



Snapshot Survey Results Report

— *Retaining Top Talent* —

September 2013



Retaining Top Talent

ISPA Snapshot Survey | September 2013

Monthly Snapshot Surveys provide ISPA members with a valuable look into the state of the spa industry, spa industry trends and also help to identify the needs of spa professionals. Snapshot Surveys are conducted on the third Friday of each month, with full results provided only to respondents two weeks from the release date of the survey. Knowledge is a valuable tool and these quick surveys provide a wealth of information shared by ISPA's members. The September 2013 Snapshot Survey requested information on retaining top talent.

The largest groups of spas said their companies offer employees a retail sales incentive program (88 percent), a formal performance review (84 percent) and an employee recognition program (80 percent). Seventy-one percent of resort/hotel spas said their company offers employee surveys compared to only 32 percent of day spas. Regarding the incentives offered to administrative, management and service provider/therapist employees, a large majority of spa respondents offer all three groups free or discounted retail products and free or discounted spa services.

Only 10 percent of spa respondents strongly agree that retaining top talent is a challenge at their company; however, based on responses, it seems day spas are more challenged by retaining top talent than resort/hotel spas. Only 11 percent of day spa respondents strongly disagree with the statement "retaining top talent is a challenge at my company" versus 27 percent of resort/hotel respondents. Ten percent of day spas strongly agreed that their company did have an effective employee retention strategy compared to 23 percent of resort/hotel spas. In terms of their company's most effective top talent retention resource or strategy, many of the responses focused on benefits, flexible scheduling and priority scheduling.

Seventy-seven percent of spas involve their top performing service providers in the decision making for the development of new spa menu offerings followed by 73 percent who involve their top service providers in the selection of products used during treatments. When asked if they conduct exit surveys/interviews when employees resign, 80 percent said they do; however, only 69 percent of day spas conduct exit surveys/interviews compared to 85 percent of resort/hotel spas.

When asked about the initiatives their company offers to employees, just over half (53 percent) of resource partner respondents said formal performance reviews, followed by continuing education offerings (45 percent) and employee recognition programs (42 percent). Seventy-three percent of ISPA resource partners said their company offers free or discounted company products as an incentive followed by 65 percent who said their company incentivizes employees with a flexible work schedule. Sixty percent of resource partners strongly agreed that retaining top talent is a high priority at their company. A majority of resource partners (67 percent) conduct exit surveys/interviews when an employee resigns.

The results analysis includes answers from all respondents who took the Snapshot Survey in an eight-day period from Friday, September 20, 2013 to Friday, September 27, 2013. During this time, 365 ISPA members responded to the survey. The category "all spas" referred to within the charts includes data from all spa respondents (day, resort/hotel, medical, destination spas, spas under development and corporate spa headquarters). The resource partner category includes spa consultants.

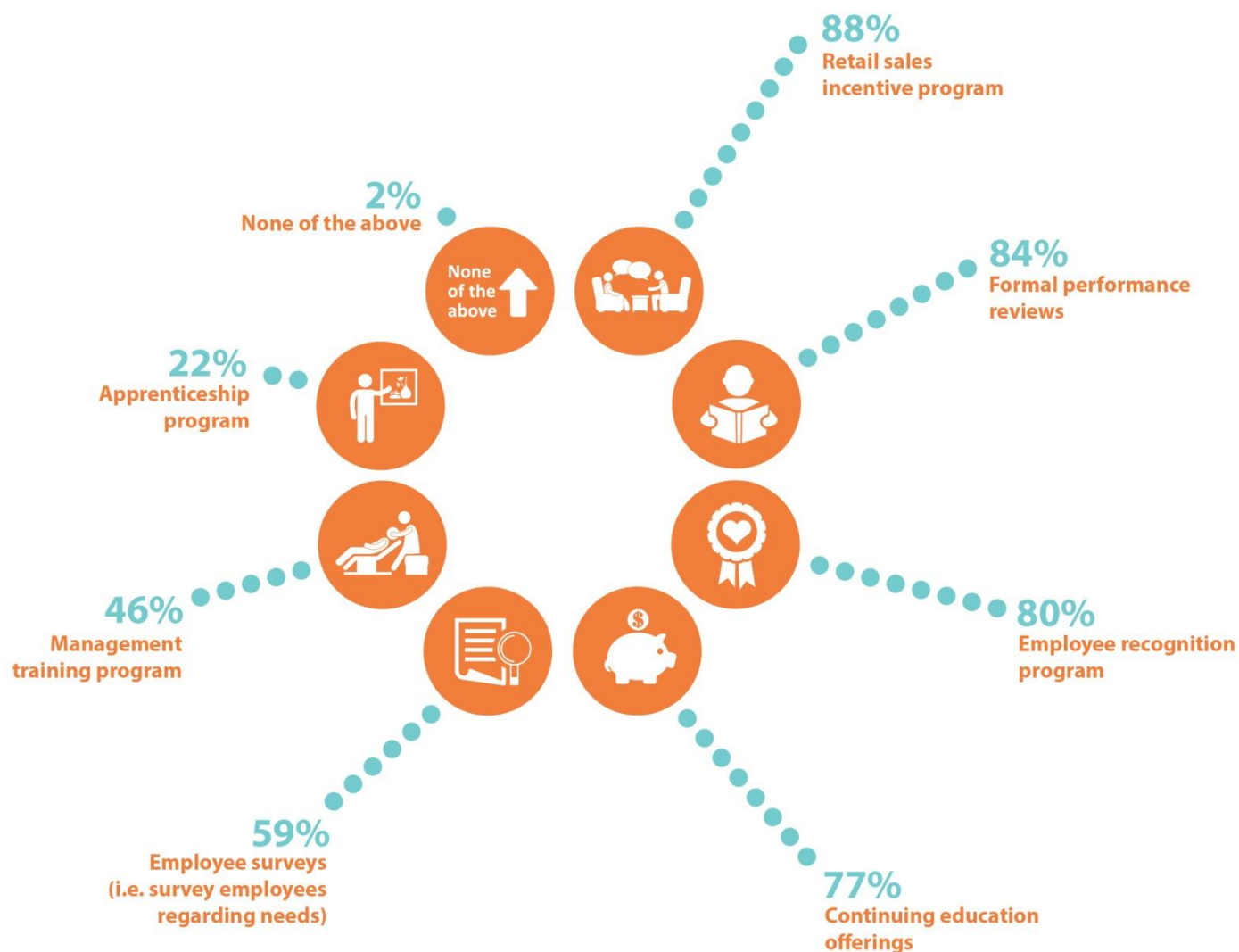
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ISPA SPA MEMBERS

