Retention Span

A Deeper Dive into Abt Employees' Decisions to Stay or Leave

IMT 589 Team 5
Aamer Alam, Chen(Ariel) Lee, Byung Min,
Srishti Dubey, Tufang(Coco) Xu

Abt
ASSOCIATES

IMT 589 Team 5

Aamer Alam

Chen(Ariel) Lee

Byung Min

Srishti Dubey

Tufang(Coco) Xu

Executive Summary

One of Abt Associates' greatest competitive advantages is their **talented global workforce.**

While Abt staff is extensive, our analyses on talent data revealed an opportunity **to improve employee retention at Abt:**

40% Abt Attrition Rate (2020 - 2022)

2 yrs Median Employee Tenure (2020-2022)

1.5-2x Avg Cost to Replace an Employee (Annual Salary)**

Along with detailed research regarding retention, we offer tangible solutions to address our findings.

Through our research we were able to:

Identify the 3 Main Contributors to Employee Attrition

Identify Likelihood of Management Opportunity Across Demographic Groups

Identify Career Development Planning as an Essential Requirement for Retention

Agenda

01   **Current State Analysis**

02   **Research Approach & Findings**

03   **Recommendations**

01

Current State Analysis

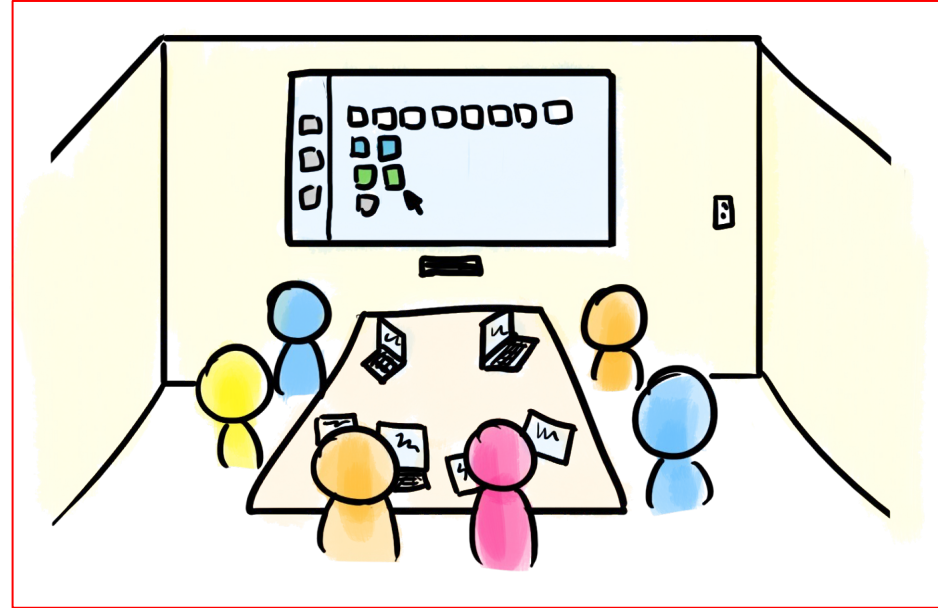A Further Look into Abt Associates' Strengths & Challenges

Current State Challenges

Strength

- ❖ Talented Global Workforce
- ❖ Focus on Early Career/University Hiring

Challenges

- ❖ High Attrition Rate within 2020-2022
- ❖ Low Tenure among Young Talents
- ❖ High Cost in New Employee Training and Onboarding

02

Research Approach & Findings

What Insights Did we Extract From Our Research?

