

Murray State's Digital Commons

Integrated Studies

Center for Adult and Regional Education

Fall 2017

Keeping Employees Loyal and Content in the 21st Century

Lindsey Horn lndsyhorn@yahoo.com

Follow this and additional works at: https://digitalcommons.murraystate.edu/bis437

Recommended Citation

Horn, Lindsey, "Keeping Employees Loyal and Content in the 21st Century" (2017). Integrated Studies. 81. https://digitalcommons.murraystate.edu/bis437/81

This Thesis is brought to you for free and open access by the Center for Adult and Regional Education at Murray State's Digital Commons. It has been accepted for inclusion in Integrated Studies by an authorized administrator of Murray State's Digital Commons. For more information, please contact msu.digitalcommons@murraystate.edu.

Lindsey Horn Jr.

Keeping Employees Loyal and Content in the 21st Century

Murray State University

Abstract

In this thesis, I discuss the necessities that make employees want to work and stay with their current employer. I will discuss and define leadership then discuss flex time and unlimited vacation time as forms of benefits. Under demographics I will discuss education, age, gender, and geography. By discussing business size I will show that some benefits are more feasible for larger companies than smaller businesses. Lastly, I will briefly discuss globalization and its effects on employee retention. Throughout the text, appendixes will be referenced which can be found after my references pages at the end of the thesis.

Table of Content

| Cover Page1 | |
|-------------------|-----------------|
| Abstract1 | |
| Table of Contents | |
| I. | Introduction4 |
| II. | Leadership6 |
| III. | Benefits8 |
| IV. | Demographics |
| | A. Education |
| | B. Age17 |
| | C. Gender19 |
| | D. Geography20 |
| V. | Business Size24 |
| VI. | Globalization26 |
| VII. | Conclusion |
| References | |
| Appendices | |
| | |

A: Historical Comparison Between Manager and Leader Characteristics

B: Which Benefits Are Most Valued By Job Seekers?

Table of Contents (cont.)

C: Which Benefits Do Men and Women Prefer

D: Breakdown of Total Compensation Cost

E: Appendix E

F: Manufactures are posting jobs, not filling them

G: Basic Skills/Knowledge Shortages Among Job Applicants In The Last 12

Months

H: Applied Skills Shortages Among Job Applicants In The Last 12 Months

I: Types of New Skills Required For Full-Time Regular Positions Hired In The

Last 12 Months

J: Age Distribution of U.S. Labor force, 2000, 2005, and 2030

K: U.S. Labor Force Participation of Men and Women, 1970 to 2007

L: Map of the Silk Road

M: Appendix M

I. Introduction

Everyone within the workforce has heard the statement a happy worker is a better worker. If a worker is happy, they will in turn be content and loyal to their employer. Within the 21st century, vast ideologies have changed throughout the business world on what makes loyal, good employees, and how to retain them. Demographics, education, and cultural diversities have as much to do with it as does the company's leadership, competition, and cost of retaining employees.

I have been in the workforce since I was sixteen years old. My grandfather and parents instilled in me a hard work ethic to ensure I had a decent job within a company. The terms for what was considered a decent job were: that they offered a salary that was appropriate for the job that I was hired to do, and an excellent benefit package with the possibilities of moving up within that company until I could reach retirement.

Up on graduating high school in 1989 I chose not to attend college and instead search for one of those lucrative jobs that my parents and grandfather had spoken so highly of. I hit every industrial and chemical plant within a forty-mile radius of my home but I did not acquire employment with any of them. I had part-time jobs, but that was not what I was needing to fulfill my financial requirements.

After being let down by my job, search I returned to school and continued to work parttime. I became an Emergency Medical Technician (EMT) thinking things would look up from
there and jobs would be more plentiful. I was personally satisfied and content doing EMT work,
but the salary did not commensurate the job tasks. With this second let down, I joined the U.S.
Army in hopes of becoming a medic; due to quotas of male and female soldiers I was yet again
denied the job that I wanted. I finally settled for a nuclear, biological, chemical warfare specialist
job. This job too was nothing as promised and did not fulfill my contentment. After seven years I

chose to leave the army, jumping to 2004, I finally landed a lucrative job in a plant. It was close to home with the pay and the benefit package that was instilled in me, but as time changes so is my contentment and loyalty.

The first six years were as my elders had described to me and that was upholding to my expectations. However, in 2009 the stock markets plummeted, and all corporations took major hits. Not only did the stock markets cause major imbalances within the company I work for, but the Fukushima disaster in March of 2011 had even greater impacts. The company I work for is in business of converting raw uranium ore into uranium hexafluoride; we are the first step in nuclear fuel process. Since the 2009 and 2011 incidents I have been locked out, laid off, and locked out yet again.

With each return to my job, I have diminishing benefits, less co-workers, and more responsibilities with the same amount of pay I was receiving for less responsibilities. With further reduction in corporate spending on upgrades of their current facilities and less research and development, one tends to wonder what does it take to be a loyal and content employee when one is being devalued by those that employ them. What and why are things changing?

If we look at education, demographics, cultural diversities, and some integrals within companies, we can start to see where things are changing. It also sheds light on where future employees are going to have to make changes to remain loyal and content. As well as to what extent of consensus they must be willing to take and endure for themselves comparatively from one job to the next.

II. Leadership

Leadership skills are lacking and more times than not a company or business has an idea of what makes a good employee and a guide as how to get an employee motivated and working

within that business. Leaders are becoming younger and their interactions with actual human beings are becoming less and less. The leaders of today are disconnected with their actual coworkers and are more in-tune with their smart phones and computers. Once meeting their fellow coworkers, many times they do not show compassion and are desensitized to other's emotional and mental wellbeing. With a directed guide of what is expected of them to ensure they're enforcing the good of the company, disconnects occur and misunderstandings are inevitable between leaders and employees.

Diverse ideological leadership practices are perplexing (Algahtani, 2014). Appendix A gives a history of manager and leadership roles and how they have differentiated from 1977 to 2011. Now as well as in the past, most managers are not leaders and leaders are not managers. The Oxford English living dictionary defines manager as a person responsible for controlling or administering an organization or group of staff. A leader is defined as the person who leads or commands a group, organization, or country. As we can see from the definitions, management controls and leaders lead. Still what is the differences? (Algahtani, 2014, p.74)

Managers focus on formal directing and controlling of their assistants, resources, structures, and systems (Kotter, 2001). Managers aim to reach short term goals, avoid any risks, and establish standardization to improve efficiency (Kotterman, 2006). The employees follow a manager's direction in exchange for being paid a salary, known as a transactional style (Kotter, 2001). Research shows that being an effective manager depends upon three special skill sets: technical, human and conceptual. The technical skill refers to the proficiency in a specific type of work. This may include competencies within a specialized field, or the ability to use appropriate tools and techniques. Human skill refers to

the ability to work with people, which allow a manager to assist group members to complete a task. Conceptual skill refers to the ability to work with ideas (Katz, 1955). In addition, an effective manager needs to have specific qualities like: good communication; organizational; negotiation; and Delegation skills (Kappa, 1991).