Which of the following, if any, initiatives are offered to your company's employees? (Respondents were allowed to choose multiple responses.)

Initiatives Offered to Employees

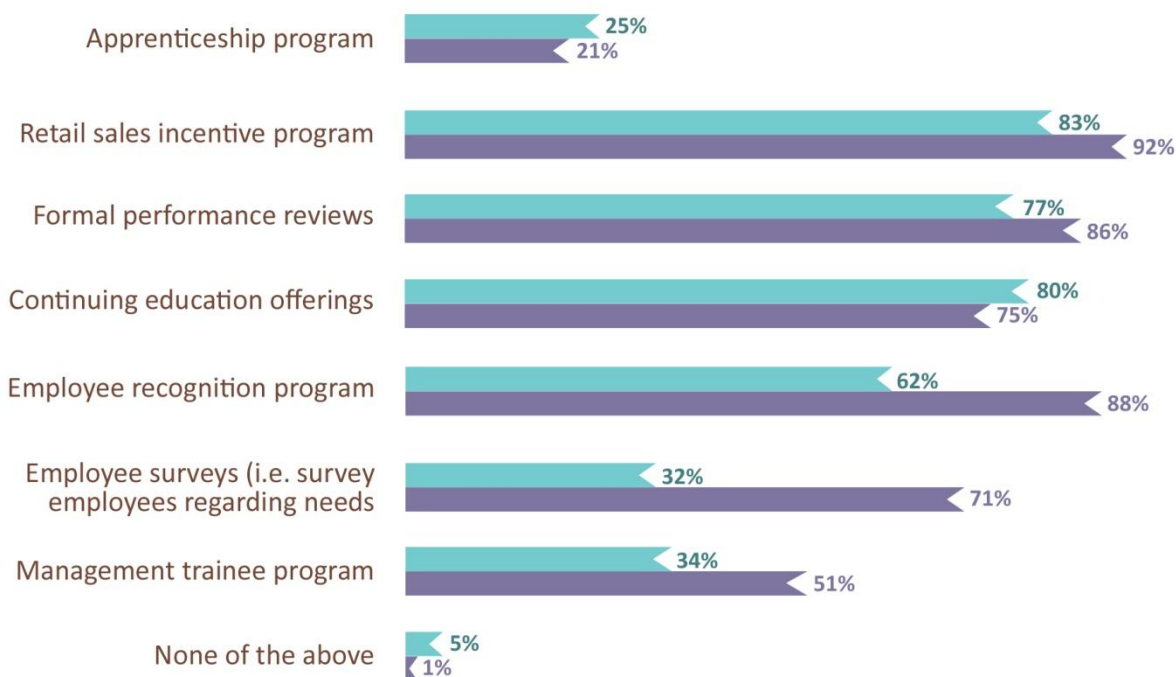
All Spas



Initiatives Offered to Employees

By Spa Type

Day Spas Resort/Hotel Spas



Which of the following incentives are offered to your spa's employees at the administrative (i.e. receptionists, administrative assistants), management and service provider/therapist levels? (Respondents were allowed to choose multiple responses.)

Incentives Offered to Employees | All Spas

	Administrative Employees	Management Employees	Service Provider/Therapist Employees
Day(s) off work to recognize contribution	23%	24%	22%
Employee of the month/year recognition	50%	43%	61%
Employee service recognition gifts	63%	50%	73%
Free or discounted retail products	88%	88%	91%
Free or discounted spa services	88%	90%	91%
Free training or educational assistance	69%	75%	84%
Gift certificates (i.e. movies, dinners, concerts, etc.)	50%	40%	54%
Monetary compensation	46%	48%	50%
Permanent treatment room assignment	3%	2%	18%
Schedule preference (work or vacation)	46%	45%	54%
Travel certificates	9%	10%	9%
Do not offer incentives	1%	1%	2%

Day Spas	Administrative Employees	Management Employees	Service Provider/Therapist Employees
Day(s) off work to recognize contribution	26%	29%	25%
Employee of the month/year recognition	15%	8%	25%
Employee service recognition gifts	54%	51%	72%
Free or discounted retail products	83%	85%	86%
Free or discounted spa services	86%	89%	92%
Free training or educational assistance	68%	72%	80%
Gift certificates (i.e. movies, dinners, concerts, etc.)	51%	35%	49%
Monetary compensation	54%	54%	59%
Permanent treatment room assignment	5%	3%	23%
Schedule preference (work or vacation)	42%	48%	48%
Travel certificates	3%	3%	6%
Do not offer incentives	3%	3%	3%

Resort/Hotel Spas	Administrative Employees	Management Employees	Service Provider/Therapist Employees
Day(s) off work to recognize contribution	24%	24%	24%
Employee of the month/year recognition	67%	60%	79%
Employee service recognition gifts	67%	50%	75%
Free or discounted retail products	89%	89%	93%
Free or discounted spa services	88%	89%	89%
Free training or educational assistance	73%	78%	85%
Gift certificates (i.e. movies, dinners, concerts, etc.)	50%	42%	56%
Monetary compensation	41%	44%	47%
Permanent treatment room assignment	2%	2%	14%
Schedule preference (work or vacation)	50%	45%	59%
Travel certificates	11%	12%	9%
Do not offer incentives	0%	1%	1%

Respondents were asked to identify to what extent they agree or disagree with the following statements.

