

Four Proven Methods to Engage and Retain Frontline Service Staff

Tackling the Facilities Talent Crunch, Part II



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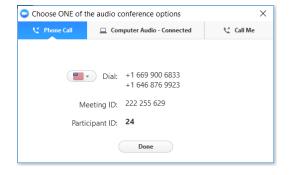
Facilities Forum

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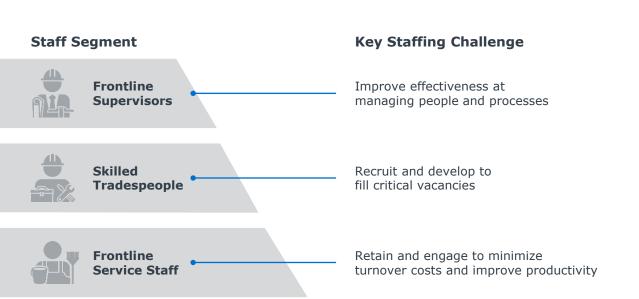
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A Multi-Layered Problem



Different Segments of Facilities Workforce Pose Distinct Challenges



Tackling the Facilities Talent Crunch



Best Practices for Addressing Diverse Staffing Needs

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Recruiting Skilled Trades Talent from a Shrinking Labor Pool

Practice 1
Benefits Value
Sell Document

Practice 2
Recruitment
Pain Point Audit

Practice 3Trades Student
Internship Program

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Engaging and Retaining Frontline Service Staff

Practice 4Service Staff
Feedback Channels

Practice 5Staff Enrichment and Development Programs

Practice 6Mission-Connected
Engagement Campaign

Practice 7Behavioral
Fit Assessments

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Improving the Effectiveness of Frontline Supervisor Ranks

Practice 8Facilities-Focused
Leadership
Development Programs

Practice 9Pre-Supervisor
Immersion Programs

Practice 10Non-Supervisory
Career Ladders

IV

Growing Your Own Talent to Meet Demand for Skilled Labor

Practice 11Scalable Trades
Apprenticeship
Programs

Practice 12Formalized Trades
Upskilling Programs

Practice 13Targeted Pre-Apprenticeship Programs

Road Map





Frontline Supervisors



Skilled Tradespeople



2 Engaging and Retaining Frontline Service Staff

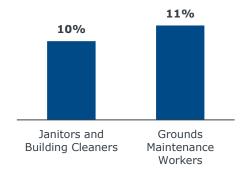
A Job Seeker's Market for Frontline Service Staff



Usual Churn Increasing as Private Sector Wages and Opportunities Grow

Frontline Service Roles Projecting **Higher-Than-Average Job Growth**

Anticipated Job Growth, 2016-2026



"Younger custodians don't care about tuition waivers when they can get a \$1.5k signing bonus from McDonald's."

> Facilities Director. Private Master's College

Select Firms Increasing Minimum Wage













Select Firms Giving One-Time Bonuses















"It doesn't take much. I've had custodians leave for 50 cents more in hourly wage."

> AVP Facilities. Public Research University

Source: Bureau of Labor Statistics: "List of Tax Reform," Americans for Tax Reform, https://www.atr.org/list: Facilities Forum interviews and analysis.

Turnover Is Expensive



Every Departure Triggers a Series of Both Overt and Hidden Costs

Sample Costs of Filling Vacancies



Cost to Advertise Vacant Position



Time Spent on Recruiting Activities



Time Spent Onboarding New Hire



Overtime Used to Cover Vacancy



Foregone Productivity from Vacant Position





Lost Credibility Due to Decreased Quality or Response Times



Total Cost of Turnover

Wide Benchmark Range for Cost of Custodial Staff Turnover

25%-200%

of annual salary



Representative Annual Turnover Costs Incurred by 100-Person Unit

Cost of Turnover as Percent of Annual Wages ¹	Expected Annual Turnover Costs ²
25%	\$265K
100%	\$1.06M
200%	\$2.12M

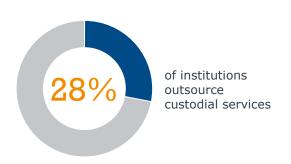
¹⁾ Assumes average annual wages of \$26,533.