As we can see from the paragraph above, management is the structural concept of a business or corporation which is controlling and complex. (Algahtani, 2014, p.75)

Leaders focus on motivation, and inspiration (Kotter, 1990). Leaders aim to create passion to follow their vision, to reach long term goals, take risks to accomplish common goals, and challenge the current status quo (Bennis and Nanus, 1997). The leader keeps an open eye on his followers' benefits, so people follow the leader voluntarily, and the leader directs the follower by using a transformational style (Bass, 1990). Leaders should have some critical qualities such as integrity; vision; toughness; decisive; trust; commitment; selflessness, creativity; risk taking; toughness; communication ability, and visibility (Capowski, 1994).

Moreover, leaders should have charisma; a sense of mission; ability to influence people in a positive environment; and ability to solve problems. (House, 1977)

Leaders are ones that cope with the ever-changing visions of businesses; be it rapid change or slow progressive change, they make the visions of the company or corporation come to life through employees. Businesses with a sound management structure and excellent leaders in leadership roles assist employees on their decisions of being loyal. With these two attributes to the business, contentment should reveal itself from within the employee's willingness to do his/her job to the utmost of their abilities. Their loyalty will remain in high times and in low

times as long as they are recognized and treated with loyalty themselves, and not as burden or as a number that can be replaced with anyone not trained in their skills and duties.

III. Benefits

There are arguments that there is no need for healthcare, vacations, or retirements, and that compensation for work should be enough. Others argue that healthcare is a right and should be coupled with other company initiated perks such as flextime, relaxation pods, massages, daycare, doctors on site, and even spousal job assistance. What are considered benefit packages from business and how are they important to employees? Do businesses consider differences in genders when offering these benefits?

Glassdoor's 2015 Employment Confidence Survey, about 60% of people report that benefits and perks are a major factor in considering whether to accept a job offer. The survey also found that 80% of employees would choose additional benefits over a pay raise. (Jones,2015)

What employees want for benefits should be taken into consideration when looking at developing benefit packages. It would be beneficial for both the employees and employers' because having an input makes the employees feel like they are a part of the solutions and decision processes. A survey in Appendix B shows some of the most desirable benefits wanted by employees. The top five are: 1). Better health, dental, and vision insurance. 2). More flexible hours. 3). More vacation time. 4). Work from home options. 5). Unlimited vacations. These answers come from 2000 workers from ages 18 to 81 (Jones, 2015).

These benefits can be narrowed even further between genders. Appendix C shows that more women than men would like more family oriented benefits over team bonding and free food (Jone,2015). These type of benefits are what some would called ordinary or plain and simple expected benefits. There are some companies that offer extraordinary benefits.

Google is famous for its <u>over-the-top perks</u>, which include <u>lunches made by a professional chef</u>, biweekly chair massages, yoga classes, and haircuts. <u>Twitter employees enjoy</u> three catered meals per day, on-site acupuncture, and improv classes. SAS has a <u>college scholarship program</u> for the children of employees. And plenty of smaller companies have received attention for their unusual benefits, such as <u>vacation expense reimbursement</u> and <u>free books</u>. (Jones, 2015)

As an employee, one has to find the right benefit package to make him/her content. The companies with the greatest competition and desire to maintain or attract top talented workers are going to offer more lucrative benefit packages. Employees need to ensure the company is going to be able to maintain benefit packages. The costs involved with some benefits continue to grow at a rapid pace. It is predicted in 2018 healthcare benefits will costs employers 5.5% more. Employees cannot be naïve and think all employers can afford what is perpetuated to be a consistency across multibillion dollar a year companies versus a million-dollar earning or less businesses.

Noted above from the survey, more vacation time was a desire that employees want, but Americans leave \$224 billion dollars of unused vacation every year. (Jones,2015) This is a liability expenditure on the businesses as well. Businesses of the 21st century are now offering

flex time and some offer unlimited vacation time, these new benefits were never heard of in the 20th century.

Flex time offers the flexibilities in start and stop times and allows workers the ability to see to the needs of elders or children, that are of school age, without compromising their duties to the businesses. Flex time is more adaptable in larger businesses than in smaller businesses; a larger number of employees are able to adjust and work the scheduling to fit the needs of the businesses and employees. Employees and employers have advantages and disadvantages in flexible work schedules. Employees advantages are:

Flexibility to meet family needs, personal obligations, and life responsibilities conveniently. Reduced consumption of employee commuting time and fuel costs. Avoids traffic and the stresses of commuting during rush hours. Increased feeling of personal control over schedule and work environment. Reduces employee burnout due to overload. Allows people to work when they accomplish most, feel freshest, and enjoy working. Depending on the flexible work schedule chosen, may decrease external childcare hours and costs. (S. Heathfield)

Employers receive advantages to form flexible work schedules. (S.Heathfield)

- Increased employee morale, engagement, and commitment to the organization.
- Reduced absenteeism and tardiness.
- Increased ability to recruit outstanding employees.
- Reduced turnover of valued staff.
- Allows people to work when they accomplish most, feel freshest, and enjoy working. (e.g. morning person vs. night person).
- Extended hours of operation for departments such as customer service.

- Develops image as an employer of choice with family-friendly flexible work schedules.
- There are also key organizational challenges you need to address to make flexible work schedules support your business. In and of themselves, as a positive benefit for employees, flexible work schedules support employee engagement, positive morale, and retention. But, flexible work schedules must operate to meet the needs of the business, too.

Some of the disadvantages for the employees are:

- Employees who thrive in an office environment may find it difficult to work when his colleagues don't hold the same schedule.
- Working from home can often make neighbors and friends think you aren't actually working, thus causing problems with relationships
- There is no clear delineation between work and home. (S. Heathfield)

Employer disadvantages are:

- In <u>team-oriented departments</u>, teams still need to meet, which <u>requires some set</u> guidelines.
- Some people take advantage of the flexibility and use that as an invitation to work from home which really means watch Netflix with their email screen open.
- Some managers, who are used to seeing when their staff members come to work, watching what staff do all day at work, and knowing when people leave for home, have trouble adjusting to the new management style which requires trust.

- Office-oriented people sometimes view their work-at-home colleagues as slackers because they can't physically see their productivity.
- Compressed work weeks can make client handovers complicated—clients expect service 5 days a week during business hours and can be fussy when an employee isn't in on Friday.
- Jobs that require customer-facing responsibilities only allow certain types of flextime. Whole days working from home are not an option. Other kinds of jobs such as assembly-line manufacturing and hands-on healthcare such as nursing share the same disadvantages. Employers struggle with fairness when only certain employees can work remotely. (S. Heathfield)

Although unlimited vacation sounds great to employees, it is not feasible for every employer. New startup companies benefit more from unlimited vacation because it used as a benefit tool to attract candidates for their businesses. Rigid, scheduled businesses like manufacturing, and some in sales would not benefit from unlimited vacation times due to paying for the vacation plus a replacement worker's salary.

Appendix D gives a breakdown of total compensation costs. As we can see, 68% of the costs are salary and wages and the other 32% are benefits, with healthcare being the largest percentage of the overall benefit packages. Appendix E gives examples of benefits, the most compelling being healthcare and wages. Employees and employers can see these numbers and can see what triggers employees to stay or leave businesses.

IV. Demographics

Demographics are used to determine where companies stand among the population. If companies do not meet criteria for the demographics they are trying to reach, they may end up

failing in employee retention and overall company profits. Demographics such as education, age, and gender play a vital role in the continuation of an ever changing workforce.