"Retaining top talent is a challenge at my company."

■ All Spas ■ Day Spas ■ Resort/Hotel Spas



"Retaining top talent is a high priority at my company."

■ All Spas ■ Day Spas ■ Resort/Hotel Spas



"My company has an effective employee retention strategy."

■ All Spas ■ Day Spas ■ Resort/Hotel Spas



"My company does not invest enough in the area of employee retention."

■ All Spas ■ Day Spas ■ Resort/Hotel Spas



"My company has an exceptional employee retention rate."

■ All Spas ■ Day Spas ■ Resort/Hotel Spas



Approximately how much is budgeted per employee at your company for training expenses this year?

Training Expenses Budgeted Per Employee

All Spas

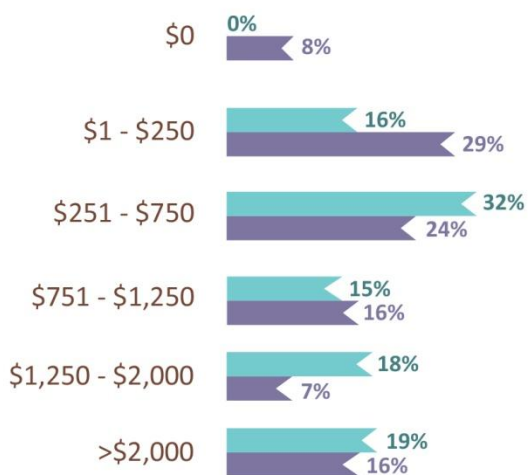


Training Expenses Budgeted Per Employee

By Spa Type

Day Spas

Resort/Hotel Spas



Respondents were asked to identify their company's most effective employee retention resource or strategy when it comes to retaining top talent. A sample of the responses is provided below.

- 401K matching program and benefits package.
- Six-month reviews for compensation increases and schedule preferences given to tenured team members.
- A good leader who builds respect and loyalty with the spa team. Providing the resources and tools necessary to provide quality services.
- A loyal, trusting environment.
- A wonderful environment, wonderful benefits and employee recognition programs.
- Ability for growth and development in various areas of the company.
- Acknowledging them and their hard work, working with them to optimize their schedule and work environment and service and product discounts.
- Adding value to employees.
- Advanced education. We pay for advanced education in-house, and their hourly wage while at the class. Additionally we pay for half of the staff's education up to \$500 per individual per year.
- Advertise to keep them busy and listen to them.
- Allowing employees to have flexible schedules and the ability to work mainly preference shifts.
- Appreciation and a great atmosphere in which to work.
- Availability of benefits.
- Being flexible with their schedules and giving them time off whenever they need it.
- Being part of a large, worldwide organization offers many employee benefits.
- Benefit packages that double up after five, seven and nine years and the work environment we create for our employees.
- Benefits and paid time off.
- Benefits, rooms at other hotels, training and free lunch.
- Benefits - free meals, corporate discounts at other company properties.
- Brand recognition and secure employment.
- Building relationships and strong communications.
- CEU hours paid.
- Clearly stated expectations of job environment and requirements.
- Communication and recognition through surveys, reviews and client comments, and availability on the schedule.
- Compensation program.
- Compensation with benefits.
- Compensation with bonus potential, complimentary use of facility with discounted services and general culture of respect for everyone.
- Conference travel and training and dual compensation, hourly plus commission.
- Consistent reviews and pay increases.

- Consistently exceeding the employees' expectations through education and leadership. Also, providing the opportunities to grow and further their careers.
- Constant training; staff is offered refresher courses and daily standard testing to ensure standards are being met.
- Continual training and coaching program, internal promotion culture, incentive scheme and strong culture of belonging.
- Continuing education.
- Continuing education credits at anniversary dates, event participation and provide accommodations.
- Creating a positive work environment where people feel valued and like to come to work. In-house training and discounts on retail and services.
- Creating an environment they want to be a part of because it's mutually beneficial for all parties.
- Cross-exposure to different properties, refresher training with product suppliers and competitive commission package.
- Designated regional positions for training and therapist relations.
- Education and advancement.
- Education and culture.
- Education reimbursement packages.
- Emphasis on their ability to contribute and certification programs to allow them to grow with the company which creates a sense of ownership.
- Employee development plan.
- Employee recognition, i.e. employee of the month/year.
- Encouraging them to suggest ideas for services and retail selection and then putting those suggestions into action. The team really gets behind those services and retail choices and I find that this generates a "we're all in it together" attitude and energy.
- Ensure that people are paid fairly. Provide people with a voice. Be transparent and communicate, communicate, communicate. Recognize people as much as possible. Set retention expectations and first and foremost, hire right!
- Ensuring that the staff is happy and proper communication with a clear and consistent understanding of what they are held accountable for.
- Extensive interview process to determine cultural fit and great benefits.
- Fair compensation and flexible working hours to accommodate work/life balance.
- Fair compensation and monetary incentives.
- Flex schedules and fair staff management.
- Flexibility with scheduling and treating each employee as an individual.
- Focus on colleague engagement and timely and meaningful recognition.
- For massage therapists: education and training. Also, full insurance benefits at 24-hours.
- Formalized review process including meetings at 30 days, 90 days and annually. In addition, employees meet quarterly with their supervisor to discuss goal completion, needs and concerns.