Assumes annual custodial turnover rate of 40%.



Outsourcing Won't Solve All Your Problems

High Turnover a Concern Regardless of Frontline Reporting Structure



Potential Benefits of Outsourcing

- Can yield cost savings through vendor expertise and economies of scale
- May improve function service levels
- Offloads responsibility to recruit hard-to-find talent
- Does not improve frontline service staff retention and engagement



Available Now: EAB Research Brief on Effective Outsourcing

- Six considerations to help determine when to outsource or not
- Five common mistakes to avoid when drafting contracts
- Three core components to managing successful vendor arrangements

Download <u>Optimizing Outsourcing</u> Arrangements in Facilities at eab.com.

Where Do Comp Dollars Have the Biggest ROI?



Pay Impacts Frontline Service Staff Retention, But Not a Panacea

High ROI from Increasing Frontline Salaries...

Increase in hourly wages at local fast food chain prompted mass custodial turnover at Doxie University¹

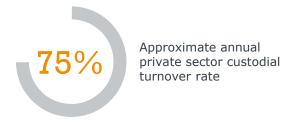
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Where Pay Makes a Difference

"They cost the same on paper, but I'll tell you that we found raising a hundred custodians' hourly wage by fifty cents had a much great impact on retention than increasing ten skilled tradesmen's annual pay by ten thousand dollars."

AVP of Facilities Management Public Flagship University

...But Raises Alone Will Not Solve Frontline Retention Challenges



Industries with Highest Voluntary Staff Departure Rates²



Primary Competitors for Frontline Service Staff

Pseudonym.

²⁾ US average, 2011.





Lack of Mechanisms for Feedback, Growth Drive Absenteeism and Turnover

Unit-Level Impact of Disengaged Staff

87%

Increase in likelihood of **departure** among disengaged employees

37%

Increase in **absenteeism** among disengaged employees

Common Drivers of Frontline Service Staff Disengagement

- Inability to provide feedback
- Lack of growth opportunities
- Isolation and disconnect from mission

- "No one cares about what I think."
- "I don't want to do this forever. I want to make more money and try new things."
- "My job isn't important. I just empty the trash."

Winning Hearts and Minds



Engagement Linked to Increased Productivity, Quality

Highly Engaged Employees Exhibit a...

57%

increase in effort put into their work compared to disengaged employees

44%

increase in happiness at work compared to disengaged employees

Businesses in the Top Quartile of Engagement...

17%

more productive

70%

fewer safety incidents

better custome service ratings better customer

...than Businesses in the **Bottom Quartile of Engagement**



Known Engagement Playbook from Private Sector

Private Sector Best Practices Applicable in Higher Ed Facilities

Tactic	Higher Education Facilities Case Studies
Award Ceremonies	The University of Cincinnati holds quarterly employee recognition luncheons that reward excellent employees with a framed certificate.
Team Celebrations	St. Francis College hosts a thank you dinner after campus open houses for all custodians and grounds staff.
Comment Boxes	The University of Georgia maintains an online comment box where Facilities staff can submit feedback anonymously.
Public Recognition	Simon Fraser University sends "flash reports" to the entire Facilities department calling attention to individual performance on major efforts.
Spot Rewards	Tulane University gives gift cards to staff who demonstrate exceptional service.
Town Halls	Emory University hosts biannual meetings and small group discussion sessions between senior leadership and frontline service staff.
Listening Tours	Virginia Commonwealth University 's SFO conducts listening tours with Facilities employees to gather feedback and increase visibility of senior leaders.
Stay Interviews	Axel College¹ uses stay interviews to surface potential employee frustrations and areas for continued investment in engagement.
Executive Interaction	The University of Kentucky hosts "Mulch Mondays," where senior leaders help the grounds crew mulch a portion of campus.