A. Education

As of July 2017, it was reported by the Bureau of Labor Statistics that 5.9 million jobs were unfilled in the United States. That is an astounding and an alarming number being as there are still 6.8 million unemployed as of October 2017 (BLS). Success for businesses revolves around candidates that are educated, skilled, and properly credentialed to fill open positions within these businesses. There are controversial discussions as to why such a large number of jobs are not being filled. The top primary reason is the lack of skilled workers to fill the positions.

Many manufacturing jobs as well as other sectors in the workforce were hit hard in the 2009 recession. This left manufacture workers as well as other sector workers unemployed and jobless. An argument proposed by businesses is that the workers who lost their jobs did not return to school to advance their education to prepare for jobs of the future. Contrary to the businesses argument, workers were and are unsure of the future of the job market due to outsourcing, and downsizing of jobs.

Businesses continue to automate and use advanced, technological, upgraded equipment to replace the human worker. With these upgrades, less humans are needed to do labor intense jobs decreasing the job availability in these fields. Men and women that have been displaced from businesses through downsizing, globalization, or layoffs because of realignment and redistribution of job assignments, are considered no longer employable by no faults of their own.

Factory work has evolved over the past 15 years or so as companies have invested in advanced machinery requiring new skill sets. Many workers who were laid off in recent decades – as technology, globalization and recession wiped out lower-skilled jobs – don't have the skills to do today's jobs. The mismatch poses a problem for the economy, often limiting the ability of businesses to increase production which weighs down on growth. (Halbert, 2016)

Is this the real issue of so many unfilled manufacturing jobs and unskilled laborers?

Looking at appendix F, it shows that manufactures are posting more jobs than they are filling. As noted above, the industries have said lack of skilled laborers is the cause of these deficiencies in filled positions.

For starters, it's worth defining what "skilled" means in this context. Even today, manufacturing jobs rarely require a college degree. Some 62 percent of manufacturing production workers have no education past high school, and 80 percent have neither an associate nor a bachelor's degree. Those numbers are pretty much the same for younger workers, suggesting manufacturers aren't replacing less-educated older workers with more-educated young ones. (Casselman, 2016)

We can break theses skills down into basic skills, applied skills, and the need for new skills. The basic skills that are the most lacking are writing in English and basic computer skills according to 41 % of the human resource managers surveyed. (SHRM 2017). Appendix G gives a breakdown of lacking basic skills. Applied skills were lacking significantly more so than basic skills.

The most commonly reported missing applied skills were critical thinking/ problem-solving (45%), professionalism/work ethic (43%), leadership (35%), written communications (29%) and teamwork/collaboration (28%). (SHRM 2017) Appendix H shows the breakdown of applied skills. The need for new skills has resulted from the recession with jobs being eliminated or outsourced. The recession caused companies to install automation and replace human workers.

The top category HR respondents indicated was needed was workplace/soft skills such as communication, teamwork or problem-solving (45%). This was followed by computer/web/IT skills (39%), management/project management/training skills (39%), technical skills (37%) and business/HR/leadership skills (32%), as illustrated in Figure 10. (SHRM 2017). Appendix I show the breakdown of new skills.

Skeptics on both sides of the skilled labor shortage wonder why businesses just don't increase pay. By increasing pay, more people would be apt to learn a skill or be willing to transfer from other manufacturers causing an increase in competitive wages and workers.

Average hourly earnings for manufacturing workers were up 2.5 percent in August from a year earlier, before adjusting for inflation; that's the <u>same rate of growth</u> as for workers in the rest of the private sector. (Casselman, 2016).

Another theory on why these jobs are not being filled is because of site specific or detailed to site specific jobs.

Weaver and Osterman offer a more industry-specific explanation: The manufacturing industry has become so specialized that companies are looking for hyperspecific skills that few outside workers could be expected to have. But companies have also become less likely to offer training for new hires. Companies, the authors write, "are unwilling or

unable to solve their skill challenges through internal training, even for skills that are highly specific to a particular plant. (Casselman.2016)

Employees are being replaced by machines and companies do not offer on the job training on how to operate or service these automated machines. The education industry has moved away from industrial training and more focus is directed towards service oriented jobs. To be a contender for future job openings, being knowledgeable of what the future holds for a specific job and continuing education through employer lead schools or through private secondary educational facilities. Learning keeps mental sharpness and can extend employability by current employers or by one of their competitors.

B. Age

During 1996 more than a third of 14-16-year olds were working a part time job while going to school. (Herman) Compared to the thoughts of most, the 21st century has seen a decrease in teen workers. The unemployment rate of 16-19-year olds is much higher than that of any age group. (Lee & Mather) In the 20th century the average age of someone in the workforce was 35-year-old, today the average age has raised 41, and in the average age is projected to be 55 years or older. Appendix J shows age distribution from 2000 to 2030. (SHRM 2017)

In the United States, many individuals holding the highest levels of education and skills are in the 40-plus age demographic. Baby boomers are retiring daily and should be causing greater alarms across the business world. With so many people retiring the likelihood of finding the educated, skilled, and credentialed replacement workers are becoming less and less due to a stagnated labor work force.

The aging workforce is working longer than their predecessors. By making their jobs less strenuous and more accommodating to their needs, employers will be more likely to keep older employees longer by increasing their job satisfaction. Some of these needs may be in the form of the previous benefits mentioned above such as: flex time scheduling, advanced training, and extended work life planning.

It's expected that by 2020, 31 million jobs will become available as Boomers retire, and another 24 million new jobs will be created. However, the population of younger workers with education and skills to replace Boomers isn't large enough or growing fast enough to make up for these departures, according to a Georgetown University report, which predicts a shortfall of 5 million qualified workers. (SHMR Oct.,2017)

The younger workers would be the Millennials "Echo Boomer" this group of people were born in the 1980's and 1990's. They have different ideologies than their predecessors in workplace attitudes. They are not as prevalent to stay with one job for twenty years so, human resource personnel are having to get creative to attract and retain them. (SHRM Oct. 2017)

The common complaint that Millennials "aren't loyal" misunderstands who they are and what they're looking for. According to the Deloitte report, their top five priorities are:

- 1.Work/Life Balance
- 2. Opportunity to progress as leaders.
- 3. Flexible work arrangements.
- 4. Sense of purpose.

5. Professional development training programs.

Notably, many of the qualities or opportunities that Millennials prize are equally appealing to other generations, including flexible work arrangements, work/life balance and meaningful work. (SHRM Oct. 2017)

Older workers can be trained and stay on the job longer and continue to be assets to the businesses in which they work. They can even be mentors to the Millennials coming on board. The Millennials can help push companies to offer new benefit options that can be beneficial to everyone. With this cohesion of the young and old contentment and loyalty can be achieved.

C. Gender

Men and women both are working side by side in many jobs. There has been a shift in job segregation in the 21st century. Job segregation is no longer politically correct, with womens equality being a major push to make all things equal among men and women in the workplaces. Women can now fly fighter jets, and even be assigned to combat units in the military. Just as recent as 2017 girls are now allowed in the Boy Scouts.