- Frequency of visit and pre-booking.
- Friendly work environment company-wide, good pay in spa services and respect for talent.
- Giving them a sense of ownership and value.
- Golf/ski employee pass.
- Good attitudes from the top down.
- Good pay and a happy place to work.
- Good working environment and atmosphere/strong team spirit.
- Happiness in their work environment and with their co-workers. We also know each employee by name and department and make a point of recognizing everyone either through awards, certificates for our property, or just an old-fashioned attaboy.
- Higher than average pay for top talent, one free spa service a month and product discounts.
- I don't believe it is any one thing. I know it's the entire package. It's the commissions, the retail incentives, the hotel discounts, paying only cost for retail, getting one free service each month and then after that only paying product cost for the service, healthcare, 401(K) match, paid time off, etc. I don't believe that only one thing can work; you need multiple resources.
- Incentives, discounts and recognition programs.
- Inclusion in the decision-making process.
- Internal promotion schedule preference.
- Involving them in everything.
- It is the mission of the company. They are a cohesive group that has a caring and compassionate leader who instills a sense of belonging that goes beyond monetary incentives.
- Job satisfaction and acknowledgement of jobs well done.
- Keeping a great reputation and providing a pretty large client base.
- Keeping them happy by creating compromises; if they are having schedule difficulties, it's working as a team to cover those times so they do not quit because they can't work but are forced to do so.
- Level system for scheduled raises pertaining to goals reached.
- Listening and integrating employee feedback into our spa program.
- Make them feel valued.
- Monetary compensation.
- None. We don't have any specific strategy. It's more about little things here and there that the company feels might be redeeming for our associates.
- Offering incentives for employees. Making employees feel like they have a voice in the company, keeping them informed with current happenings, tight-knit staff and a family-friendly resort environment.
- Ongoing training and development programs, succession planning, and incentives.
- Open door policy, trainings, benefits and compensation.
- Opportunities to grow and move.
- Our associate training program and level system launched in the salon in 2013 and launching in the spa in 2014.

- Our employees are very much part of the decision process. A great HR team and managers that lead by example and get out on the floor. I think this leadership keeps employees here.
- Our management principles and culture.
- Paying out full-time benefits based on a 24-hour work week.
- Performance reviews are tied to wages/commission review; our teammates are eligible for raises in every department.
- Permanent work, training and money.
- Promotions supporting increase in pay.
- Provide a clean, professional, and user-friendly work environment.
- Providing constant recognition and a healthy work environment.
- Providing exceptional service and taking pride in it.
- PTO, medical benefits, great atmosphere and flex hours.
- Put our team first. Knowing their happiness will come across to our guests.
- Recognition and uplifting work environment.
- Recognition, performance reviews, and priority scheduling.
- Being invested in each employee. We offer extensive training in the beginning of employment and continued training and education throughout the year.
- Referral incentives and great benefits program.
- Sales goals and incentives, sales and retention contests, yearly reviews and consistent positive recognition.
- Scheduling flexibility, which can be difficult for the business needs.
- Scheduling preference, vacation hours and other benefits.
- Season-end bonus to all non-management team members.
- Spa Synergy Team comprised of staff representatives from each spa department, working together to create an exceptional work environment, which will help us attract and retain quality staff.
- Sponsored training.
- Tax-free island.
- The culture of our service-minded leadership, our strong core values and our collaborative nature.
- The culture! By the time you pass through the four interview stages, both the candidate and the company have a pretty good idea whether the new employee will be a good fit. Combined with LOTS of ongoing training and recognition, I think we have the best company environment for employees!
- The respectful environment towards the staff and recognition program.
- Thorough interviewing of at least four stages, from immediate supervisor to hotel management. This is to ensure the position is the right one for the candidate and they are right for the role.
- Training and growth possibilities.
- Treat employees with respect, communicate openly and professionally and set joint goals.
- Treating employees like a VIP guest. When they know you are taking care of them they will understand business decisions and support them.

- Treating employees well, paying them fairly, and rewarding excellence.
- Treating them right and keeping them engaged in the entire company.
- Union.
- Valuing education and mentoring employees.
- Very good work-life balance.
- Veteran status within the workplace.
- We ask our employees to continually engage in continued education and pay for this education. We pay employees to get other licenses in the spa industry and health and wellness fields so that they are more valuable to us and we also pay for the school. Our employees feel valued and we retain a high amount of good employees.
- We conduct a new employee lunch with their immediate supervisor at 30 days, followed by a 90-day review, and annual performance reviews. Additionally, we have implemented individual meetings once each quarter for the employees to meet privately with their supervisor to touch base on goal completion, needs, and concerns.
- We create a great atmosphere where we honor the fact staff have a personal life and may need some flexibility around work. Additionally, we try to create a fun work atmosphere and host two BIG parties a year, a summer pool party and an off-site holiday-themed party, bowling and champagne, cooking class, etc.
- We have employees go through the spa as a guest so they can get a feel for what the guest experiences. The hotel does a two-day training session where the employee learns about the hotel.
- We provide a great work atmosphere, supportive owner and management who are also technicians and we recruit people we know will fit into our existing culture.
- We really struggle with this, mostly due to our location because we are very isolated. Schedule flexibility in regards to being able to enjoy the area is attractive to a certain group of employees (younger). The more mature segment of our employee base looks for benefits and growth.
- We rely on the feedback from our employees when deciding on new treatments and protocols for them. Their opinion is valuable in making sure they are able to give the best service possible. We reward employees' good performance with a higher booking status, which means more appointments and in turn more money for them.
- We tell our staff that we value them. We ask for their input and plan several social events throughout the year for everyone.
- We treat all employees like we would treat family; sometimes it's tough love, but we have a good time and deliver great experiences.
- Yearly evaluations and incentive programs for free services and money.

