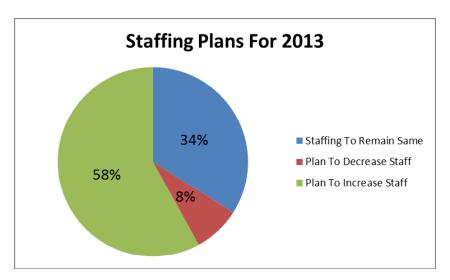


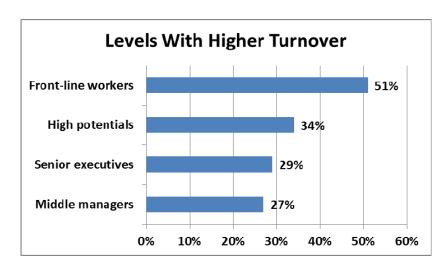
Concern About Retaining Talent Grows In Better Job Market

Most Popular Methods For Retaining High-Potentials, Middle Managers, Senior Execs & Front Lines

With the job market improving in 2013, 58% of companies in an OI Partners survey reported they have added or plan to add workers this year, only 8% expect staffing to decrease and 34% anticipate no change.



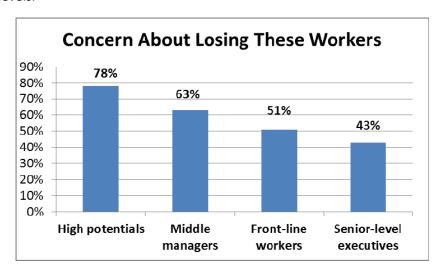
The number of companies with higher turnover in 2013 has increased dramatically from last year. 51% reported having higher turnover in 2013 compared with only 30% last year.



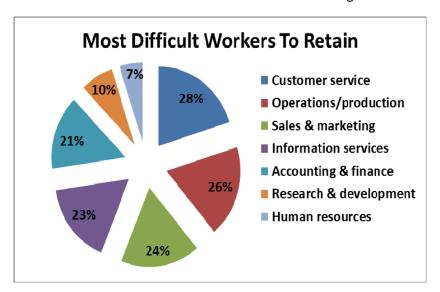
The surveyed companies reported higher turnover this year across all organizational levels:

- 2 Front-line workers: 51% have had higher turnover among front-line employees
- High-potentials: 34% have reported higher turnover among high-potential employees
- 2 Senior executives: 29% have lost more senior-level executives than last year
- Middle managers: 27% have had higher turnover among middle managers

Concern about losing still more workers due to the better job market is running high across all organizational levels.



- High-potentials: 78% are concerned about losing high-potential workers
- ☑ Middle managers: 63% are worried about middle managers departing
- ☑ Front-line workers: 51% are concerned about losing employees on the front lines
- 2 Senior executives: 43% are worried about senior-level executives leaving



The most difficult workers to retain in 2013 are:

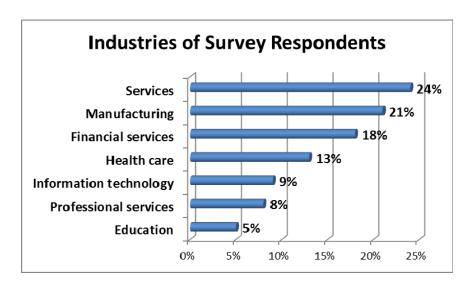
- Customer service (chosen by 28%)
- ② Operations and production (26%)
- Sales and marketing (24%)
- Information services (23%)
- Accounting and finance (21%)
- Research and development (10%)
- Human resources (7%)

Retaining talent was selected as the top human resource challenge for this year, chosen by 70% of survey respondents. Recruiting the right talent finished a close No. 2 human resource issue, selected by 65%, followed by providing coaching to develop employees (48%) preparing for the health care law to fully take effect next year (35%) and retaining talent while downsizing (16%).