Empowering Staff to Raise and Solve Problems



Wake Forest Engagement Council Collaborates with Leaders to Drive Change

"Facilities Focus" Staff Engagement Council





Cross-unit, staff-elected council membership

Facilities staff across levels elect 12 representatives to engagement council. 15:1 ratio of total unit staff to representatives



Quarterly working sessions with leadership

Representatives bring feedback from colleagues to quarterly working sessions, facilitated by SFO and unit HR director



Collaborative response plans

Representatives and leaders work together to develop solutions for surfaced problems and establish timetables for resolution

Sample Issue: Uniforms

- Facilities staff shared discontent with uniform fit and design with council members
- Council identified more professional and comfortable uniforms within budget; leaders agreed to purchase
- Overall Facilities staff complaints declined after distributing new uniforms

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"Employees now have a concrete example that showcases leadership's commitment to listening to them and helping them fix concerns."

> John Shenette AVP for Facilities and Campus Services Wake Forest University

Taking the Pulse of Frontline Service Staff



CU Boulder Surveys Employees to Identify Pain Points

- Senior leaders convene task force in response to above average turnover among frontline service staff
- Task force creates customized staff survey in English, Spanish, and Laotian to collect feedback on staff's most pressing issues
- 312 frontline staff complete survey, including 177 from Housing & Dining Services and 121 from Facilities Management
- Task force disseminates results and charges four subcommittees with developing action plans to address top concerns



Select Questions from CU Boulder's Frontline Service Employee Survey

- What are your long-term career plans?
- What types of professional development and educational programs are you most likely to participate in?
- What is the greatest barrier to your professional development?
- What has held you back from pursuing any certification or vocational training?
- How do you get to work?
- Would you be interested in reduced parking fees and/or shuttle service?

Download a copy of CU Boulder's engagement survey <u>here</u>.

Publicly Acting on Feedback



CU Boulder Develops and Communicates Action Plan for Survey Findings

Issues Identified by Survey

- 1 Hourly Wages Below Market Rates
- 2 Lack of Professional Development Opportunities
- 3 High Commuting Costs
- 4 Lack of Tuition Assistance

Actions Recommended by Task Force

- Increase frontline staff minimum wage from \$10.20 to \$12.10/hour, with additional raises for select tenured staff to avoid salary compression
- Expand apprenticeship program and create advisor position to support interested staff
- Subsidize rideshare program
- Offer ESL and digital literacy courses during work hours at no cost

Communicating the Implementation of the Action Plan



Plan communicated via press release, detailed memorandum, and town halls



Extensive messaging gives Facilities credit for listening, working toward solutions



"If We Invest in Them, They'll Invest in Us"

Three Types of Enrichment Programs Augment Frontline Staff Engagement



Higher Ed's Mission Obligation to Better Staff

"As an institute of higher education, it is our responsibility to educate and improve the lives of everyone we work with. We should offer opportunities that not only enhance the lives of those around us, but also promote an uplifting and rewarding work environment. If we invest in our team members, they will invest in their jobs."

SEAN CHILDERS, AVP FOR OPERATIONS
TEXAS TECH UNIVERSITY

"

Three Types of Frontline Service Staff Enrichment Programs









Giving Staff a Dedicated Space to Enhance Skills

WVU's Custodial Lab Fosters Confidence in New and Existing Employees



Custodial Training Lab

- Leaders invest \$10K to transform vacant campus house into dedicated custodial training facility
- House contains equipment and surfaces found throughout campus
- Custodians use house to practice effective cleaning techniques and test new products
- Leaders observe increased confidence and quality from staff using training house





Next-Generation Dedicated Training Spaces

- University of Central Florida planning 2,500 GSF Facilities Support Building
- Dedicated training facility will have staging areas, classrooms, and lounge
- Leaders expect initial \$1M investment to pay for itself over time through increased productivity, engagement, and quality