In which of the following decision-making activities, if any, does your company involve top performing service providers (i.e. therapists, estheticians, etc.)? (Respondents were allowed to choose multiple responses.)

Decision-Making Activities Involving Top Performing Service Providers

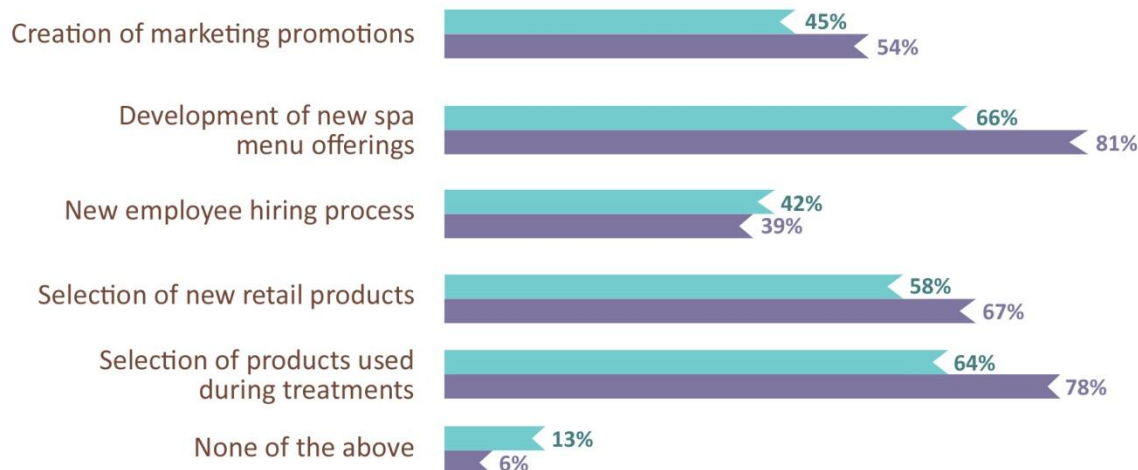
All Spas



Decision-Making Activities Involving Top Performing Service Providers

By Spa Type

Day Spas Resort/Hotel Spas



Does your company conduct exit surveys or interviews when an employee resigns?

Conduct Exit Surveys/Interviews When Employee Resigns

All Spas



Conduct Exit Surveys/Interviews When Employee Resigns

By Spa Type



Day Spas

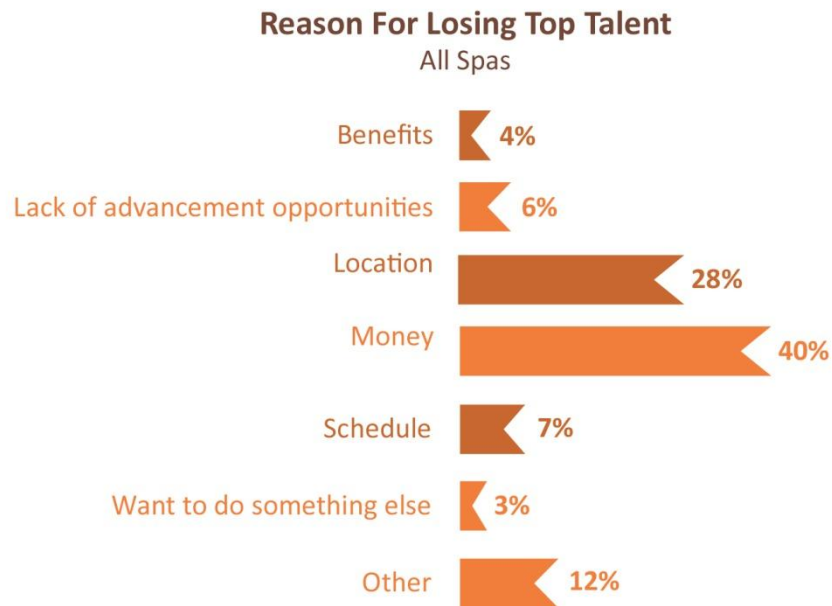
Yes: 69%
No: 31%



Resort/Hotel

Yes: 85%
No: 15%

What do you feel is the number one reason why your company has lost top talent?



A sample of the other responses provided for the question above is provided below.

- Area spa competition.
- Communication. Issues with fellow co-workers.
- Having babies. In Finland, maternity leave is 12 months.
- Lack of recognition, i.e. tenure pins, awards, compensation, bonuses, etc.
- Management did not fit our culture.
- Never fully engaged in company - sometimes their fault, sometimes management's fault.
- Personality conflict with direct supervisor.
- Personal life changes by that employee.
- Personal life decision/direction.
- Personal reason such as needing to take care of a parent or going back to school.
- Personality conflicts.
- The talk about the importance of training especially new-hire training, but there are no set training programs in place so the training is inconsistent or non-existent based on the individual location's resources. There is also NO structured management training, especially for new managers and/or regional managers.
- Under appreciation of staff and lack of support.
- Values were no longer in-line with the direction of the company.
- Work environment.

Which of the following challenges relating to employee retention, if any, has your spa experienced within the past 12 months? (Respondents were allowed to choose multiple responses.)