The survey received responses from 153 organizations with operations throughout North America. Survey respondents came from these main industries:

- ☑ Services (24%)
- Manufacturing (21%)
- Pinancial services (18%)
- ☑ Health care (13%)
- ☑ Information technology (9%)
- Professional services (8%)
- **② Education** (5%)



Coaching is the top method that organizations are using to retain senior-level executives, middle managers and high-potential employees. "Providing coaching to employees in how to become better managers is as important a signal of investing in their career development as are salary and benefit increases," said **Patty Prosser, chair of OI Partners**.

Better compensation and benefits is the second most popular way to retain senior executives and high potentials. Employers are using primarily non-financial methods to retain those who work on the front lines, including selecting them more carefully, giving departing employees exit interviews, and providing better orientation and training.

"Companies are most concerned about losing those they have designated as their future leaders and supervisors of employees who directly work with customers. More employers are making it a priority to demonstrate to workers how valued they are. It's no longer enough to say, 'Be happy you have a job.' They realize if retention is a problem with a still-high unemployment rate, it will only get worse if they don't entice employees to remain," said Prosser.

Top Retention Methods For HIGH POTENTIALS

	2013	2012
Coaching programs	55%	40%
Better compensation & benefits	47%	43%
Flexible hours & schedules	45%	30%
Mentoring programs	40%	38%
Tuition reimbursement	37%	37%
Casual dress code	24%	22%
Telecommuting	22%	20%
Retention bonuses	10%	17%

• **High-potential workers**: The top ways that companies are trying to retain high-potential employees are through coaching programs (55% of respondents), better compensation and benefits (47%), flexible hours and schedules (45%), mentoring programs (40%) and tuition reimbursement (37%).

Top Retention Methods For MIDDLE MANAGERS

	2013	2012
Coaching programs	51%	43%
Flexible hours & schedules	49%	24%
Better compensation & benefits	41%	30%
Tuition reimbursement	37%	30%
Casual dress code	28%	22%
Mentoring	24%	23%
Profit sharing	18%	20%
Retention bonuses	14%	18%

☑ Middle managers: The most popular retention methods companies are using for middle managers are coaching programs (51%), flexible hours and schedules (49%), better compensation and benefits (41%), and tuition reimbursement (37%).

Top Retention Methods For SENIOR EXECUTIVES 2013 2012 rams 53% 37%

	2013	2012
Coaching programs	53%	37%
Better compensation & benefits	51%	24%
Stock options	44%	32%
Profit sharing	29%	27%
Retention bonuses	27%	18%

☑ Senior-level executives: Coaching programs are the top way companies are trying to retain senior-level executives (53%), followed by better compensation and benefits (51%), stock options (44%), profit-sharing (29%), , and retention bonuses (27%).

Top Retention Methods For FRONT-LINE EMPLOYEES

	2013	2012
More careful selection	62%	50%
Exit interviews	55%	48%
Better training	55%	35%
Better orientation	47%	35%
Tuition reimbursement	37%	34%
Flexible hours & schedules	31%	25%
Pre-employment testing	30%	25%
Better compensation & benefits	28%	26%
Telecommuting	18%	11%

☑ Front-line workers: 62% of employers said they are selecting front-line workers more carefully as the top retention method. Other popular retention methods are: giving exit interviews to departing workers (55%), better training (55%), better orientation programs (47%), tuition reimbursement (37%), and flexible hours and schedules (31%).

About OI Partners

OI Partners is a leading global executive coaching and leadership development and consulting firm that helps individuals find new careers and employers to improve the performance of their employees and organizations. OI Partners specializes in <u>career transition programs</u>, <u>executive coaching</u>, <u>leadership development</u>, and other <u>workforce solutions</u>. The company was established in 1987 and is now located in 200 offices in 27 countries with close to 100 U.S. offices. Please visit <u>www.oipartners.net</u> or call 800-232-5285