There has been an increase in women in the workforce since the 20th century. In 1970 there were less than 50% of women working. However, in the 21st century that percentage has increased to about 60%. (Lee & Mather) To keep and grow women in the workforce, employee benefits play a vital role. Appendix K shows U.S. Labor force participation of men and women 1970 to 2007.

Workplaces are not structured to accommodate dependent children. (Glass & Riley)

Women who stayed with their employers worked in organizations that valued and rewarded seniority, and therefore offered incentives to remain with the firm such as paid maternity leave.

(Glass & Riley) Employer policies regarding on or near-site care, reimbursement for child care costs, referral services, etc. have become important conditions of employment. (Glass & Riley).

With these great strides women have made in the equality war it has been discovered that men have had hidden discriminations against them. The women's battles have had influences on changes for their male counter colleagues. (M, Walberg) First of all, dads who spend at least a month home with their young children live 18% longer than dads who don't. As do their wives (a 16 percent advantage over mothers who don't have a husband who stays home). (M.Wallberg) Incidentally, dads at home is also good for the family income: For each month dad stayed home after birth of child, mom's income rose 6.7 percent. This is equality working for both genders.

Companies are evaluating and implementing more benefits beneficial for both sexes in the workplace. (M. Wallberg) Create a caring culture, offer a two to four week of paid paternity leave with 66 percent of salary, and provide flexible working options. The 21st century is opportunity for growth in equality and diversity on both sides of the genders. This is hopefully fulfilling some of the inequalities that women see as despairing and addressing the issues that men have never contemplated being as part of their benefit packages.

D. Geography

People do not think of the effects that commutes to and from work have on their health. Some think that commutes are just a part of having jobs good pay or not. (TIME, 2017) The average American's commute to work is 25.5 minutes each way, according to a report in USA Today. That's about 51 minutes a day getting to and from work, or about 204 hours a year spent

commuting. These hours are normally spent alone and without compensation. The following are ten things that happen to your body in a commute. (TIME, 2017)

Your Blood Sugar Rises in just a 10-mile commute. High blood glucose levels can lead to pre-diabetes and diabetes.

Your Cholesterol goes up in a 10-mile commute, cholesterol is a warning sign for heart disease.

Your Depression Risk Rises with commutes of at least 10 miles each way have a higher tendency toward depression, anxiety, and social isolation.

Your Anxiety Increase people who commute more than half an hour to work each way report higher levels of stress and anxiety than people with shorter commutes or no commutes at all.

Your Happiness and Life Satisfaction Decline Riding a bus for 30 minutes or longer was associated with the lowest levels of life satisfaction and happiness, but even if you're lucky enough to bike to work and enjoy the beautiful outdoors, your satisfaction takes a nosedive commensurate to how long you spend doing it.

Your Blood Pressure Temporarily Spikes Commuting during rush hour—especially when you're concerned that you may be late to work or to an important meeting—can result in temporary spikes in stress levels that jack up your blood pressure, even if it's normally stable.

Your Blood Pressure Rises Over Time, As Well A study of 4,297 Texans found that the farther the participants lived from where they worked—the longer their commutes—the higher their blood pressure was. High blood pressure over time is a major risk factor for heart disease and stroke.

Your Cardiovascular Fitness Drops The same study out of Texas found that people with longer commutes also had lower levels of cardiovascular fitness and physical activity. Cardiovascular fitness is critical for heart health and maintaining a healthy weight.

Your Sleep Suffers The Regus Work-Life Balance Index for 2012 found that people who commute for longer than 45 minutes each way reported lower sleep quality and more exhaustion than people with shorter commutes.

Your Back Aches Spending hours a week slouched over in a car seat (either as a driver or a passenger) has negative consequences on your posture and your back; commuters are more likely to report pains and aches in their backs and necks.

With these health problems that can stack up against the commuters to and from work it is also important to know just how many people are affected by these health concerns. The following statistics are for the United States alone from March of 2016.

It is calculated that 128.3 million Americans commute to work. 29% travel 1-5 miles and 22% travel 6-10 miles. Stretched commutes of 50 miles or more are done by 3.3 million Americans and of those 84% are males with household incomes of 50,000 or more. Manufacturing/ construction jobs account for 21% and professional managerial/ technical jobs account for 39% of the stretched commutes.75.7% of American commuters drive alone and 12.9 % carpool. (Statistic Brain)

With a population calculation of 322,762,018 in 2016 approximately 40% of the population is moving towards their place of employment daily in America. We have heard

recently that Americans have got to move and go to where the jobs are being offered. If it were so easy, there would not be as many job opening in those places.

Businesses are not taking into the consideration the costs involved in moving and if the compensation would be even worth uprooting a family. Most jobs that are being offered are already in congested areas. These are primarily of middle class jobs and not elite jobs. To better understand why middle-class people are not leaving one has got to look at what they consider important to them besides a well-paying job. (J. Williams May, 2016)

Working class folks tend to have this tight, deep network of family, friends, and neighbors who they've known all of their lives. Definitely it's the center of emotional life. But it's also part of economic life.

They're the people who help you take care of your kids. And they help you take the elders to the doctor when you can't get there. And they may help you come and do the renovations on the house, whereas among the professional managerial elite, relationships with families are often much more attenuated than they are in working-class life. They may be close emotionally. But they're not part of each other's everyday lives in the way they are very often in the working class.

There is still more to it than just up and not leaving because of family. With a substantially higher housing market, the cost to move has increased to counteract the benefits of a pay increase. Twelve to fifteen dollar an hour jobs do not attract people with upside-down mortgages and the financial instability to move and pay their required monthly bills.

Blue collar workers do not get relocation allowances like the white-collar workers. On the contrary, people living in these communities cannot believe that companies are going to move without skilled essential workers that they are needing to employee. Also, firms are not going to build multimillion dollar factories in communities that are not easily accessible from major highways for shipping supplies and their final products.

Forget about changing jobs by moving; we just don't change jobs as much (or employment status) as we used to. By Wozniak's measures, what she calls labor fluidity has declined 10 to 15 percent since the late 1970s and early 1980s. She argues that's why we aren't moving for a new job as often. (Images S.P.)

V. Business Size

In the 21st century small locally owned businesses are not as prevalent in communities as they were a decade ago. (D. Thompson) This decline in dynamism has coincided with the rise of extraordinarily large and profitable firms that look discomfittingly like the monopolies and oligopolies of the 19th century. This is not just related to one sector of the economy.

To comprehend the scope of corporate consolidation, imagine a day in the life of a typical American and ask: How long does it take for her to interact with a market that *isn't* nearly monopolized? She wakes up to browse the internet, access to which is sold through a local monopoly. She stocks up on food at a superstore such as Walmart, which owns a quarter of the grocery market. If she gets indigestion, she might go to a pharmacy, likely owned by one of three companies controlling 99 percent of that market. If she's stressed and wants to relax outside

the shadow of an oligopoly, she'll have to stay away from ebooks, music, and beer; two companies control more than half of all sales in each of these markets. There is no escape—literally. She can try boarding an airplane, but four corporations control 80 percent of the seats on domestic flights. (D.Thompson)

As consumers, this should speak volumes but even more so as employees it should speak louder volumes. Employees are giving their most valuable assets to these businesses; hours of their lives working and in turn getting paychecks to spend on their products or services that continue to allow them to keep entrepreneurship held down in the open markets. Who or what do we blame for this? (D. Thompson) The bigness of business is a result of federal policy, which, in the past three decades, has deliberately made it easier for large companies to dominate their markets, provided that they keep prices down. This has been the growing trend and people love the brands that are associated with these big businesses.

