TEAM BUILDING STATISTICS

The times they are a changin'
- An unprecedented aging workforce
- Retirement of the baby boom generation
- Fewer skilled younger workers
- Lower birth rates
- Companies estimate that more than fifty % of their workforce will be eligible to retire in 5 to 15 years. – *Right Management*
- More than 25% of the working population will reach retirement age by 2010, resulting in a potential worker shortage of nearly 10 million. - *U.S. Bureau of Labour Statistics*
- By 2011, as the first round of baby boomers turns 65 and begins to retire, available jobs are expected to outnumber available workers by 4.3 million. By 2031, the organisation says, that gap could increase to 35 million workers. - *the Employment Policy Foundation*
- Organisations will be faced with filling positions for which no applicant pools exist. As leaders retire, companies will be faced with a leadership vacuum.
- 44% of organisations have no knowledge transfer process in place and have no plans to create one. - *Novations Group*

The changes don't just affect leaders
- The temporary workforce now represents 28% of the working landscape. That's a 25% increase since 1998. – *Kelly Services reported by Mark Penn of Microtrends):*
  - 4.2 million people work entirely from home ("Billy, give that back to your sister.")
  - 3.4 million people travel at least 90 minutes to work each day ("Sorry, I can't work overtime.")
  - 3.5 million workers live away from their spouses during each workweek. ("See you on Friday evening."
  - 60% of U.S. employees say they've been involved in an office romance. ("Kinda' makes you wonder, eh?")

Burnout
- Burnout is prevalent among the majority of workers with 68% reporting feeling burnout at work. - *CareerBuilder.com*
- 85% of recruiters have seen candidates reject a job offer because it wouldn't include enough work-life balance. - Executive Search Consultants
- Organisations are finding it more difficult to retain their best people
- Length of service in organisations is decreasing at an exponential rate. Twenty years ago, people who worked in different company were perceived as unstable job hoppers. Today, these people are seen as well-rounded, career-oriented go-getters.

Some people don't go willingly.
- 4 in 10 senior leaders fail within the first 18 months on the job. - Manchester Consulting
- 46% of new hires failed within the first 18 months, while only 19% of new hires had unequivocal success. - *Study by Leadership IQ*
- But most, leave on their own accord.

- Over the past few years, companies reported a 32% increase in turnover among *mid-level* managers and a 25% increase in turnover among *senior-level* managers. – *Study by ClearRock*
- In the next few years, 21% of top management and 24% of middle management across all functions, regions, and industries will become vacant. - *Business Week*.
- Make no mistake about it. It's expensive (and getting more expensive) to replace people.
- The cost to hire a new employee rose has risen 33% since 2000. - *Saratoga Institute*

So why do people leave?
Study by the Saratoga Institute:

- Supervisory factors	39%
- Limited career growth & opportunity	16%
- Compensation	12%
- Job was boring & unchallenging	11%
- Work hours	6%
- Other factors	6%

People don't quit companies, they quit their manager. Let's see why…

Aren't leaders supposed to *prevent* turnover? Is it really a surprise that leaders cause turnover? Consider…
- In a study of more than 1000 organisations, leadership was identified as the single biggest challenge. - *Development Dimensions International*
- 83% of organisations surveyed felt their organisation had a leadership vacuum, with those most lacking skills were at the first– and second– leadership levels. - *Workforce.com*
- 35% of people do not consider their boss a leader - *SkillSoft*
- 97% of people studied report concerns about leadership strength, and 73 % say current leadership ability is not sufficient to support company growth initiatives. – *Corporate University Xchange*
- 100 of 150 companies rated the capacity of their leaders to meet business challenges as poor or fair. - *Conference Board*
- 33% of managers distrusted their direct managers and 55% of them didn't believe top management. 78% of American workers are suspicious of management to some degree. – *The Wall Street Journal*

Maybe if managers just communicate better…
- Organisations that communicate effectively are 4.5 times more likely to retain the best people. – *Watson Wyatt*
- Only 38 % of employees surveyed felt senior management communicates openly and honestly. 40% of employees do not think their bosses keep them well informed. - *Towers Perrin*

Can we really expect leaders to lead if they are not getting the training they need?
- Only 3% of 13,000 managers agreed that their organisation was good at developing people. - *McKinsey Survey*
- At 70% of organisations, commitment to leadership development is weak or not supported by appropriate financial investment – *Corporate University Xchange*

Maybe people are in the wrong jobs.
- 80% of 350,000 employees in 7,000 organisations studied over 16 years said that they were *not* in jobs that made use of their talents. - *Charles O'Reilly and Jeffrey Pfeffer*
- 69% are concerned that insufficient leadership talent will prevent their firms from capitalising on new markets in emerging economies. – *Corporate University Xchange*

Maybe we just need to plan better for the future.
- 34% of US companies report being effective at identifying future leaders. - *Conference Board's "Developing Leaders for 2010" report*
- 39% of companies said they don't have a succession management plan for senior positions. – *Dimensions Development International*
- 91% of organisations do not identify high potentials early in their careers. - *Corporate University Xchange*

Does developing leaders really make a difference?
- Companies that consistently paid attention to their leadership culture over time vs. those who did not achieved:
- Revenue increases of 682% vs. 166%
  Stock price increases of 901% vs. 74%
  Net income increases of 756% vs. 1%
  Job growth of 282% vs. 36%
- *Study by John Kotter and James Heskett's*
- Companies that emphasised leadership development outperformed others by 15 times over the past 60 years. - *Cutting Edge Information*

So what do people want from their leaders?
- "Limited recognition and praise" was cited as the most common reason for why employees left the company. It was rated higher than compensation, limited authority, personality conflicts and *all other responses*. – *Robert Half International*
- Feedback is free and relatively easy to provide. Aren't managers doing this?
- Study by Dr Gerald Graham of Wichita State University found that:
- **58%** of employees seldom if ever received *personal thanks* from their manager
- **76%** of employees seldom if ever received *written thanks* from their manager
- **81%** of employees seldom if ever received *public praise* in the workplace
- It is said that all disappointment in life stems from our expectations not being met.
- Gallup found that the #1 reason that people leave organisations is that they don't know what's expected of them.

Maybe, all we need to do is hold leaders accountable.
- In a study of 3000 leaders and associates from around the world, *41%* of companies said they had trouble holding accountable mediocre or poor leaders. *- Development Dimensions International*

Perhaps if companies had a compelling mission, people will be motivated and happy.
- U.S. workers want their work to make a difference, but 75% do not think their company's mission statement has become the way they do business. *- Workplace 2000 Employee Insight Survey*
- Only *one* in ten workers has a clear line of sight between his or her tasks and company goals. *- Stephen Covey & Harris Interactive*
- Companies whose employees understand the mission and goals enjoy a 29% greater return than other firms. *- Watson Wyatt Work Study*

Leaders have their own challenges, don't they?
- Getting people to work together who have different agendas is among the biggest obstacles facing business leaders today. *- American Management Association*
- 60% of executives listed lack of collaboration as one of their top leadership challenges. – *American Management Association*

Attitude is Everything
- The Bureau of Labour Statistics estimates that U.S. companies lose $3 billion a year to the effects of negative attitudes and behaviours at work.
- 40 to 50 % of an organisation's profit margin fluctuations are predictable based on employee feelings and opinions. *- Surcon International*

But in the end, are we ready for the future?
- Only 6 % of human resources professionals feel that their personnel are adequately prepared to meet their organisation's future goals. – *Softscape*

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