Can I Work From Home? Succession Planning Post-Pandemic

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The Great Resignation...it's real!

According to Forbes, reports indicate the mass exodus from the workforce may be due to inadequate salaries, limited career advancement, poor work-life balances and/or general unhappiness with management.

- Nationally there are estimated to be 10.1m open jobs and only 5.8m unemployed workers (1)
- 3.05 million workers that have left the labor force since Feb. 2020 (2)
- State and local government "Quit Rate" has increased 57% since Nov. 2020 (3)
- Worker Shortage (more open jobs than available workers) exists in all but 2 States
 - Vermont has only 40 available workers for every 100 open jobs
 - Massachusetts has 61 available workers for every 100 open jobs (1)

1. U.S. Chamber of Commerce analysis of Bureau of Labor Statistic data

2. 2022 BLS Employment Situation

3. BLS, Sept 2022

Why is retention important? What is the impact of Leavers?

People are an organization's greatest asset, when they leave it comes with a cost.

- Disrupts existing organizational processes, routines and timelines
- Generates indirect costs because it creates operational disruption
- Leads to loss of institutional and/or specialty knowledge
- Leads to increased costs for recruitment and training
- Creates a demoralizing effect on remaining employees as they may be required to pick up additional duties until replacement is found.

Traditional retention levers

Retention starts at onboarding, not when an employee tells you they are leaving!

- Succession Planning
- Wages that are competitive vs private and municipal opportunities
- Wages that account for local cost of living
- Work from home options for certain roles
 - Almost 33 million Americans are expected to be WFH by 2025 (1)

Traditional retention levers, cont'd.

- Allow flexibility of hours
 - Nearly two-thirds of workers found themselves more productive outside of a traditional office due to fewer interruptions, fewer distractions and less commuting(2)
- Encourage Work-Life balance
 - Don't email or call on the weekends
- Manage for retention
 - Nearly 50% of employees quit their job because of a bad manager. A good manager, on the other hand, acts not as a "boss" but as a "coach." (3)
- Leverage labor-management channels to stress the importance of sustainable workforce strategies.

Traditional retention levers, cont'd.

Create a good culture

Nearly two-thirds of employees cited a good company culture as one of the main reasons they elect **not** to leave.(4)

- Communicate...Over communicate and at same time give your employees a voice
 Collaborate... Intentionally create opportunities to bring people together
 Celebrate...Reward and recognize employees often

- Reduce employee burnout
 - 76% of employees sometimes experience burnout on the job and 28% stating they feel burnout "often" or "always." (5)
- Develop wellness and other perks
- Fund and create professional development opportunities

Retention on Nantucket

Nantucket has some unique characteristics making retention even more challenging

- 30 miles out-to-sea leading to feelings of isolation
- Commuting is difficult and the ferry can be unreliable
- Housing is at an extreme premium, with some workers living in cars and many forced to move every high season "Nantucket shuffle"
- Some indicators suggest cost-of-living could be twice that of eastern MA communities
- Employee turnover of >30% in the last year...more than twice the rate of state and local government nationally
- Training opportunities are often off-island leading to greater expense and time required away from day-to-day job responsibilities

Retention on Nantucket, cont'd.

Retention strategies the Town of Nantucket is actively pursuing

- Compensation and classification study
- Learning and development opportunities
- Work from home, often off-island
- NEET
- Employee recognition
- Diversity, Equity and Inclusion
- "Calling all Whalers"
- Select Board strategic focus area on "quality of life"
- Succession Planning

Succession planning in the Town of Nantucket

- Engaged external consultant
- Identified 30 key Town positions
- Gathered information on position qualifications
- Incumbent identified candidates for each key position
- Training plans to address key gaps
- Bargaining: Assessment Centers, equal opportunity to apply, obstacles

Position Profile: What do we need to fill this position?

Criticality

- Urgency
- Uniqueness

Criteria

- Education
- Experience
- Technical Knowledge
- Skills
- Duties

Competencies

- Leadership Style
- Core Role
- Interpersonal Style
- Other Competencies



Candidate Profile: Which Town employees have potential to train for the role?

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Criteria

Education, Experience, Technical Knowledge, Skills

Competencies

Leadership Style, Interpersonal Style, Other Competencies

Strengths

Key Gaps

Succession Path

Candidate's likely three next positions at the Town

Readiness

Years Until Likely Able to Fill Role, Retention Likelihood, Availability of Replacements

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Training Plan: How do we get them ready?

- Development Area
- Action to Address that Development Area
- Timeframe for the Action
- Prerequisites for the Action
- Progress on the Action

Retention on Nantucket

Retention strategies that are in development or being considered

- Improving our onboarding experience
- "Perks" plan
- Housing subsidy
- On-island housing
- Off-island housing
- Off-island Town office
- Training managers to "manage for retention"

"People want to know they matter and want to be treated as people. That's the new talent contract"-Pamela Stroko, Oracle Corporation

"The way your employees feel is the way your customers will feel. And if your employees don't feel valued, neither will your customers"-Sybil F. Stershik, author



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