



Leading Blue-Collar Teams:
How to Inspire
Fierce Loyalty & Extreme Engagement

The COR Leadership Framework for
Blue-Collar and Hourly Workers



center of
excellence

by Paycor



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Executive Summary

30% of blue-collar workers are open to quitting their jobs.

And that's a problem, as it can cost almost \$5k to replace a worker who earns \$14/hr. (*Center for American Progress*). The demand for blue-collar labor outstrips supply, and those demographic fundamentals aren't going to change, regardless of whether a recession temporarily freezes hiring in some industries. The largest survey ever of blue-collar workers found that 26% are actively seeking a new job and 30% are open to a new job if an opportunity arises (*The Voice of the Blue-Collar Worker*).

To engage & retain blue-collar workers, start at the top.

Money gets workers in the door, but it may not make them stay. However, a good boss makes a difference. If your employees are engaged by a frontline manager they trust, it can take a pay raise of more than 20% to poach them (*Gallup*).



A great boss can even make employees' lives outside of work better. Women with empathetic managers experienced less pandemic-related burnout, and 57% of white women and 62% of women of color who feel respected and valued at work have never or rarely thought of quitting (*Catalyst*).

Paycor's COR Leadership Framework gives organizations the tools, technology, and thought leadership they need to build a culture of effective leadership.

Organizations with the most effective leaders will see higher levels of employee engagement and that will create a virtuous cycle of lower turnover, higher retention, and healthier company cultures. The most effective leaders focus on intentionally **coaching** their employees towards continual improvement, **optimizing** performance to meet organizational goals, and **retaining** top talent by appropriately recognizing and rewarding their employees.



Introduction

What do blue-collar and hourly workers want more than money?

A 2021 survey of 15,000 blue-collar workers revealed that work schedule, company culture, opportunities for learning, training and career advancement, and a general atmosphere of respect are drivers of retention that, together, can be even more important than money (*Voice of the Blue-Collar Worker*). What do all those factors have in common? They all start from the top.

A good boss makes all the difference.

When company leaders and frontline managers create a culture of respect and opportunity, workers respond with loyalty and engagement. If employees are engaged by a leader they trust, it can take a pay raise of more than 20% to poach them (*Gallup*). A great boss can even improve employees' lives outside of work. Women with empathetic managers experienced less pandemic-related burnout, and 57% of white women and 62% of women of color who feel respected and valued at work have never or rarely thought of quitting (*Catalyst*). The opposite is also true: In 2022, 40% of employees were considering quitting their jobs.

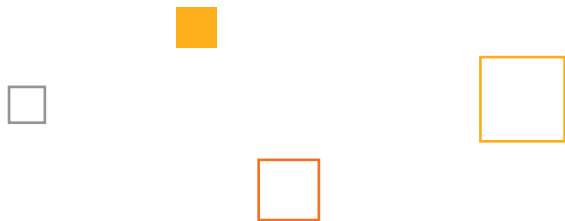
25% resigned citing "toxic company culture" as their #1 reason for leaving, followed by low salary, poor management, and a lack of a healthy work-life balance (*McKinsey*). Again, look at all those reasons for quitting: they all start from the top.

Paycor COR Leadership Framework

Paycor's mission is to empower leaders to build winning teams. We do that by offering an HCM platform purpose-built for leaders. And now, we're supplementing our technology with the COR Leadership Framework.

Paycor's COR Leadership Framework is built upon decades of research. We've found that the most effective leaders focus on intentionally **coaching** their employees towards continual improvement, **optimizing** performance to meet organizational goals, and **retaining** top talent by appropriately recognizing and rewarding their employees.





Coach > Optimize > Retain



Coach > Optimize > Retain



DEFINITION: A coaching approach to leadership focuses on helping an employee **find the sweet spot between their own personal aspirations and the needs of the organization.** Effective coaches help workers discover and refine their strengths and address blind spots and weaknesses.

Why Coaching Is Important

Coaching promotes engagement and accountability. When employees are learning and growing, their day-to-day job responsibilities feel like a path forward and not a dead end.