Commitment to these larger companies are less than they are in small locally owned companies. (K. Halbeleben) Employees who work at small, locally owned businesses have the highest level of loyalty to their employers — and for rural workers, size and ownership of their company figure even more into their commitment than job satisfaction does. (K. Halbeleben) Higher levels of commitment are associated with less absenteeism, lower turnover and less seeking of jobs outside the company. (Baylor College, Nov. 2014)

Baylor College surveyed 1,714 and researchers analyzed from 763 part-time and full-time workers and 146 rural workers. The study showed, more than half — 57.2 percent — of workers in a small firm scored in the highest commitment category, compared to 40.5 percent working for a large firm.

Ownership of the company also played a major role, with 56 percent of workers in locally owned firms having high commitment scores, compared to 38.7 percent in non-locally owned firms.

Commitment was strongest when individuals worked for a company that was both small and locally owned: 61.4 percent of those employed at such a business scored in the highest commitment category as opposed to 46.7 percent for large, local businesses.

While job satisfaction is the single factor most likely to determine an employee's commitment, that was not the case with rural workers. For them, working for a company that was both small and locally owned was the greatest predictor for organizational commitment, Halbesleben said.

The survey puts things into perspective for large vs smaller businesses and loyalty and contentment is easier attainable within smaller businesses.

We must not forget the hierarchy of needs that drives our motivation according to Abraham Maslow's 1943 A Theory of Human Motivation. In Maslow's theory of needs pyramid, they are five levels. Appendix K shows the Maslow's pyramid (Burton N.).

Maslow called the bottom four levels of the pyramid 'deficiency needs' because a person does not feel anything if they are met, but becomes anxious if they are not. Thus, physiological needs such as eating, drinking, and sleeping are deficiency needs, as are safety needs, social needs such as friendship and sexual intimacy, and ego needs such as self-esteem and recognition. In contrast, Maslow called the fifth level of the pyramid a 'growth need' because it enables a person to 'self-actualize' or reach his fullest potential as a human being. Once a person has met his deficiency needs, he can turn his attention

to self-actualization; however, only a small minority of people are able to self-actualize because self-actualization requires uncommon qualities such as honesty, independence, awareness, objectivity, creativity, and originality. (Burton N.)

VI. Globalization

The concept of globalization has been seen in many different aspects work from the car industry to healthcare. Employees have migrated to different countries to help start their company's business on foreign soil. What exactly is globalization and how does it affect employee retention?

As defined by globalization.org globalization is:

Globalization is a process of interaction and integration among the people, companies, and governments of different nations, a process driven by international trade and investment and aided by information technology.

As seen in the image in appendix L, globalization has been around for centuries. Globalization began with the trading of goods such as spices and silk from one country to another. This became the basis for today's version of globalization.

Today's globalization is an American invention. It began with America's initiative to create GATT (now WTO)/IMF/World Bank – a regime to save its

economy and the world from the threat of communism by creating a world market, which would help each country excel in what it does best.

(Mourdoukoutas, P.)

This globalization lead may be allowing each country to excel but economist have lied according to Wallis. "Consider the disconnect between economists and workers," Carney said. The former has not been sufficiently upfront about the distributional consequences of rapid changes in technology and globalization. Amongst economists, a belief in free trade is totemic. But, while trade makes countries better off, it does not raise all boats. (Wallis,C)

Of course, through globalization third world countries have seen a decline in poverty.

Western world corporations have integrated into these countries with the interest of saving on labor costs and giving locals hope of prosperity.

A study done in 2012 focusing on how globalization affected Nigeria's employee retention rates, showed that there was a higher turnover rate as well as constant mobilization of businesses. Employee commitment, productivity, and retention issues are emerging as the most critical challenge on the management of workforce in the immediate future. For many firms, employee departures can have significant effects on the execution of business plans and may eventually cause a parallel decline in productivity. This phenomenon is especially true in the light of current economic uncertainty and following corporate downsizing, as occasioned by outsourcing and other intricate production dictates. (Nwokocha).

Loyalty and contentment are going to be hard to achieve with the continuations of less emphasis put on human capital and job insecurities of globalization.

VII. Conclusion

While conducting this research I touched on several aspects of what makes employees loyal and content. Leadership was discussed first because there is an expression, "employees don't quit companies they quit managers," this is from one million surveyed U.S. workers on Gallup. Managers control and leaders lead, it is crucial for businesses to allow good leaders to be active and involved with the employees that they are developing within the business to create bonds and trustworthiness. It is hard sometimes for managers to allow these relationships to grow because of fear of the company's mission might be lost. With leaders that excel in communication and empathy, their subordinate employees are most likely to stay with their current employer.

Benefits have more to do with contentment than loyalty. As mentioned above companies has extravagant benefit packages and media covers more of what is taking place in Silicon Valley than what most of businesses are actual being able to financially contribute to benefit packages. Compensation would be considered but new benefits, such as flex time, that were never considered before are leading the way in attaining new employees and retaining current ones. Manufacturing jobs are not as lucky to have flex time, compensation is normally the deciding factors in these types of businesses.

Demographics of education, age, gender, and geography all have their place in employee contentment and loyalty. Education has skilled versus non-skilled labor. The educational system has not been keeping up with employer demands and corporations lacking in training to keep the employees current and up to date on the latest technological advancements.

Baby Boomers, Millennials, and Generation Z all have their differences. The biggest differences are age. We have the old, middle, and new all vying for employment in the 21st century. Some Baby Boomers are deciding that they do not have the financial stability to retire and willing to work longer and therefore, are needing to be trained right alongside the Millennials and Generation Z. Millennials and Generation Z are being mentored in some aspect by the Baby Boomers as well as the Baby Boomers getting new benefit packages and work/life balance programs from the generations after them.

Men and women are working hand in trying to end the equality gap between the sexes. With more women in the workforce they still have not reached the same level of professional respect that men have. The battles that they have fought and won are even beneficial to their male counter partners in the workforce.

Geography in the 21st century can mean almost anything from commute, to going to the office via video conference on the computer. People are not changing jobs as much as they did in the previous decades, but with 40% of the population on the move to go to work it is still important to know the effects that geography have on contentment and loyalty. Many factors dictate why people can or cannot relocate to be closer to their workplace. Commuting takes a toll on worker's health and with advance technology some business could allow other means such as telecommuting, work from home or even flex time options to better accommodate their employees. With employer's involvement employees could become healthier and content at the same the time.

Large businesses continue to have disgruntled workers versus smaller business.

Employees are less content working for larger companies and are not as loyal to them as they are smaller locally owned business. Greater trust is put in those that people know on local levels of

business than those that continue to accommodate shareholders and investors on the larger businesses. People working for smaller business feel appreciated and not like just a number as they do working for a corporation. Satisfaction to the job is not a motivator in rural communities as it is in the bigger cities. Small businesses are where contentment and loyalty go hand in hand.

