



Attracting and Retaining the Workforce of the Future

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Aging EM Nuclear Workforce

- By 2020, 25% of the American Workforce will be >55 years
 - aka the Silver Tsunami
 - Birth rate has significantly declined - shortage of available new workforce
- The DOE Complex Average Age is ~50
 - >30% EM workforce is over 55 years of age
 - NNSA goes to >38% retirement eligible in 2023 (up from 17% in 2018)
- Expected significant turnover rate in next few years
 - Retirement of large sector of employees
 - Higher turnover rates in younger generations than traditionally seen with Baby Boomers
- Hiring issue exacerbated since many DOE sites' area have an overall decreasing workforce population

Source: Energy.gov; various site websites; Wikipedia

Example DOE and BWXT Site Workforce Statistics

Site	Age % over 55 years	Age % under 35 years	Turnover Rate for <30 Years Old	Avg Site Age (yrs)
Portsmouth	35%	17%	~8%	49
Paducah	32%	8%	0%	50
West Valley	52%	6%	0%	51
LANL - Cleanup	31%	17%	N/A	40
INL	24%	N/A	~6%	47
SRS - SRR	35%	24%	~6%	49
BWXT	25%	22%	4.6%	45

Source: Site HR managers

Generation Z/Millennials Facts versus Previous Generations

- Millennials will be 50% of the workforce in the next few years
- 58% of millennials leave their job within three years
- Technology is the catalyst for the rapidity with which generations now evolve - politics or sociology don't move fast enough
- Very short attention spans and need multiple different things to do
- This is the video generation - training should be video based vs reading
- Incredible collaborative powers that companies need to learn to harness

Source: *Technology the Catalyst for Generational Differences*, National Association of Colleges and Employers

Company Attributes that Attract Gen Z/Millennials

- Places a high value on corporate social responsibility (CSR)
 - 64% of millennials won't work for a company that doesn't have strong CSR commitments
 - 75% willing to take a pay cut to work for a company with strong CSR
 - Very interested in paid volunteerism
- Provides career movement and experimentation
- Helps with Finances
 - Student loan repayments (most highly rated but only ~4% of companies offer this)
 - Free financial planning services
 - Onsite healthy food at a discount or free, etc
- Provides Lifestyle Benefits – employer contributions to allow personal growth
- Diversity – Gen Z population is much more diverse - wants to work for companies with diversity

Sources: Society for Human Resource Management, July 2018; [Millennial Employee Engagement Study](#) by Cone Communications

Company Attributes that Attract Gen Z/Millennials: *Diversity*

- Bureau of Labor Statistics: by 2020 more women are expected to be working than men
- By 2043 there will be no racial or ethnic majority in the U.S.
 - By 2028, racial and ethnic minorities will be the majority of young adults 18-29 years old
- Diversity affects the bottom line:
 - Review of Fortune 500 companies with women/diversity on their boards had a higher return on equity by at least 53%, superior in sales by at least 42%, and higher ROI by 66%.
 - Groups of diverse problem solvers outperformed groups of high-ability problem solvers

Sources: <http://www.anneloehr.com/2016/04/29/attracting-retaining-diverse-talent-strategic-priority>; Study by Lu Hong and Scott E. Page; Daily News Dec 12, 2012, Whites No Longer a Majority in United States by 2043;

Why Diversity Matters

A 2015 and 2017 business case for inclusion and diversity (I&D) showed a strong correlation between diversity and profitability (>1000 companies in 12 countries)

- Companies with the most ethnically/culturally diverse boards worldwide are 43% more likely to experience higher profits.
- Companies in the top-quartile for gender diversity on executive teams were 21% more likely to outperform on profitability and 27% more likely to have superior value creation.
- Companies in the top-quartile for ethnic/cultural diversity on executive teams were 33% more likely to have industry-leading profitability.

Sources: McKinsey&Company: *Why Diversity Matters, 2015; Delivering Through Diversity* , January 2018; Sylvia Ann Hewlett, Melinda Marshall, and Laura Sherbin, "How Diversity Can Drive Innovation," *Harvard Business Review*, December 2013.

More Recruiting/Retaining Workforce Facts and Examples



Recruiting Professionals – Top 10 List for 2017 Grads

How does your company compare?

