

Employee Experience

Three Drivers of Retention

What We Studied

To help organizations stem the tide of turnover, Paylocity evaluated common employee survey questions to determine what drives retention. We compared survey responses and the actual number of years workers remained employed.

What Did We Learn?

On average, our results show employees' chances of being retained each year decrease over time. But how quickly they decrease varies based on the degree to which they feel engaged, enabled, and empowered.

Key Retention Indicators Over 5 Years

1

Engagement

My work is challenging, stimulating, and rewarding.



Employees who strongly agree are **34%** more likely to stay than those who strongly disagree.

Doing my job well gives me a sense of personal satisfaction.

65%

of those who strongly agree are likely to stay for five years or more, compared to only 54% who strongly disagree.



In addition to reduced employee turnover, successful engagement strategies also:¹



Increase profitability



Improve customer service



Increase productivity



Improve safety



Reduce stress

2

Empowerment

Senior management is genuinely interested in employee opinions and ideas.



48%

attrition rate over five years for those who strongly disagree, compared to 37% who strongly agree.



Paylocity futurist-in-residence Elatia Abate suggests three ways leaders can empower employees to increase collaboration and innovation:²



Make it personal
(listen)



Share your story
(speak)



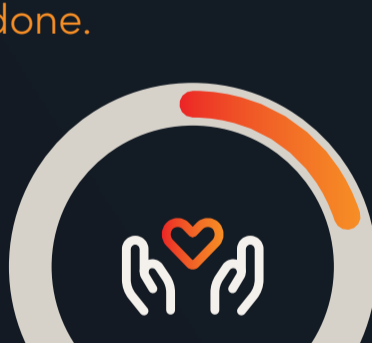
Build community
(contribute)

3

Enablement

I have the support and necessary systems in place to get my job done.

Employees who strongly agree are **20%** more likely to stay than those who strongly disagree.



Top five technology practices that impact people outcomes:³



Advanced people analytics



Collaboration tools



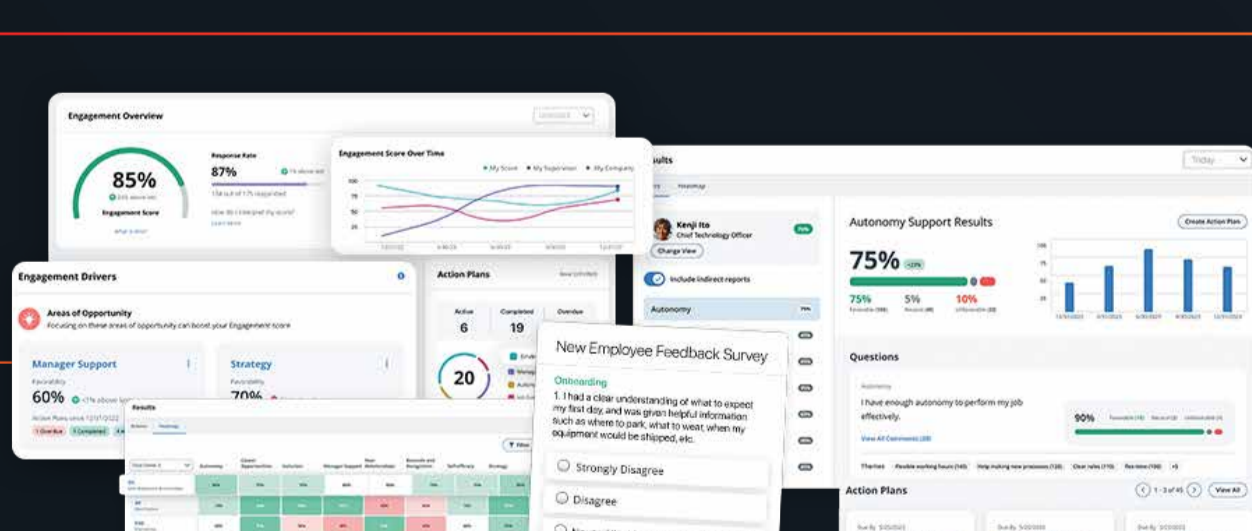
Advanced learning tools



Knowledge management tools



Focus on privacy and security



The Future of Employee Experience

We used insights from our research to inform and optimize Employee Voice, a tool that not only collects and analyzes employee sentiment data, but also provides recommendations to act on employee feedback at scale.

Retention is just one way to look at the efficacy of your employee experience efforts. A well-rounded employee feedback program will provide insights into multiple drivers that contribute to a successful experience for both workers and employers.

[Read the Article](#)

References:

- <https://www.paylocity.com/resources/resource-library/blog-post/employee-engagement-benefits/>
- <https://www.paylocity.com/resources/resource-library/blog-post/futurist-offers-three-ways-to-thrive-against-the-unknown/>
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