Globalization is the demise of contentment and loyalty among workers in the U.S. and even in some third world countries. Outsourcing and downsizing has made workers mistrust their employers. Economist continue to mislead the effect of globalization around the world. Cheap labor has costs thousands of jobs in the U.S. and has cause the U.S. to lose valuable export income. Reshoring and making economic growth within each country of what they are great at doing will in due time regain the loyal and content employee.

The old cliché of "money cannot buy you happiness" has been somewhat proven in this research and there is more to employees than just a number or receiving pay for work done. Employees are people, and everyone is different in what intrinsically or extrinsically motivates and drives them to be who and what they are. Contentment and loyalty lays within what the employees deems acceptable for them to endure and withstand and at what costs they are willing to accept or give up being employees for any given employer.

"You'll never achieve real success unless you like what you're doing."

Dale Carnegie

References

A, A., DR. (September 2014). Journal of Management Policies and Practices . *Are Leadership and Management Different? A Review*, 2(3), 71-82. doi:DOI: 10.15640/jmpp .v2n3a4

B. (2016, September 08). Don't Blame A 'Skills Gap' For Lack Of Hiring In Manufacturing. Retrieved October 24, 2017, from https://fivethirtyeight.com/features/dont-blame-a-skills-gap-for-lack-of-hiring-in-manufacturing/

Burton, N. (2012, May 23). Our Hierarchy of Needs. Retrieved November 14, 2017, from https://www.psychologytoday.com/blog/hide-and-seek/201205/our-hierarchy-needs

Commuter Driving Statistics. (2016, March 04). Retrieved November 01, 2017, from http://www.statisticbrain.com/commute-statistics/

Commuting Is Bad for Your Body and Health. (n.d.). Retrieved November 01, 2017, from http://time.com/9912/10-things-your-commute-does-to-your-body/

Employees of Small, Locally Owned Businesses Have More Company Loyalty than Other Workers Do, Baylor Study Finds. (2014, November 20). Retrieved November 05, 2017, from https://www.baylor.edu/mediacommunications/news.php?action=story&story=149589

Glass, J. L., & Riley, L. (june 1998). Family Responsive Policies and Employee Retention Following Child Birth . *Social Forces*, 76(4). Retrieved October 28, 2017.

Heathfield, S. M. (n.d.). Here Are the Advantages and Disadvantages of Flexible Work Schedules. Retrieved November 07, 2017, from https://www.thebalance.com/advantages-and-disadvantages-of-flexible-work-schedules-1917964

Herman, A. M., Secretary of Labor. (1999, September 06). YOUNG PEOPLE ARE ALREADY A SUBSTANTIAL PART OF THE LABOR FORCE. Retrieved October 19, 2017, from https://www.dol.gov/dol/aboutdol/history/herman/reports/futurework/report.htm

Images, S. P. (n.d.). Why aren't we moving as much for work? Retrieved November 02, 2017, from https://www.marketplace.org/2017/04/14/economy/why-dont-we-move-for-work-as-much

Jones, K. (2017, February 15). *The Most Desirable Employee Benefits*. Retrieved October 23, 2017, from https://hbr.org/2017/02/the-most-desirable-employee-benefits

Leader (2017) Oxford English Living dictionary on line, Retrieved from https://en.oxforddictionaries.com

Lee, M. A., & Mather, M. (June 2008). U.S. Labor Force Trends. *Population Bulletin,* 63(2), 3-16. Retrieved October 24, 2017, from http://www.prb.org/pdf08/63.2uslabor.pdf
Manager (2017) Oxford English Living dictionary on line, Retrieved from https://en.oxforddictionaries.com

M, E. (2016). NACS Executive Leadership Program. Retrieved October 23, 2017, from http://fimp.dyson.cornell.edu/nacs-materials/2016

Mourdoukoutas, P. (2017, January 03). Globalization Has Done A Lot Of Great Things For Americans. Retrieved November 14, 2017, from

https://www.forbes.com/sites/panosmourdoukoutas/2017/01/03/globalization-has-done-many-great-things-for-americans/#27b7afc583d8

M, S. (2017, August 8). *Stay Competitive with Benefits or Risk Employee Flight*.

Retrieved October 23, 2017, from https://www.shrm.org

https://www.shrm.org/resourcesandtools/hr-topics/behavioral-competencies/global-and-cultural-effectiveness/pages/4-ways-for-hr-to-overcome-aging-workforce-issues.aspx.

Nwokocha, I., & Iheriohanma, E. B. (august 2012). Emerging Trends in Em ployee Retention Strate gies in a Globalizing Economy: Nigeria in Focus . *Asian Social Science*, 8(10), 198-207. Retrieved November 11, 2017, from

http://citeseerx.ist.psu.edu/viewdoc/download?doi=10.1.1.919.3301&rep=rep1&type=pdf

T. (2016). What Is Globalization? Retrieved November 11, 2017, from http://www.globalization101.org/what-is-globalization/

The New Talent Landscape: Recruiting ... - SHRM Online. (2016, June). Retrieved November 14, 2017, from

https://www.bing.com/cr?IG=1A637C77B72B47AFA62823CD96BB0830&CID=0FED54CCD
D6E6DF52D815FF6DC686C51&rd=1&h=EMFCEKgYdHB4OsrpkIQXQNSfYYJqjUp1hecslk
vmo0M&v=1&r=https%3a%2f%2fwww.shrm.org%2fhr-today%2ftrends-andforecasting%2fresearch-and-

<u>surveys%2fDocuments%2fSHRM%2520New%2520Talent%2520Landscape%2520Recruiting%</u>
<u>2520Difficulty%2520Skills.pdf&p=DevEx,5066.1</u>

Thompson, D. (2016, September 11). America's Monopoly Problem. Retrieved November 05,2017

https://www.theatlantic.com/magazine/archive/2016/10/americas-monopoly-problem/497549//

Wallace, C. (2017, September 29). How Economists Lie About Globalization and Jobs.

Retrieved November 14, 2017, from

https://www.forbes.com/sites/charleswallace1/2017/09/29/how-economists-lie-about-globalization-and-jobs/#3de7c9d33155

Wallberge, M. (2014, June 11). Three Steps to a Father-Friendly Workplace. *Greater Good Magazine*.

https://greatergood.berkeley.edu/article/item/three_steps_to_a_father_friendly_workpla
Williams, J., & Carmichael, S. Why Doesn't More of the Working Class Move for Jobs?

