

Leveraging Workplace Stability

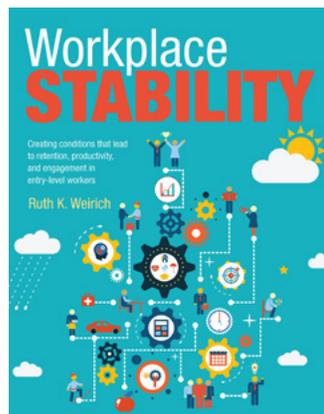
Common ground: stability benefits both employees and employers

“Viewing a diverse workforce through the lens of economic class allows a company to create more stability for team members and for the business, which results in higher retention, higher productivity, more engagement, and increased profits.”
– Ruth K. Weirich, *Workplace Stability*, p.129

Recognize the Problem

Employers have come to understand diversity in terms of race or gender—now they need to understand it in terms of socioeconomic class. The income and resource gap is a growing divide in workplace culture, causing missed opportunities from miscommunications to separations, as well as lost productivity, promotion, and profit.

Ruth K. Weirich’s 2016 book, *Workplace Stability*, builds out the business implications of this societal phenomenon. Weirich lays out the importance for employers to see and systematically address the issues of those living with daily instability: “Daily instability is the extent to which one does without resources” (p. 8). This can be done in a way that aligns with business needs.



The well-documented decline of the middle class resulted in the rise of the working class, the working poor, and the poor. People in these situations experience daily instability. The U.S. Census Bureau’s 2015 data revealed that 10.5% of men and 14.2% of women of working age (18 to 64) fall below the poverty line. **Millennials, who are now the**

greatest workforce sector, have it even worse: 20% live in poverty now, as compared to 14% in 1980, according to the U.S. Census Bureau’s American Community Survey.

A View into Daily Instability

- Transportation, child or elder care issues
- Food, housing, health, or safety insecurity
- Lack of resources to deal with issues
- “Agency Time”—dealing with agencies to address issues
- Relationships trump achievement goals
- Constant problem-solving*

*The unsung strength of those living with daily instability.

Instability Costs vs. Stability Benefits

“There has to be the recognition that your people are your organization” said Dr. Marla Gottschalk, Industrial and Organizational Psychologist, in her recent LinkedIn article. Daily instability costs roll over from employees’ lives into the workplace.

Tardiness, absenteeism, lost productivity, and turnover are business costs of instability. These parlay into fighting fires, culture decline, and eventually lost customers and market share. They are the workplace costs of a missed bus, car trouble, staying home with sick child or elder, or a myriad of other conflicts that employees struggle to address. Those in lower socioeconomic classes are

subject to the “tyranny of the moment” says Weirich; they are dealing with the now, and with few resources to do so.

“Without a sufficient qualified and productive workforce, employers are vulnerable to competitive forces as well as the impact of negative relationships with their customers.”
The Workforce Stability Institute
 Inround.com, 2000

Cost of Turnover

Hard Costs	Soft Costs
separation processing, advertising, interviewing, drug-testing, onboarding, training, uniforms	lost productivity & distraction pre-departure and upon new arrival, increased workload, rescheduling
TOTAL: \$3,500 per \$8/hr. employee	

According to the Society for Human Resources Management (Or 30-50% of annual salary, per Workforce Stability p. 26)

Just as instability has a domino effect, so does stability. Employers should understand the nature of daily instability in order to effectively impact workforce stability: “People don’t all have the common experience to draw from in the workforce” (p. 63). Supervisors and other professionals who better understand and address their employees’ needs are better managers.

Workplace Benefits of Stability

- Reliable attendance and productivity performance
- Employee retention, development, and promotion
- Culture of communication, teamwork and improvement
- Customer satisfaction and retention
- ROI in employees
- Profitability and growth

Moving from Instability to Stability

The opportunity savings of addressing instability can be turned right around to fund stability measures. This means increasing employee resources in any of a number of categories: emotional or cognitive, cultural or language, relationships, transferable skills, and financial resources. Increased resources equals increased autonomy that “empowers employees to fix problems” (p. 66).

The following ideas were among those successfully leveraged by companies that Weirich researched:

- Simplify application and onboarding processes
- Make training, benefits, and other documents accessible: use casual register and visuals
- Explicitly teach hidden rules, precise job-related phrases, and formal language
- Increase workplace flexibility
- Provide OTJ training, cross-training, and promote from within
- Supervisors develop relationships with direct reports
- Provide mentoring, coaching, or buddy systems
- Join an Employee Resource Network to assist in these measures
- Offer classes in computer, financial, or general literacy
- Provide tuition or GED reimbursement
- Partner with local credit unions to provide short and long-term loans
- Engage a resource consultant or manager knowledgeable in social work

Employers should assess and address challenges specific to their own workforce. One employer initiated a “call before you quit” hotline that resulted in high rates of retention (p. 121).

RemX takes a proactive approach to emerging research and trends in the workplace, and so has invited Weirich to present at both internal and client events in Dallas and Indianapolis this year.

Presented by Keith Wisner, Vice President, Workforce & Supply Chain Analysts

Resources

aha! Process (ahaprocess.com) has a number of resources for employees, professionals, and supervisors in the Bridging the Gap series.

Employer Resource Networks (ern-usa.com) works with small- and mid-sized businesses to improve supports for entry-level employees by pooling resources.

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