Challenges Relating to Employee Retention

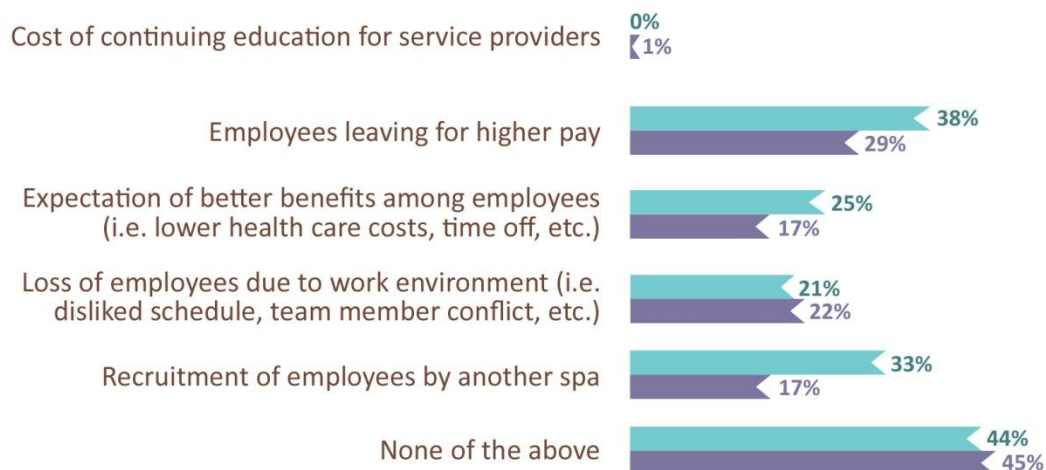
All Spas



Challenges Relating to Employee Retention

By Spa Type

Day Spas Resort/Hotel Spas



Respondents were asked to identify any steps their company has taken within the past 12 months to improve employee retention. Below is a sample of the responses provided.

- Added a 401k.
- Allowing the therapist and other staff members to weigh in on menu changes, products, retail, and promotions.
- Associate Opinion Survey; coming out with an action plan for the bottom five response scores collected in the most recent survey.
- Better action plans for concerns with follow-through.
- Better compensation plan.
- Better hiring.
- Better incentive programs and time off for employees.
- Better medical benefits package.
- By carefully interviewing and providing honest information prior to the hiring process we have been able to better select the most appropriate candidates who are happy in this environment. This helps foster a solid, well-informed team, which has helped significantly with employee retention.
- CEU offerings paid for and hourly rate paid when attending.
- Changed management staff overseeing team to be more responsive to therapist needs and requests.
- Continuing education and schedule accommodations.
- Created a new flat rate commission structure, created sales incentives for all departments, and priority scheduling.
- Creating a welcoming environment.
- Employee appreciation days and continuing education.
- Employee celebrations events.
- Employee recognition and loyalty program.
- Employee survey.
- Ensure that we are paying fairly; we are sharing compensation with other spas to ensure we are paying fairly. Ensure we are following up on employee survey results and making sure we are hiring right.
- Ensured policies were enforced fairly and consistently.
- Focus on colleague engagement and timely and meaningful recognition.
- Focusing on work-life balance program in terms of initiation of two days off per week per staff. Employee related improvement programs and initiatives such as management dialogue, renovation of employee facilities, pay raises, etc.
- Fully open lines of communication.
- Giving opportunities of growth.
- Heavy focus on internal training on standards and company expectations.
- Hired a better manager.
- Holding staff accountable for their own success and development.

- Honestly, one of the best ways for us to retain employees is to hire people who have come from a less desirable work situation. We've also had good luck hiring people who have tried to own their own independent practice and learned that they were not cut out to be business owners or who didn't like the stress that comes with business ownership. When they come to our spa, we value them for their expertise, we honor their feedback, provide them with great clients and take care of their marketing and some of their education expenses, PLUS pay them the rates they deserve. They really seem to appreciate that we care. They also know what the alternative employment opportunities are like and don't want to go back. When we've hired people who haven't had that experience or come right from school, sometimes they do think that the grass might be greener elsewhere. We're a close-knit community and the employees stay in touch with their colleagues working on their own or elsewhere. They know that they are earning more, enjoying their clients more, and the staff really like each other and spend time together outside of work.
- Implemented end of season bonus program.
- Implemented paid vacation time.
- Increased one-on-one communication, follow-through and follow-up.
- Increase training and educational program and improve communication and open discussion.
- Initiated a Quarterly Incentive Program for every single hourly associate throughout the resort - based on resort GOP, reduction of injuries, budgeted profit goals within each department, and guest satisfaction scores.
- Introduced therapist relations and spa manager regional positions.
- Invest in better recruitment.
- Keep it fun and help them make money.
- Lengthy hiring, weekly one-on-ones, staff meetings weekly, perks like spa days and free product.
- Listening to valuable feedback from spa team.
- Looking in different places for staff.
- Managers/supervisors are going through leadership training.
- Matching 401K contributions.
- Meeting with them, listening to their concerns and addressing them.
- Mini-medical benefits added along with additional employee discount benefits.
- More appreciation, taking them on a pontoon boat excursion next week, spending more one-on-one time with them so they feel valued and valuable.
- More flexible work schedules.
- More one-on-one involvement with supervisor.
- New education programs and new recognition programs.
- Offering exchange of services.
- On a bi-yearly basis, we put out an employee survey in which we receive feedback on what is working and what isn't. Receiving these surveys and scores is a chance to improve on things that we may be lacking. The structure of our employee recognition program has also changed company-wide in the past year in an effort to make employees feel gratified on the spot when they go above and beyond.