[Audio blog interview]. (n.d.). Retrieved from https://hbr.org/ideacast/2017/05/why-doesnt-more-of-the-working-class-move-for-jobs

Appendix A

Table 1: Historical Comparison between Manager and Leader Characteristics

| Leader Characteristics | Manager Characteristics |
|---|--|
| (Zaleznik, 1977) | |
| Focus on people Has followers Informal influence Takes risk Facilitates decisions Doing the right things Large range perspective Transformational Sets strategies and vision Challenges Values Innovation | Focus on system and structure Has subordinates Formal authority Minimize risks Makes decisions Doing things right Short range perspective Transectional Plans and budgets Maintains Rules Standardization |
| (Bennis, 1989) | |
| Innovates, Creative An original Develops Focuses on people Inspires trust Long- range perspective Asks what and why Eye on the horizon Originates Challenges the status quo Own person Does the right thing (Chapman, 1989) | Administers A copy Maintains Focuses on systems and structure Relies on control Short- range view Asks how and when Eye on the bottom line Imitates Accepts the status quo Classic good soldier Does things right |
| Advance their operations | Protect their operations |

- Seek responsibility
- Take calculated risks
- Generate speaking opportunities
- Set "unreasonable" goals
- Challenge problem employees
- Strive for an exciting working environment
- Use power forcefully
- Delegate enthusiastically
- View workers as potential followers

- Accept responsibility
- Minimize risks
- Accept speaking opportunities
- Set reasonable goals
- Pacify problem employees
- Strive for a comfortable working environment
- Use power cautiously
- Delegate cautiously
- View workers as employees

(Certo, 1997)

- Soul
- Visionary
- Passionate
- Creative
- Flexible
- Inspiring
- Innovative
- Courageous
- Imaginative
- Experimental
- Independent

- Mind
- Rational
- Consulting
- Persistent
- Problem-solving
- Tough-minded
- Analytical
- Structured
- Deliberate
- Authoritative
- Stabilizing

(Bennis and Goldsmith, 1997)

- Innovates
- An original
- Develops
- Investigates reality
- Focuses on people
- Inspires trust
- Has a long-range perspective
- Asks what and why
- Has his or her eye on the horizon
- Originates
- Challenges the status quo
- His or her own person
- Counseling, empowerment
- Manager, Work with a mechanistic approach

- Administers
- A copy
- Maintains
- Accepts reality
- Focuses on systems
- Relies on control
- Has a short-range view
- Asks how and when
- Has his or her eye always on the bottom line
- Imitates
- Accepts the status quo
- The classic good soldier
- Counseling, empowerment
- Manager, Work with a mechanistic

approach

(Buchanan and Huczynski, 2004; based on Kotter, 1990)

- Establishing direction: Vision of the future
- Aligning people: Communicate vision and strategy, influence creation of teams which accept the validity of goals
- Motivating and inspiring: Energize people to overcome obstacles, satisfy human need.
- Produces positive and sometimes dramatic change.

- Plans and budgets: Decide action plans and timetables, allocate resources.
- Organizing and staffing: Decide structure and allocate staff, develop policies, procedures and monitoring.
- Controlling, problem solving: Monitor results against plan
- Produces order, consistency and predictability.

(Northouse 2007, p.10)

- Establishing directions
- Creating a vision
- Clarifying the big picture
- Setting strategies
- Aligning people
- Communicating goals
- Seeking commitment
- Building teams and coalitions
- Motivating and inspiring
- Inspiring and energize
- Empowering subordinates
- Satisfying unmet needs

- Planning and budgeting
 - Establishing agendas
 - Setting timetables
- Allocating resources
- Organizing and staffing
- Provide structure
- Making job placements
- Establishing rules and procedures
- Controlling and problems solving
- Developing incentives
- Generating creative solutions
- Taking corrective action

(Lunenburg, 2011)

- Focuses on people
- Looks outward
- Articulates a vision
- Creates the future
- Sees
- the forest
- Empowers
- Colleagues
- Trusts & develops
- Does the right things
- Creates change

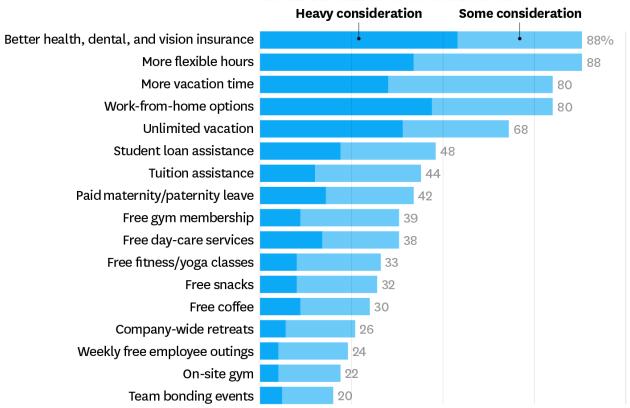
- Focuses on things
- Looks inward
- Executes plans
- Improves the present
- Sees the trees
- Controls
- Subordinates
- Directs & coordinates
- Does things right
- Manages change
- Serves superordinates

Appendix B

Which Benefits Are Most Valued by Job Seekers?

When choosing between a high-paying job and a lower-paying one with better benefits, respondents said health insurance and flexible hours might tip them toward the latter.

PERCENTAGE OF RESPONDENTS WHO SAID THE BENEFIT WOULD BE TAKEN INTO CONSIDERATION



SOURCE FRACTL SURVEY OF 2,000 U.S. WORKERS

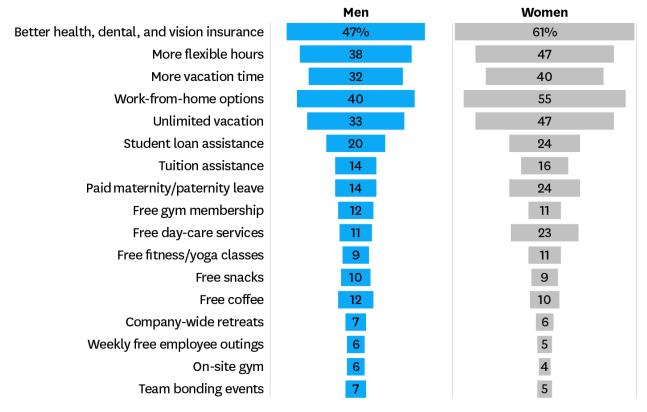
© HBR.ORG

Appendix C

Which Benefits Do Men and Women Prefer?

When choosing between a high-paying job and a lower-paying one with better benefits, men and women differ in how much various perks might sway them.

PERCENTAGE OF RESPONDENTS WHO SAID THE BENEFIT WOULD BE TAKEN INTO HEAVY CONSIDERATION

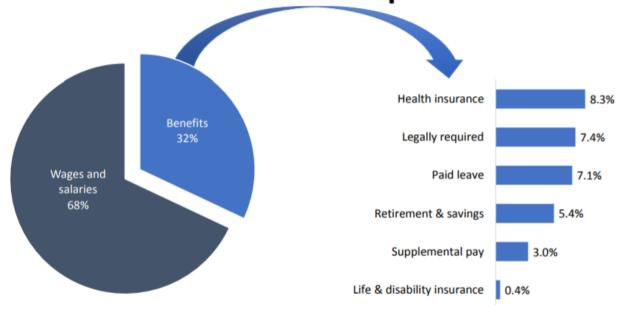


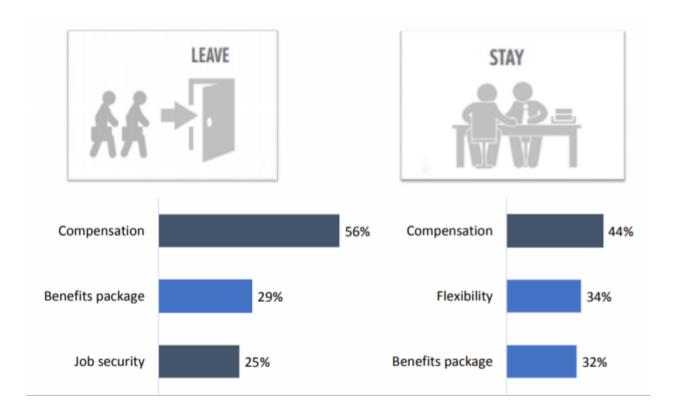
SOURCE FRACTL SURVEY OF 2,000 U.S. WORKERS

