

## EMPLOYMENT NUMBERS INCREASE WHILE ENGAGEMENT DECLINES



At this point in time, more employers are hiring a larger number of employees and as the employment numbers increase, however, employee engagement has declined. This information was provided by the Attraction and Retention Survey of 2012. In the survey, a whopping total of 40% of those who responded to the survey claim to be adding on more employees this year than they did two years prior, back in 2010. A smaller amount of employers are cutting staff when compared to the numbers from two years before as well. And, even though employment has been increasing, a total of 24% of the respondents claim that they are seeing a decline in employee engagement. The principal for Mercer's consulting business, Loree Griffith, has said, "Employee loyalty has been eroding the past few years due to companies' responses to the economic downturn." She also said, "Actions like layoffs, pay freezes and limited training opportunities have created an evolving employment deal for employees due to uncertainty about what is expected and how employees will be rewarded. Meanwhile, firms are still aggressively managing people costs while finding ways to re-energize and re-motivate engaged employees." There are currently certain jobs and positions that are more in demand than other positions, particular because there is a lack of professionals to fit such positions. Some of these jobs include jobs in the field of information technology, research and development, and also scientific engineering. Griffith said, "Employees with the 'right' skill sets are in demand." She also said, "Despite the increase in hiring, many firms are experiencing talent shortages due to critical gaps between skills employees possess and skills businesses need. Now more than ever, firms need to engage and develop their high-potential employees and critical work force segments." One way for employers to improve employee engagement is to provide cash rewards and noncash rewards to the employees. This is a problem because a large number of employees have been cutting back on pay increases and are not offering nearly as much as they used to in bonuses for the employees. Rewards can have quite an impact when it comes to employee engagement, especially when they relate to healthcare benefits and time off. The co-leader for Mercer's consulting business, Jeanie Adkins, has said, "While noncash programs, like work-life initiatives and formal career paths, are important for employee engagement all the time, employers must revisit pay in light of the changing business environment to stay competitive, retain their top-performing employees and ultimately buy or build required skills for the future."