



2018

Workforce Development Report

Based on responses from leaders
in training across the skilled trades.



Background and Methodology

Eager to support intuition with insights, Penn Foster asked a group of hiring leaders in the skilled trades to share their experiences with education and training, and its relationship to employee retention and churn in the workplace.

Respondents included managers, C-suite executives, HR directors and others in the manufacturing, transportation, automotive, construction, and other skilled trades.

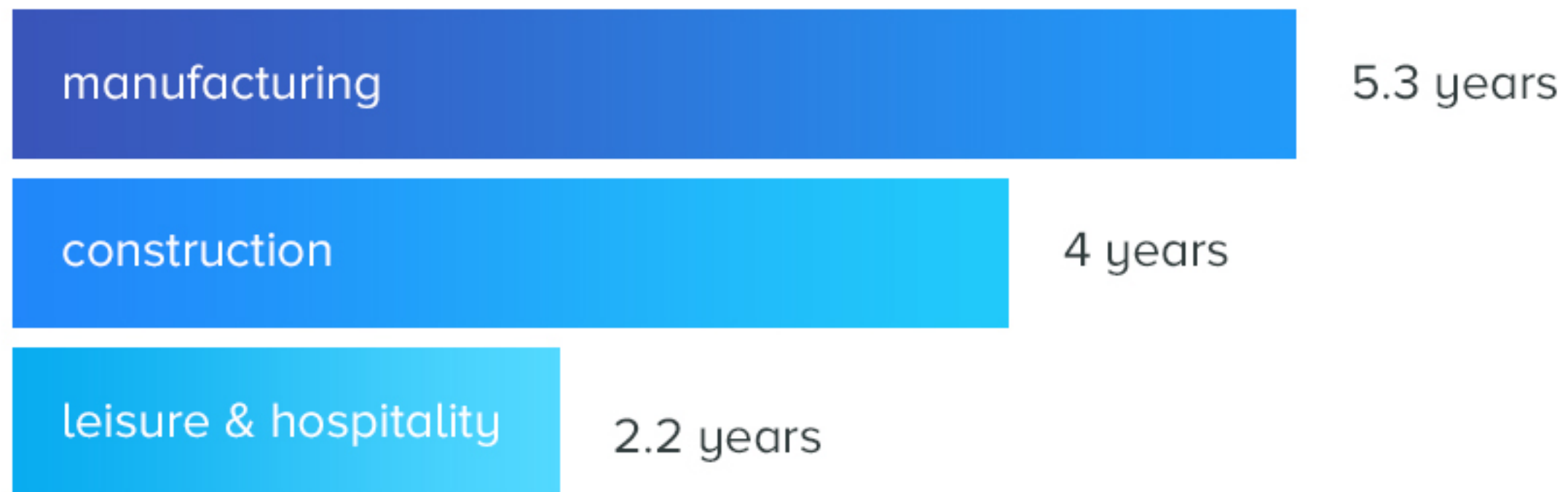


The Challenge

Companies worry about turnover: the separations rate—a measure of churn in the labor force—**has increased for half a decade, reaching 43% in 2017.**



On average, workers stay at their job for under 5 years



This leads to
a costly cycle
of recruitment,
hiring, and
re-training.

While the median cost of churn is about

20%

of an individual's annual salary, it
can reach as high as

213%

in some sectors.

The Benefits of Education

But as it turns out, education and training are powerful tools for increasing retention and decreasing costly churn. And the skilled trades provide a compelling example of the impact of education on retention.



80%

of our respondents reported that they offer training and development opportunities to skilled tradespeople.



Over half of survey respondents reported that the average tenure at their employer was

10+ Years →

twice the national average



80% of respondents
said their annual turnover
is **25% or under**

**dramatically lower than
the national average**



And while
turnover as a
whole is on
the rise...



68%

of respondents noted that their
company's turnover rate has
stayed the same since 2016.

The relationship between education and retention is even more important at a time when the cost of churn is so high.

Nearly half of companies surveyed spend more than \$10,000 to hire and train external tradespeople.

And research suggests that overall, the cost of employee turnover can reach as high as 200% of annual salary for highly skilled employees.



The correlation between learning & development and employee retention cannot be ignored.

Contact us to learn how Penn Foster's training, credentialing, and apprenticeship solutions can increase employee engagement, productivity, and retention.



www.workforcedevelopment.com



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