Research Approach

Primary Sources
- ❖ Active Employee Demographics
- ❖ Attrition Report
- ❖ Employee Exit Survey

Quantitative Approach
- ❖ Descriptive Analysis
- ❖ Multivariate Linear Regression
- ❖ Predictive Analytics

Qualitative Approach
- ❖ Sentiment Analysis
- ❖ Comment-Encoded Codebook

Active Employee Demographic

3,373

Total Active
Employees

<2yrs

Med. Tenure

<1yr

Med. Tenure among
Millennials
& GenZ

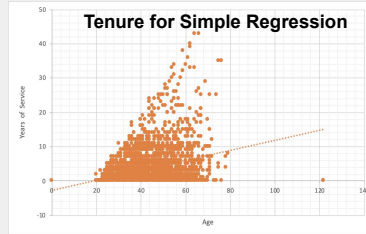**<4%**
GenZ
Population

76%+
White Population
at Manager-level

Active Employee Regression

Linear Regression Model

1. **Tenure ~ Age**
 has the most statistical significance.

Tenure for Simple Regression

2. **Manager-Level ~ Ethnicity** (white)

   has the most statistical significance.

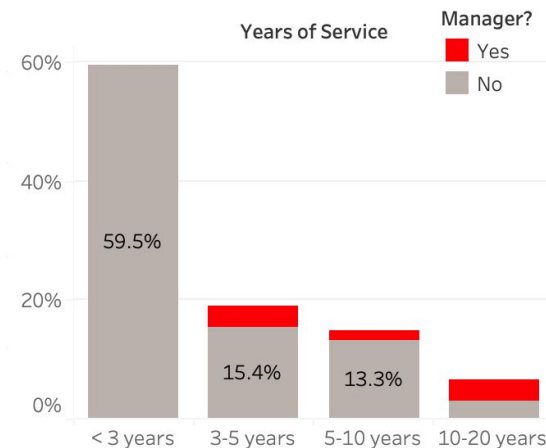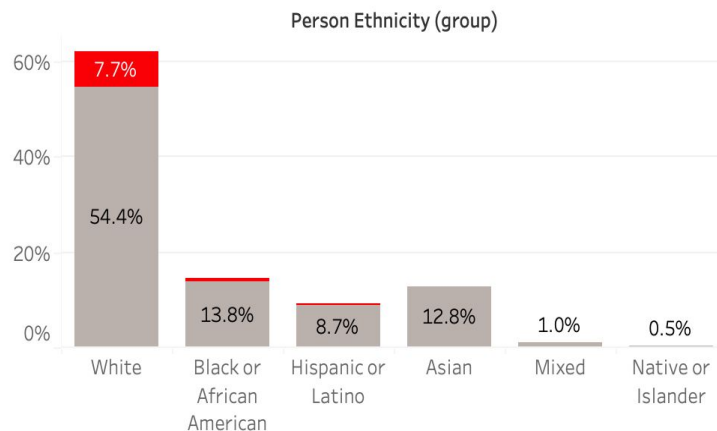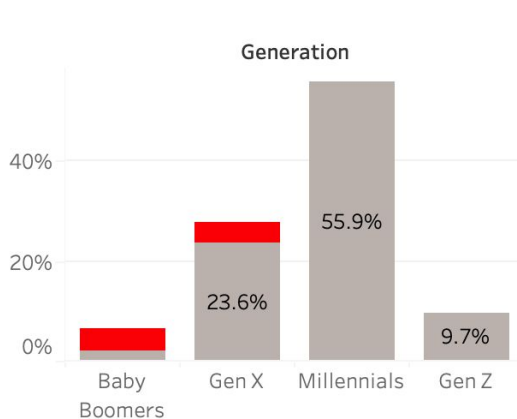Manager for Simple Regression
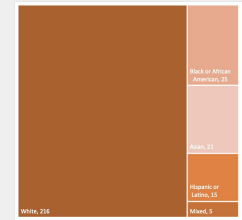
Manager-level Prediction

Based on **Age, Ethnicity, Years of Service** (statistically significant variables)
using **Gaussian Naïve Bayes model** on Python

Manager-Level Predictor

Used **Gaussian Naïve Bayes model** to develop a **Predictive Model** to **forecast** if Abt's active employees can reach **manager-level** based on their **Age**, **Ethnicity**, and **Years of Service**

