

The Business Impact of Promotions and Measuring Employee Motivation and Commitment: New Findings from the ADP Research Institute

New quarterly report series, Today at Work, leverages proprietary data to deliver a comprehensive view of the world of work.

ROSELAND, N.J., Sept. 6, 2023 /PRNewswire/ -- 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" – 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.

The report also debuts the Employee Motivation and Commitment Index, a real-time way to measure the state of worker allegiance. The EMC Index tracks how people think and feel about their jobs, their place on the organizational chart, and their employers. Blending ADP's extensive data set representing more than 25 million U.S. workers with nearly a decade of continued surveys of more than 490,000 workers in 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 following their promotion. Within a month after receiving their first promotion, 29 percent of people had left their employer. Had these people not been promoted, only 18 percent would have moved on. By the six-month mark, that risk narrows, and both newly promoted workers and those who had not been promoted had the same chance of leaving the company for any reason.

Additional variables can factor into the impact of a promotion. Workers in jobs with fewer entry requirements are more likely to quit after being newly promoted, for example. In roles that demand extensive preparation such as graduate school or an 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.

For more on how ADPRI constructed the EMC Index, visit ADP Research Institute's [Data Lab](#)

Productivity, Industry, and Demographics

The EMC Index also revealed a strong relationship between output and worker motivation and commitment. High-productivity workers are 2.6 times more likely to respond positively to questions about their work and motivation.

A person's industry also might influence their level of motivation and commitment. Technology by far has the biggest share of motivated and committed workers (42%), 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 people-centric 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](#).

About the ADP Research Institute

The [ADP Research Institute](#) delivers data-driven discoveries about the world of work and derives reliable economic indicators from these insights. We offer these findings as a unique contribution to making the world of work better and more productive by delivering actionable insights to the economy at large.

About ADP (NASDAQ: ADP)



Designing better ways to work through cutting-edge products, premium services and exceptional experiences that enable people to reach their full potential. HR, Talent, Time Management, Benefits and Payroll. Informed by data and designed for people. Learn more at [ADP.com](#).

ADP, the ADP logo, Always Designing for People, and ADP Research Institute are trademarks of ADP, Inc.

Copyright © 2023 ADP, Inc. All rights reserved.

SOURCE ADP, Inc.

For further information: Joanna DiNizio, ADP, Inc., 973-369-8167, Joanna.DiNizio@ADP.com

Additional assets available online:  [Video \(1\)](#)  [Photos \(5\)](#)

<https://mediacenter.adp.com/2023-09-06-The-Business-Impact-of-Promotions-and-Measuring-Employee-Motivation-and-Commitment-New-Findings-from-the-ADP-Research-Institute>