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ADPRI shows how promotions, under certain conditions, can impact businesses, a finding that underscores the importance of having a thoughtful retention plan and a strategy to support these career milestones.

Isaac M. O'Bannon • Oct. 20, 2023



The ADP Research Institute (ADPRI) reveals the business impact of promotions and presents a new way to measure worker motivation and commitment in *Today at Work*, a fresh and comprehensive data-driven resource for business leaders and other decision-makers.

In the September issue of Today at Work - "The Hidden Truth About Promotions" -

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29 countries, Today at Work examines the entire employee lifecycle to provide a people-centered and comprehensive view of the world of work.

"With so much data at our fingertips, we have the opportunity to tell the full story of the workforce with an eye toward its continued evolution and change," said Dr. Nela Richardson, ADP chief economist and head of the ADP Research Institute. "For example, productivity has always been a key metric monitored by decision-makers and economists, but understanding what drives productivity has been difficult to measure. In this report, we're able to illustrate the important link between motivation and commitment and productivity."

A NEW RESEARCH-DRIVEN RESOURCE

Released quarterly, *Today at Work* taps into ADP's anonymized and aggregated data, regular surveys, and ongoing ADPRI research to provide a thorough, quarterly analysis. These research-driven insights can provide business leaders with a fresh perspective and ongoing source of actionable metrics to help them make informed decisions in areas where data historically has been lacking.

TODAY AT WORK, September 2023

Part 1: The Hidden Truth About Promotions

Committed and motivated workers are more likely to land promotions, and keeping these recently promoted employees is key to supporting business growth. ADPRI analyzed the full job histories of more than 1.2 million U.S workers from 2019 through 2022 to see if there was a relationship between receiving a promotion and leaving the company. The model found an unintended consequence associated with promotions under certain conditions.

For more information on the model, visit ADP Research Institute's Data Lab

ADPRI's model revealed a flight risk for certain workers within a specific timeframe

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advanced technical degree, a promotion increased a manager's risk of leaving more than it did for non-managerial workers.

Preparing for Talent Growth

An employer's strategic approach to promotions and their follow-through are key to employee retention.

- Provide career development opportunities that help workers transition into their new roles and responsibilities, which could, in turn, increase worker commitment to their employer.
- Be prepared for potential resignations. Have a plan to mitigate losing critical managerial talent.
- Incentivize retention among key groups and those with the greatest likelihood of leaving, such as low-wage workers.

Part 2: The Employee Motivation and Commitment Index

Motivated and committed workers are invaluable to employers, but tracking their state of mind can be challenging. To uncover what drives employees, ADPRI developed a tool to measure worker allegiance. The EMC Index, built on nearly a decade of continued surveys of more than 490,000 workers in 29 countries, measures how employees feel about their place at work and whether they're thriving. This intelligence can help organizations boost productivity and provide insight into labor force dynamics.

In August 2023, the EMC Index fell from 108 to 100, its lowest point since June 2022. The index peaked in December 2022 at 121, after a year of robust pay growth, strong hiring, and the rise of remote work.

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followed by information (37%), and construction and related trades (34%). Healthcare (22%), education (20%), and transportation and warehousing (19%) fall to the lower levels. Information, which includes publishing, web hosting, television, and telecommunications, has been on a downward trend.

Looking at gender, men revealed much higher motivation and commitment scores between the ages of 20 and 54.

"This is only the beginning of what this series of reports will offer," Richardson said. "For the first time, we're combining ADP's unparalleled hard data with peoplecentric surveys to identify actionable insights for decision-makers."

For additional findings, visit *Today at Work*. For more information on the ADP Research Institute, visit ADPRI.org.

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