60% of employees in organizations with strong coaching cultures rate themselves as “highly engaged” vs. 48% in organizations that don’t support coaching (TLNT). **94% say they’d stay at a job longer if they had access to career development** (LinkedIn Workplace Learning Report).





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How to Coach in the Blue-Collar Workplace

“Blue-Collar” refers to jobs that require manual labor and may not require a college degree. Today, it’s not uncommon to find blue-collar workers who are highly skilled at performing a certain job function (think manufacturing, trucking, etc.). Many of the COR Leadership principles apply, but there are differences worth noting.

- **Skill attainment is the driving motivation.** Blue-Collar workers thrive by learning specific new technical or procedural skills that make them more valuable in the marketplace. Blue-Collar work has faced its share of disruption in the past decades, so workers are keen to stay ahead of the curve.



- **Leaders should share their personal stories of career advancement (and skill attainment).** Workers want to know that their managers can “walk the walk.”
- **Co-create employee development plans.** Career plans aren’t just for aspiring managers. Educate team members of what skills they need to acquire to get to the next level. Invite employees to co-create a development plan with their managers so that they feel personally invested.
- **Provide access to the training or mentorship needed to learn new skills.** A company that invests strategically and intentionally in learning programs will attract higher quality blue-collar workers. As Boomers retire, document what they’ve learned over the years and formalize that tribal knowledge into training programs.

How to Measure Blue-Collar Manager Effectiveness

- Team members’ skill attainment, progression in roles.
- Goal creation for team members.
- Onboarding experience ratings.
- How employees rate their manager’s trustworthiness.

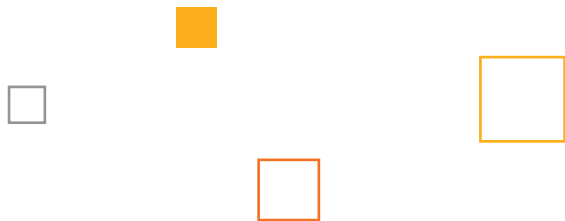


How Paycor Helps:

Onboarding, 1:1 tool, Career Management, Leader Homepage, 9-Box, LMS, Paycor Paths



Coach > Optimize > Retain





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DEFINITION: To optimize performance, leaders need to balance a **relentless drive to excellence**, without burning people out or micromanaging.

Why Optimizing Is Important

Leaders are responsible for the productivity of their teams. It's what managers are hired to do. And while the company most likely evaluates manager efficacy based on objective results and revenue goals, a lot of what it takes to inspire a team to give it their all is intuitive, as much art as science.

Optimizing performance is a balancing act. Effective leaders know how to model accountability without slipping into micromanagement. They know how to encourage and cheer employees without being a pushover. They lead by example and inspire others to go the extra mile.





Coach > Optimize > Retain



How to Optimize in the Blue-Collar Workplace

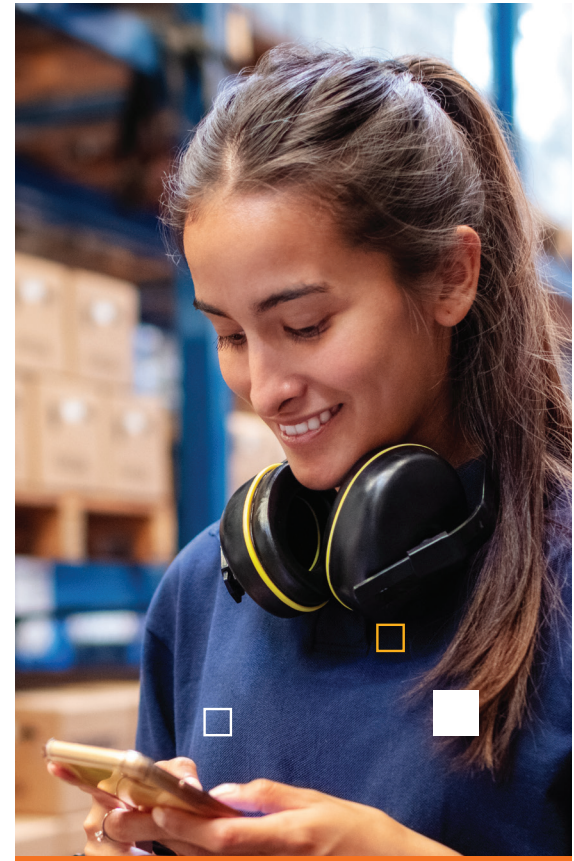
The pandemic hit blue-collar, especially hourly, workers harder than corporate, salaried employees. Many companies closed offices so some employees could work from home, while frontline workers had no choice but to come in for work, often without a safety net of paid sick leave. Leaders need to invest in blue-collar workers to ensure they feel appreciated, supported, and part of the company mission.

