisfied. Consider these strategies for retaining employees:

- Foster a positive work culture that celebrates each employee and promotes collaboration.
- Offer competitive compensation and benefits that address employee needs, such as health and wellness programs, retirement plans, paid time off and flexible working arrangements.
- Provide opportunities for skill development, training, career advancement, mentoring and career pathing.
- Promote work-life balance to prevent burnout and maintain employee well-being.
- Solicit and act on employee feedback to demonstrate to employees that their voices are heard and valued.
- Enhance employee engagement by involving employees in decision-making processes, providing meaningful work and creating opportunities for social interaction.
- Recognize and reward individual and team performance to reinforce positive behaviors and commitment.

To be impactful, employers should also regularly monitor the effectiveness of their retention strategies and be prepared to adapt as needed. Retaining employees in 2024 requires a multifaceted approach that addresses workers’ diverse needs and expectations. As more workers consider exploring new job opportunities, savvy employers can implement various strategies to enhance employee retention and contribute to a more engaged and productive workforce.

SECURING  
TALENT





# SECURING TALENT

## Attracting Millennial Talent

The workforce makeup is slowly changing. According to Glassdoor, Generation Z is expected to overtake baby boomers in the workforce by next year. However, millennials (born between 1981 and 1996) are the largest generation in the workplace, comprising 35% of today's workforce. Furthermore, Glassdoor estimates that millennials will continue to dominate until sometime in the early 2040s. However, not all companies are concerned with adapting their cultures to attract and maintain millennial employees. Gallup estimates that millennial turnover costs the U.S. economy \$30.5 billion annually.

## Understanding Millennials

To effectively engage and maintain this talent pool, employers must understand generational characteristics. Millennials grew up alongside the internet, making them very tech-savvy. Millennials saw their parents struggle with the 2008 recession, and many now struggle with their own finances, such as student loans. These financial burdens disillusioned many from the daily 9-to-5 grind, causing them to favor workplace flexibility and a healthy work-life balance. Amid financial pressures, millennials are often looking for a competitive salary that properly reflects the value of their work.

Furthermore, millennials value personal fulfillment alongside professional success. These workers are often more motivated if they're working on something they enjoy and are passionate about. Millennials are ambitious learners who seek continuous career growth and development opportunities.

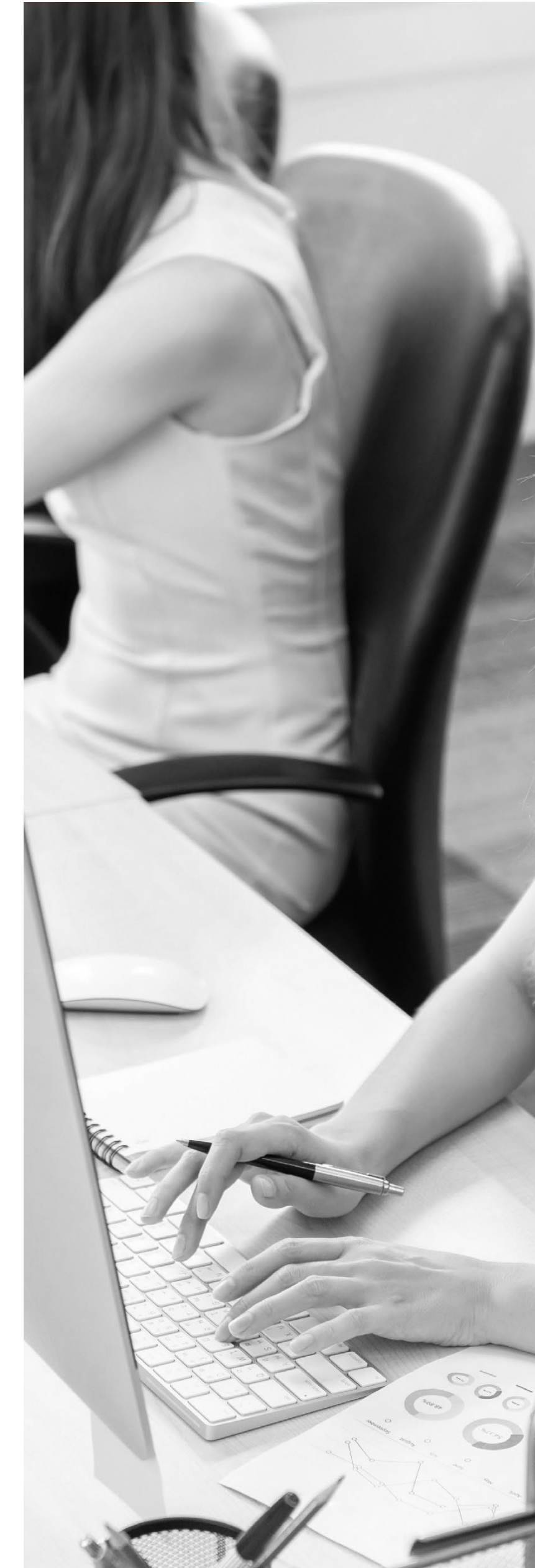
## Cultivating a Millennial-friendly Culture

Consider these strategies for fostering a culture that appeals to millennials:

- Offer work arrangements, such as remote work options, flexible hours or compressed workweeks.
- Create spaces for open dialogue and expression of different perspectives, such as employee resource groups.
- Provide continuous learning and professional development opportunities, including mentorship programs and clear paths for advancement within the organization.
- Adopt technology to streamline processes, enhance communication and create a modern work environment.
- Offer competitive benefits that cater to employee holistic well-being, including health care coverage, family-friendly benefits, mental health resources and student loan assistance.
- Lead with transparency so the organization can keep its promises to employees and communicate openly.

Attracting and retaining millennial talent requires employers to adapt their cultural practices to align with the values and preferences of this generation. By embracing these tips, employers can create an attractive workplace environment that resonates with millennial employees, driving recruitment and retention efforts forward in today's competitive job market.

SECURING  
TALENT





# WORKPLACE OUTLOOK

The BLS surveys businesses and government agencies each month and publishes the data from the findings the following month. This information offers a snapshot of the country's employment health and growth. Below is the data for May 2024, the most recent month available.

**Unemployment rate\*:**



**Total nonfarm\*\* payroll employment:**  
**+272,000**

**Primary job gains:**  
Health care; government employment; leisure and hospitality;  
professional, scientific and technical services; and social assistance.

**Health care:**  
**+68,000**

**Professional, scientific and technical services:**  
**+32,000**

**Government employment:**  
**+43,000**

**Social assistance:**  
**+15,000**

**Leisure and hospitality:**  
**+42,000**

\*The BLS does not count furloughed individuals as "unemployed."  
\*\*Nonfarm: This category refers to goods, construction and manufacturing companies in the United States. Data in this category excludes farm workers, private employees and nonprofit organizations.  
Source: Bureau of Labor Statistics

**WORKPLACE  
OUTLOOK**