- Paid time off, long- and short-term disability insurance paid by company. Availability of employee paid medical, vision and dental insurance.
- Pay increases.
- Paying a higher hourly wage during slow business times.
- Performance reviews and additional benefits added.
- Performing “Future Goal” Surveys. Management met one-on-one with each team member to discuss their long-term career goals so we know the best way to aid them and contribute to their long-term success.
- Providing positive feedback, incentives and a pleasant work environment.
- Quarterly meetings and implement great ideas that come from the staff into the daily operations.
- Raised wage of a few positions within the spa.
- Ramped up training an education. Involved key leaders in decision-making process.
- Recognizing employees and upholding a positive work environment.
- Responding to employee survey, increased commissions, and adding staff to support overall operations.
- Retail competition with interesting prizes.
- Revised recognition programs and more communication regarding what is important to the staff.
- Rewarding and development of individual programs.
- Shortened shift hours and increased more frequent rotation of weekend days off due to additional hiring.
- Strengthening relationships with schools, enhancing benefits and responding to salary (market) changes in massage and guests services.
- Try to be fair and look at work-life balance, look at how they can grow within the company and giving them tasks to grow.
- Verbalizing appreciation and rewarding employees for small successes. I also try making them feel needed and a part of team “family.” Keeping up on performance evaluations and encouraging positive behavior. A regular schedule. A safe and supportive work environment for employees. Asking for their input on spa changes.
- We are about to embark on a new project that allows a monthly team meeting by group (estheticians, massage therapists, coordinators, etc.) which allows them to have a voice in operations challenges, strategic ideas and service excellence ideas - we then vote by group about top initiatives and have a month to work through the ideas. The last half of the meeting is for the team members to propose solutions and ideas.
- We are implementing a retention plan, including 360-degree reviews, improved interviewing processes, etc.
- We are working to improve overall wellness with our employees by offering rewards for participating in a healthy lifestyle. We also host an annual meeting where all employees interact with each other to build a community.
- We have a set marketing schedule and promotional schedule, constantly talking and doing one-on-one discussions with staff, calling or sending discount cards for clients to come in, and monthly employee tracking of retention.
- We have improved communication with monthly staff meetings and morning stand-up meetings.
- We have increased the quality of prizes and employee-only gatherings (dinners, parties, picnics, etc.).

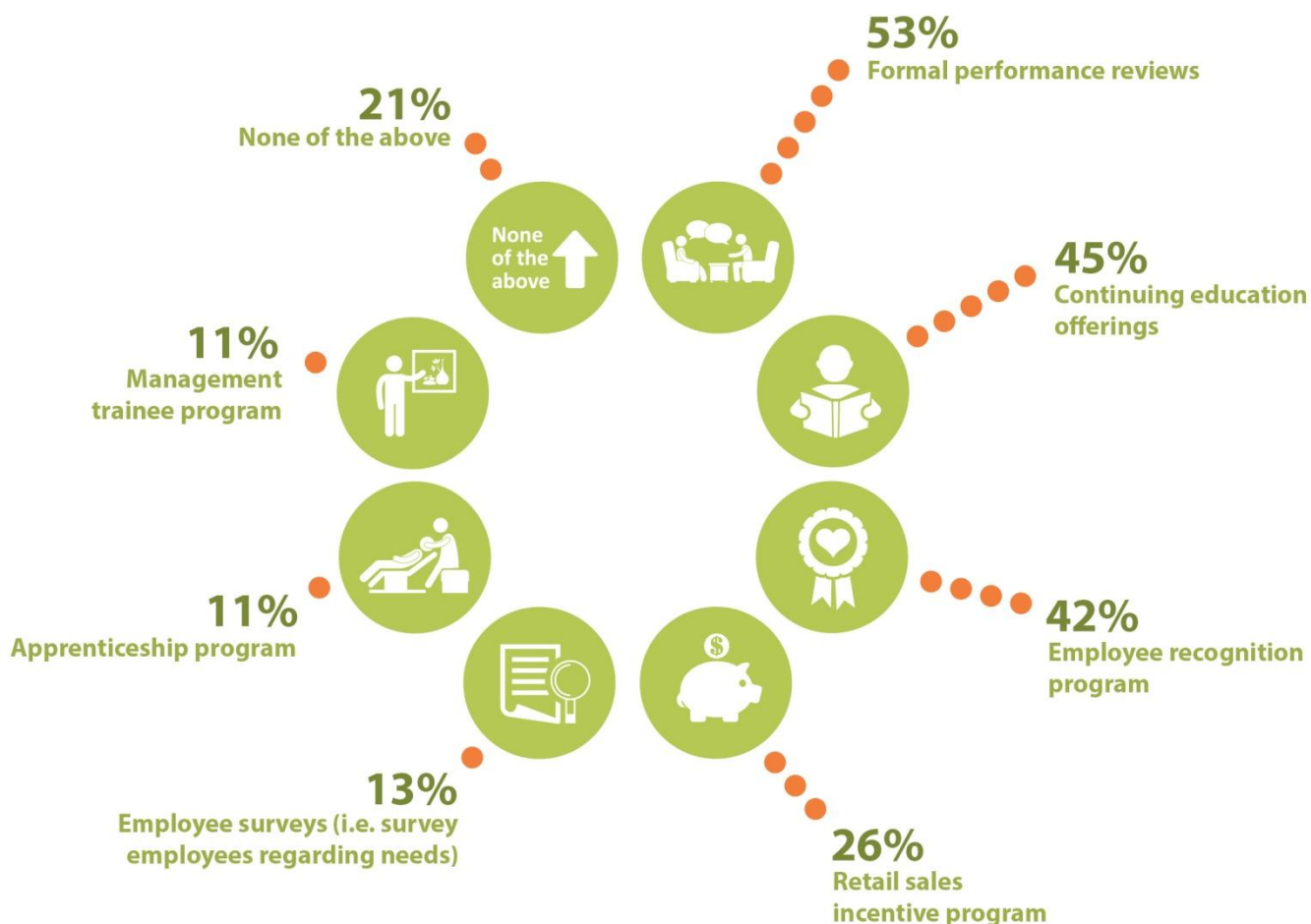
- We have one-on-one coaching with service providers and we also have open book management, so we communicate where all of the money goes to all of the expenses.
- We improved the staff area, we allow them to conduct the staff meetings every day and we actively involve them in decisions related to the spa. We also partner with our vendors to offer incentives such as dinners, movies, products, etc. and other spas to send our top talent employee of the month to their spa and we receive theirs. This is by far what brings more positive feedback from the team!
- We started an employee referral program so if an employee refers someone and the new employee stays with the company for six months they get a \$50 check.
- We went from strictly hiring on-call to a program which allows employees to possibly move into a part-time status with PTO, 401K and employee travel benefits.
- Wellbeing programs for staff, increased communication and involvement of all staff in the profitability of the company - having staff involved and to understand how they are individually contributing to the profitability.
- We've recruited new staff to ease the workload on others. We've let go people who have constantly caused conflicts between others and this has led to a more balanced team atmosphere. We have reached our targets this year more often than the previous, so the bonuses have been more motivating for everybody. We keep developing our services and train our staff continuously to keep everybody's motivation high.
- Working with leads and spa management to develop a better questionnaire for initial interview. In addition, we are working on creating new guidelines for hiring qualifications in every department, i.e. clarity on shifts, previous work experience, etc.