Gained a <mark>73%</mark> accuracy for this model*

Generation

- Baby Boomers
- Gen X — 23.6%
- Millennials — 55.9%
- Gen Z — 9.7%

Person Ethnicity (group)

- White — 54.4% (7.7%)
- Black or African American — 13.8%
- Hispanic or Latino — 8.7%
- Asian — 12.8%
- Mixed — 1.0%
- Native or Islander — 0.5%

Years of Service

Manager?
- Yes
- No

- < 3 years — 59.5%
- 3-5 years — 15.4%
- 5-10 years — 13.3%
- 10-20 years

*Predictive model took 80% training set + 20% testing set.
The above charts shows the results from accurate predictions.

Exit Survey Overview

| 305
Total Exit Responses

| 90%
Recommended Abt

| 75%
Left after 1-5 yrs

Career Growth Opportunities			Company Culture & Management Style				Personal Expectation & Schedule Alignment				
Lack of Promotion/ Advancement/ Career Growth	Lack of Training/ Support	Unfulfilled Job Duties/Content	Issue w/ Supervision/ Management	Lack of Recognition/ Appreciation	Misaligned Direction/ Strategy	Issue w/ Peers Relationship	Lack of Compensation	Excessive mental/ Physical Demand	Job Security Concerns	Lack of Company Benefits	Issues w/ Work/Tavel Schedule
84 / 305	41 / 305	39 / 305	69 / 305	58 / 305	58 / 305	12 / 305	79 / 305	44 / 305	37 / 305	27 / 305	22 / 305
28%	13%	13%	23%	19%	19%	4%	26%	14%	12%	9%	7%

Employee Attrition Overview

665
Total Attrition Count*

60%
Millennials & GenZ Resigned

26%
Resigned due to lack of career advancement

Career Growth

31%
Unclear Promotion Process

19%
Unfulfilled Job Duties

13%
Trainings/Skill Development

Other areas identified:
- ❖ **Company Culture & Management Style**: Lack of proper management/leadership(23%), Unclear company Goals, Vision (19%)
- ❖ **Personal Expectation**: Poor Compensation(26%), Feeling of not being valued/recognized(13%)

*Excluded attrition due to death and retirement.

Sample from the codebook:

Theme: **Career Growth**
Code: **Lack of Promotion & Unclear Promotion Process**

"The place in which I was working did not have any Opportunities to advance & get promotion"

"In my opinion, there really is no clear path for advancement or promotion - the process is ambiguous at best."

"It was not clear what the employee needed to do to attain promotion or advancement."

*Examples from the Qualitative Encoding Codebook.

Key Takeaways

Exit Surveys

Lack of visibility into **career development** is causing those with **<5 years of service to leave**.

Promotion Predictor

Young and diverse talent is **less likely to be promoted.** 76% of leadership population is identified as white.

Attrition Report

60% of resignations are young talent who are unclear about career promotion (31%) and lack of career advancement (26%).

03
Our Proposals

Recommendations to Strategize
Employee Retention

Our Proposals - Career Development

Career Development Planning Workshops

Build a Mentorship Program

Skills Gap Training

Diversity in Leadership Initiative

Our Proposals - Career Development

Career Development Planning Workshops

Demystify the promotion process by charting **career milestones** with a general timeline to set growth objectives and expectations

Address 31% who cited "unclear promotion process" indicated in attrition surveys

Skills Gap Training

Fund educational initiatives (classes, conferences, certifications) to support progress towards an employees Career Development Plan

Address 13% who cited "lack of training/support"

Our Proposals - Career Development

Build a Mentorship Program

Provide direct guidance from managers so early career employees can build relationships and develop their careers with the context of the organization

Address 28% who cited "lack of advancement or career growth" in exit surveys

Diversity in Leadership Initiative

Create a diversity focused mentorship track to counteract underlying biases and improve exposure for underrepresented groups

Address 76% majority of white individuals in leadership positions

Q&A

Thank You!

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