Benefit	Considered Important by Students	Offered by Employers
Company-matched 401(k) plan	67.9%	93.7%
Dental insurance	62.3%	93.7%
Guaranteed annual salary increases	60.0%	13.8%
100% employer-paid medical insurance	57.9%	7.5%
Life insurance	57.1%	93.7%
Tuition reimbursement for advanced education	57.0%	80.5%
“Family-friendly” benefits	56.8%	80.5%
2+ weeks of vacation in the first year of work	40.8%	54.7%
Bonus/commission plan	40.6%	66.7%
“Flextime” policy	38.6%	50.3%

Source: *Class of 2017 Student Survey Report*, National Association of Colleges and Employers

Recruiting

Professionals

- Showcase your company's technologies
- Intern programs – particularly with nearby universities
 - > 3/4 of students that were “extremely satisfied” with their internship/co-op experience are likely to accept an offer
 - Students rated internships high when:
 - Had meaningful work duties
 - Fostered their personal growth
 - Interactive/collaborative work environment
 - Maintain ties when interns return to school - maintains their loyalty/interest

Workers/Crafts

- Create Partnerships with Training and Educational Organizations

Source: *Class of 2017 Student Survey Report*, National Association of Colleges and Employers

Examples of Workforce Recruitment and Retention Innovations

Intern Program Successes:

- BWXT hires ~48% of its interns with an 80% retention rate
- Paducah hires ~10% of its interns with none leaving to date
- INL hires ~10% of its interns (avg is 20% for multi-year interns)
- SRS (Liquid Waste) hires ~11% of its interns
- Portsmouth hires ~10% of its interns

Examples of Workforce Recruitment and Retention Innovations

Partnerships with Training and Educational Organizations:

- Portsmouth – Worked with union to create an apprenticeship for RadCon technicians using DOE core training program and site instrumentation
- SRS – Utilized Aiken Technical College for Operator, Maintenance, and RadCon development programs
- INL – Lab sharing with University
- LANL Cleanup – partnering with Northern New Mexico College to establish an apprenticeship program modeled after Newport News' Apprentice School in Virginia

Retaining the New Workforce

- Formalize a policy on Corporate Social Responsibility:
 - Millennials like companies that reduce their environmental footprint, engage their employees in community volunteer efforts and donate money to good causes.
- Millennials want to be asked for their input.
- Make sure there is a good communication system in place – millennials want to know what differences they are making - social media is best mechanism to communicate with this group.
- 55% of employees want their company to offer more flexible work options to help create work/life balance
- ~70% of employees today have extensive student loan debts
 - ~ 90% of millennials would commit to an employer for at least five years if they received help repaying student loans.

Source: <http://www.governing.com/equipt/attracting-and-retaining-a-younger-workforce.html>;

<http://engineeringdimensions.peo.on.ca/index.php/2018/03/15/attracting-and-retaining-the-workforce-of-the-future/>;

2017 Mercer OSPE National Engineering Compensation Survey; <https://www.ameritasinsight.com/employee-benefits/employee-talent-war>

Examples of Industry Innovations

Abbott Laboratories

- Offers a hybrid student loan repayment/retirement savings benefit
 - IRS recent ruling allows a company to match up to 5% for a non-taxed 401K contribution for an employee's student loan repayment that is $\geq 2\%$ of the employee's salary

BWXT

- Incentives all workforce (non-union) – bonus based on meeting corporate/project financial and safety goals
- Uses existing Eastman Kodak partnership with college for *Chemical Process Operations* certification; utilizes numerous college certification programs for NDE/NDT capabilities
- Targets recruits using:
 - Social Media – Facebook, Twitter, LinkedIn, Glassdoor
 - Geo-fencing utilizing Google & Facebook for target marketing

Sources: <https://www.hrdiver.com/news/irs-approves-employers-401k-incentive-for-student-loan-payments/530877/>

Examples of Workforce Recruitment and Retention Innovations: Savannah River Site

Innovations to attract a new workforce:

- Offers 4 weeks of PTO/Vacation for new hires (1 week more than industry)
- Texting with college recruits prospects instead of calling them
- Re-designed recruiting handouts to highlight pictures of diverse groups in the work area, emphasizing benefits and our job rotation program.
- Highlighting site's socially responsible mission to “clean up the number one environmental risk in SC”

Innovations to retain workforce:

- Increased PTO/Vacation for >5 year employees by 24 hours
- Adopted wellness initiatives that involve sports themes and group activities
- Modernized with big screen TVs in facilities and standardized publications so that employees know when announcements (job postings, fundraisers, safety meetings, etc.) are coming up.

Examples of Workforce Recruitment and Retention Innovations: Portsmouth

Innovations to attract a new workforce:

- Offering Engineering Job Shadowing Day with Ohio State University
- Launching a Co-Op program this fall that will operate in Fall and Spring each year, target is 2-3 people per semester
- Increased On Campus recruitment efforts (12-14 per semester)

Innovations to retain workforce:

- Increased continuing education assistance from \$2,500 to \$5,250
- Offer PE license reimbursement (and other misc training)
- Increased starting wages for recent graduate engineers



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