

## Outplacement and Engagement

### The Study

[Outplacement Builds Its Value on Engagement](#)

Aberdeen Group, July 2011 (Jayson Saba) To read the full research brief email [awainright@careercurve.com](mailto:awainright@careercurve.com)

### Key Findings

Over 1300 organizations were studied worldwide and findings are summarized here.

#### Why do companies use outplacement services?

**71%** of companies rated a: “Need to maintain the company’s image and reputation”.

**63%** of companies rated a “Desire to improve engagement and retention among existing workers”.

Companies providing this support were more likely to attract people faster and at a lower cost, demonstrating the impact on their employment brand.

A clear link has been drawn between the provision of outplacement and staff engagement after the change.

#### Impact on Staff Engagement

In organizations providing formal outplacement:

**60%** of remaining staff are “Highly Engaged”

In organizations NOT providing formal outplacement:

**33%** of remaining staff are “Highly Engaged”

**8:1**

The ratio of organizations that recommend outplacement services to peers based on **cost and benefits**.

#### **CASE STUDY: Global Financial Services Organization**

<b>The Scenario</b>	Due to economic conditions, headcount was reduced by over 30%.
<b>The Approach</b>	The organization worked with their outplacement provider to: <ul style="list-style-type: none"><li>- Implement best practices in notification</li><li>- Identify opportunities for redeployment</li><li>- Provide outplacement support</li></ul> They also conducted exit interviews and post-event surveys with staff.
<b>The Outcome</b>	<b>50% of staff remained “Highly Engaged”.</b> Compared to the industry average of 35%

**Study Conclusion:** “This research on outplacement suggests that companies offering these services are not only enhancing their image and reputation, but are also reaping huge gains in engagement, recruitment cycle, cost per hire, and even unemployment claims”.