Enabling Staff to Explore New Interests

Initiatives Expand Facilities Knowledge and Skills Beyond Current Roles

Internal Programs



Train-the-Trainer Program

- Facilities staff across levels and functions run training sessions for colleagues on topics of personal expertise
- Topics include wiring, mulching, ADA compliance
- All Facilities staff required to take at least one class per month
- Program has improved staff morale and broken down unit silos

External Programs



Technical Tuition Assistance Program

- Facilities unit provides tuition vouchers for staff to enroll in courses at community and technical colleges
- Courses must have relevance to Facilities division, but may expand beyond current role
- 10% of staff currently utilizing program, including frontline service staff pursuing trades skills



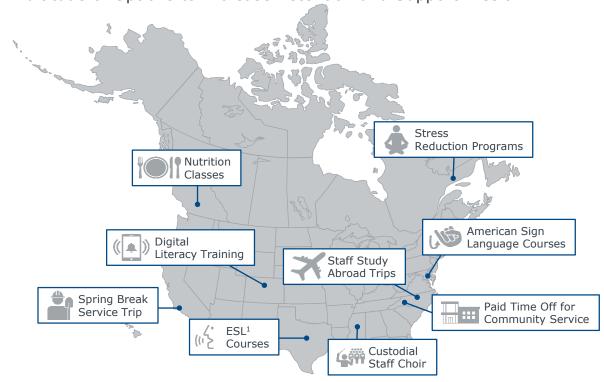
Continuing Education Partnership

- Facilities leaders established training agreement with local technical school to offer courses for interested staff
- Staff have used partnership to broaden skillset and launch trades careers
- Leaders have observed increased employee engagement from educational investment



Improving Lives Outside of Work

A Multitude of Options to Increase Retention and Support Mission



You Get It, But Do They?



Frontline Staff Don't Always Recognize the Mission-Importance of Their Work

??

What Frontline Work Achieves

"We do a lot of cancer research at Rutgers. Everyone has been affected by cancer, whether it's something they've experienced or someone they know and love. I let my staff know that their work enables that research to happen; they're helping to cure cancer."

Tony Calcado Executive Vice President, Strategic Planning and Operations & COO Rutgers University

Research Connects Frontline Service Staff to Student Success

- University of Iowa dissertation explored custodians' interactions with students
- Researcher observed four custodians during daily responsibilities for over 70 hours
- Analysis concluded that custodians promote students success through assigned duties (e.g., maintaining restrooms) and "assumed" duties (e.g., informally mentoring students)
- Author recommends that institutions publically acknowledge custodians as student success mentors

Connecting the Dots Between Mission and Work

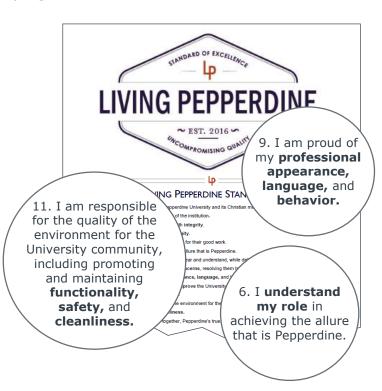
Pepperdine's Engagement Campaign Establishes 12 Core Values for FM¹

PEPPERDINE

"Living Pepperdine" Engagement Campaign

- Initiated in response to concerns that staff lacked connection to institution's mission
- Employee focus groups developed 12 core values that connect Facilities responsibilities to institutional mission
- All staff received copies of core values, which provides concrete mantras that staff commit to uphold throughout everyday work

Download Living Pepperdine's standards here.



Embedding Mission in Everyday Work



Pepperdine's Three-Pronged Approach to Continually Reinforcing Values

Recruiting and Onboarding



Performance Reviews



Daily Lineups



- Job postings and hiring interviews highlight core values
- New hire orientation sessions introduce values and connect work to mission

 Supervisors assess employees' embodiment of core values during 90-day check-ins and annual performance reviews

- Supervisors lead 5- to 10minute, mission-focused team meetings at start of every shift
- Employees read daily "Living Pepperdine" newsletter aloud at each Daily Lineup
- Newsletters discuss how staff demonstrate core values through their work





Leaders See Increased Engagement, Comradery from Frontline Staff

Living Pepperdine Year One Staff Survey Results

86%

affirmed value of daily meetings

-

"It is a good positive way to start the day. It helps create the mood for the entire day."