© HBR.ORG

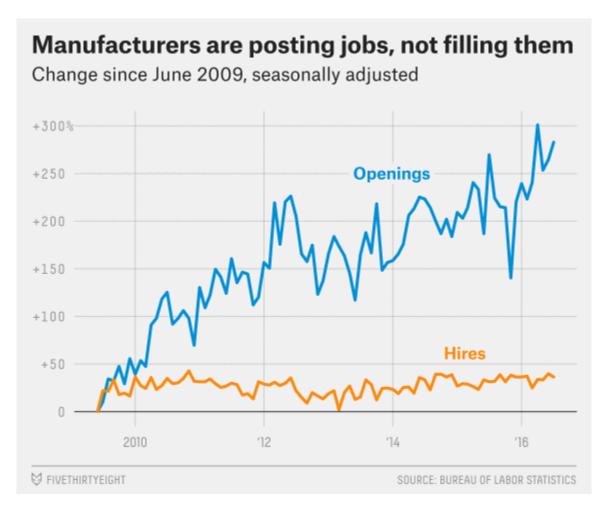
Appendix D

Breakdown of Total Compensation Costs

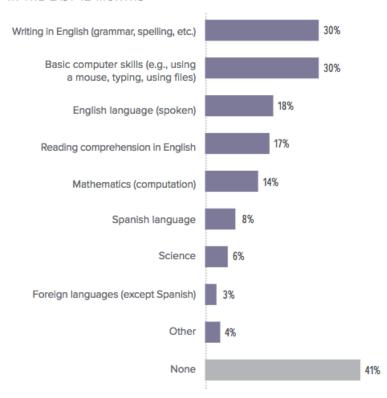




Appendix F



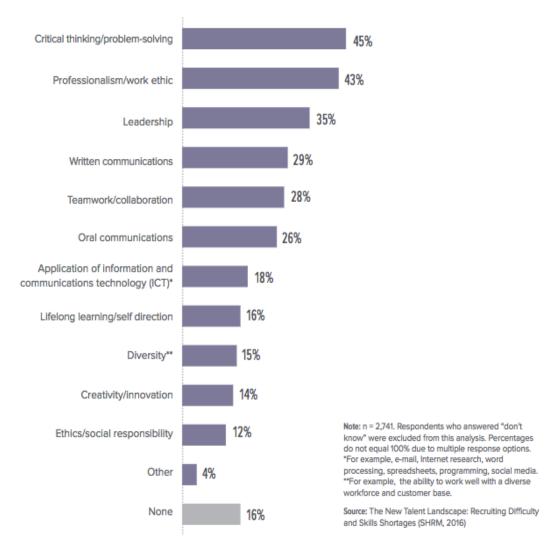
BASIC SKILLS/KNOWLEDGE SHORTAGES AMONG JOB APPLICANTS IN THE LAST 12 MONTHS



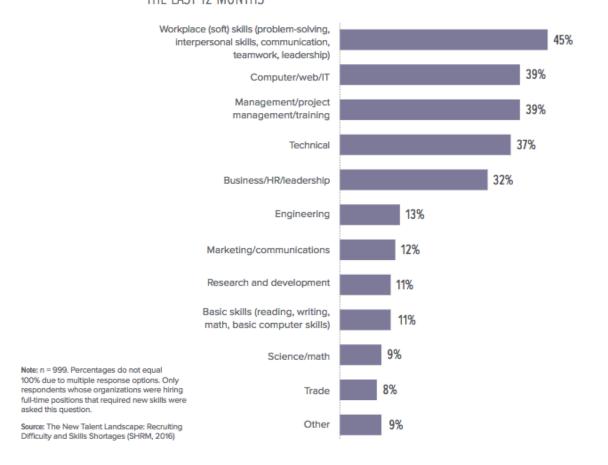
Note: n = 2,613. Respondents who answered "don't know" were excluded from this analysis. Percentages do not equal 100% due to multiple response options.

Source: The New Talent Landscape: Recruiting Difficulty and Skills Shortages (SHRM, 2016)

FIGURE 8
APPLIED SKILLS SHORTAGES AMONG JOB APPLICANTS IN THE LAST 12 MONTHS



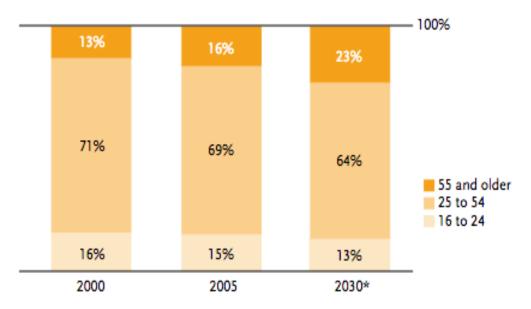
TYPES OF NEW SKILLS REQUIRED FOR FULL-TIME REGULAR POSITIONS HIRED IN THE LAST 12 MONTHS



Appendix I

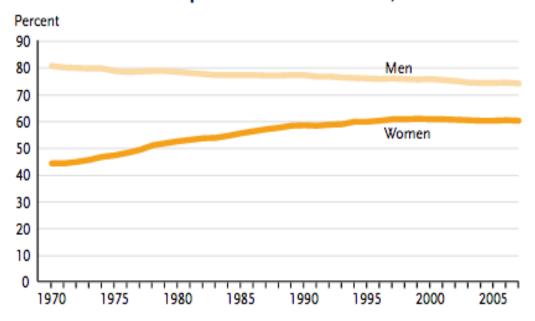
Appendix J

Age Distribution of U.S. Labor Force, 2000, 2005, and 2030

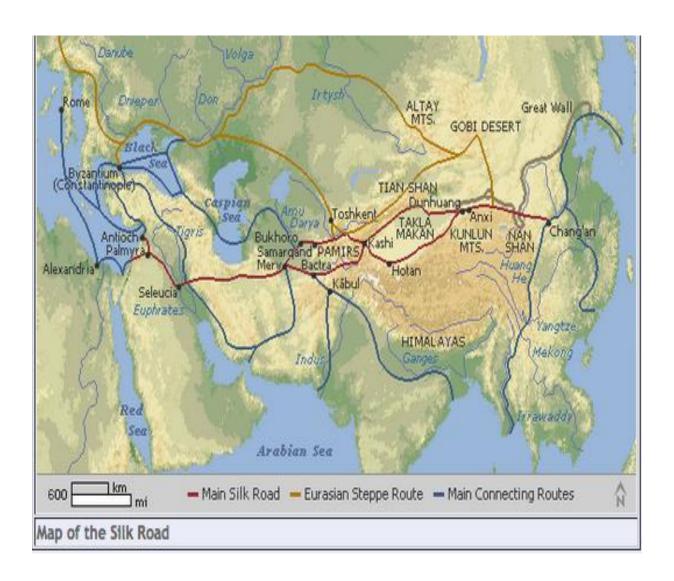


Appendix K

U.S. Labor Force Participation of Men and Women, 1970 to 2007



Appendix L



Appendix M