ISPA RESOURCE PARTNERS

Which of the following, if any, initiatives are offered to your company's employees? (Respondents were allowed to choose multiple responses.)

Initiatives Offered to Employees

All ISPA Resource Partners



Which of the following incentives are offered to your company's employees? (Respondents were allowed to choose multiple responses.)



Respondents were asked to what extent they agree or disagree with the following statements.

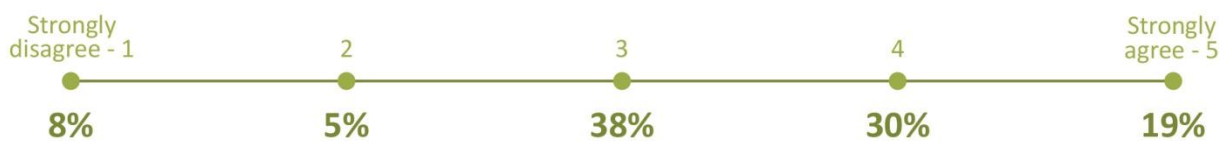
“Retaining top talent is a challenge at my company.”



“Retaining top talent is a high priority at my company.”



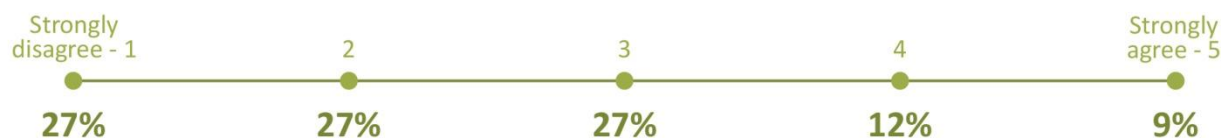
“My company has an effective employee retention strategy.”



“My company has an exceptional employee retention rate.”



“My company does not invest enough in the area of employee retention.”



Approximately how much is budgeted per employee at your company for training expenses this year?

Training Expenses Budgeted Per Employee

All ISPA Resource Partners



Respondents were asked to identify what they consider to be their company’s most effective employee retention resource or strategy. A sample of responses provided is below.

- The employees have a comfortable work environment that is family based. They have a platform to be safely heard, needs are addressed, and they are treated with respect always.
- Staff incentive and higher salaries/work conditions than industry standards.
- Commission on sales.
- Communication, respect, and understanding.
- Creating the proper culture with a purpose.
- Flexibility.
- Good leadership, open communication, trust, positive feedback and constructive criticism as needed.
- Flexibility with hours, education opportunities, family environment.
- Employee involvement in decision-making.

- Making each employee part of the bigger picture. Enabling them so that as we grow and are successful as a company, so too will they grow.
- Maintaining a creative and respectful work environment.
- Constant communication and asking what rewards are relevant per individual.
- Extremely flexible and forgiving environment. A CEO that promotes family first, allows anyone to attend important family events/functions without penalty, allows work from home if ever necessary with no questions asked, provides company events and meals at least two to three times per quarter, and a very open boss who is approachable and understanding. Health care costs are completely covered.
- Communication and making each feel they are a stakeholder.
- Company integrity behind brand.
- Paying at a level to foster loyalty, offering incentives, etc.
- There is no set strategy for this, but I believe that we are able to retain employees well because of the work environment, the work-life balance in our company and the way we treat one another. It makes for a very desirable working situation.
- On-going trainings and weekly meetings.
- Profit sharing.
- Flexible schedule.
- Tuition reimbursement and paid training and seminars.
- Stock options.
- Continued education, if desired, providing growth opportunities, and value.
- Team work.
- Kindness and respect.

Does your company conduct exit surveys or interviews when an employee resigns?

Conduct Exit Surveys/Interviews When Employee Resigns

All ISPA Resource Partners



Which of the following challenges relating to employee retention, if any, has your company experienced within the past 12 months?

Challenges Relating to Employee Retention

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Cost of education and training needed for employees 0%

Employees leaving for higher pay 22%

Expectation of better benefits among employees
(i.e. lower health care costs, time off, etc.) 8%

Loss of employees due to work environment
(i.e. disliked schedule, team member conflict, etc.) 19%

Recruitment of employees by another competitor 14%

None of the above 64%