88%

have more respectful team interactions than in the past

"I am happy because it's made a huge difference. The negativity has dissipated since we have started Living Pepperdine."

82%

felt more comfortable expressing concerns

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"It makes a big difference. Before the program people felt like their words didn't matter. This program changed that."

92%

affirmed increased affinity to the institution

 \Rightarrow

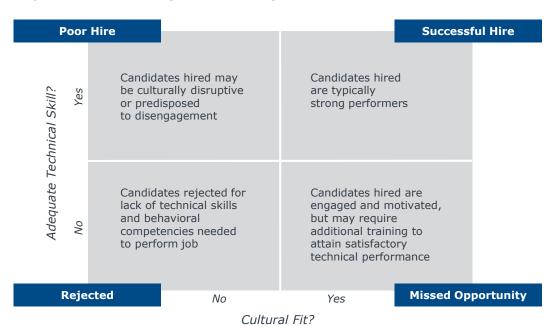
"Living Pepperdine puts things into perspective. It really means something when it's relatable to us. I can live out these standards because I see my co-workers doing it as well."



Hiring Staff Most Likely to Stay Engaged

Sole Focus on Technical Skills Leads to Hiring Mismatches

Representative Hiring Outcomes by Technical Skills and Cultural Fit



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Introducing EAB's Behavioral Fit Interview Guide

Tools to Guide Interviews and Evaluate Candidate Responses

Sample Behavioral Competency Assessment

Customer Service

Questions to Ask

- Think of a time when you had to deal with an unhappy customer. Describe the situation and how you handled it.
- Have you ever had to make a change in your approach to accommodate the needs of a customer? What happened?
- Have you ever run into an angry customer who wanted you to do something that you did not have the authority to approve? How did you handle it?
- Tell me about a time when you went above and beyond normal expectations to improve a customer's experience.

Positive Answers

- Can empathize with customer needs
- Recognizes importance of service excellence
- Can show evidence of restraint under a difficult situation
- Has a mature problemsolving attitude

Red Flags

- Complains about customer experiences
- Adheres blindly to established procedures
- Does not often volunteer assistance

12 Competencies Included in Question Bank

- Attitude
- Communication
- Compassion
- · Conflict Resolution
- Customer Service
- · Decision Making
- Flexibility
- Integrity
- Personal Development Drive
- Problem Solving
- Process Improvement
- Teamwork

Download EAB's Behavioral Fit Interview Guide here.



Applying Behavioral Fit Interviews in Higher Ed

Institutions See Increased Retention After Modifying Selection Criteria

	UNC CHARLOTTE	University of Colorado Boulder
Year Implemented	2008	2015
Select Competencies Evaluated	CommunicationConflict ResolutionCustomer ServiceSafety and Health Compliance	CommunicationConflict ResolutionFlexibilityPersonal Development Drive
Results	Lower turnover and fewer probationary releases	Reduction in employee complaints and improved workplace attitude

Private Sector Case Studies Quantify Impact of Behavior Fit Assessments

11%

Turnover reduction attributed to BBI¹ by Data Merchant Services Corp.

20%

Reduction in 90-day turnover following implementation of BBI¹ by Sprint Paranet

Any Questions?



Contact Information



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Evaluating Today's Session



Please take a minute to provide your thoughts on today's presentation.

<u>Upcoming Webinars</u>

Three Opportunities to Improve the Effectiveness of Frontline Supervisors (Tackling the Facilities Talent Crunch, Part III)
Tuesday, January 15, 2019 | 1:00 PM ET - 2:00 PM ET

How to Launch an In-House Facilities Talent Development Program (Tackling the Facilities Talent Crunch, Part IV)
Tuesday, February 12, 2019 | 1:00 PM ET - 2:00 PM ET

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Facilities Forum

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