- **Give every employee a job description that ties to the company mission.** For example, consider janitorial staff in a manufacturing plant. A janitor's job is integral to the mission of the organization—their efforts keep the factory floor safe, healthy, and clean. A well-kept work environment is also essential to employee morale and the identity of the company.

- **Define success.** In Paycor's surveys of blue-collar workers, we found time and again the same sentiment: "I know what poor performance is, I know what will get me written up, but I don't know what going above and beyond looks like." Leaders of blue-collar teams must shift the conversation away from what not to do and paint a more vivid picture of what individual and team success looks like.
- **Over-communicate the intention of 1:1's.** Many blue-collar workers will instinctively feel that a sit-down with their manager is a sign of trouble, a punishment of sorts. Reframe expectations by assuring workers that the purpose of the 1:1 is to build a relationship, uncover obstacles or process improvements, and ensure that the worker is getting everything they need to succeed and grow in their role.

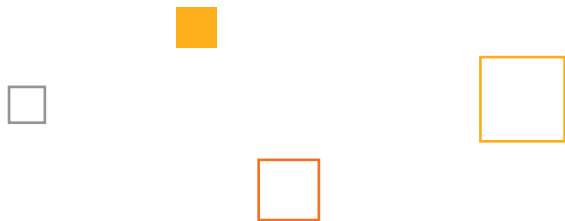
How to Measure Blue-Collar Manager Effectiveness

- Achievement of individual and team goals.
- Planned vs. unplanned overtime, call off rates, risk of burnout (e.g., working more than xx hours).



How Paycor Helps:

Progress Tracking, Performance Reviews, Reporting, Goals/OKRs, Time Budgeting/Forecasting



Coach > Optimize > Retain



Coach > Optimize > Retain



DEFINITION: Leaders **inspire loyalty** by rewarding and incentivizing employees *in a holistic way* that makes them feel authentically valued.

Why Retention Is Important

Retaining employees is a long-term growth strategy. It helps maintain company culture, preserves institutional knowledge, and gives team members the chance to form healthy relationships and even friendships, all of which is good for the business.

Turnover is expensive. It can cost between 30% and 150% of an employee's salary to replace them (*Harrison HR*). And there are intangible costs. Turnover can be contagious, especially if the people who leave are well-liked. The key to building a turnover-resistant organization is an understanding of what motivates individuals and rewarding and incentivizing them in a variety of ways, not just monetarily.



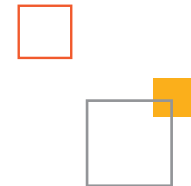


Coach > Optimize > Retain



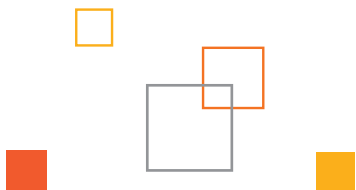
How to Retain in the Blue-Collar Workplace

Retention strategies need to be customized to the needs and motivations of real people—that’s good advice for any workplace, but it’s especially relevant in the blue-collar workplace. Paycor partnered with Xavier University to survey frontline workers about what drives them. Here’s a brief overview of what we found. If your team consists of blue-collar, hourly, or frontline workers, you can use the personas below to begin thinking about retention strategies tailored to their needs.



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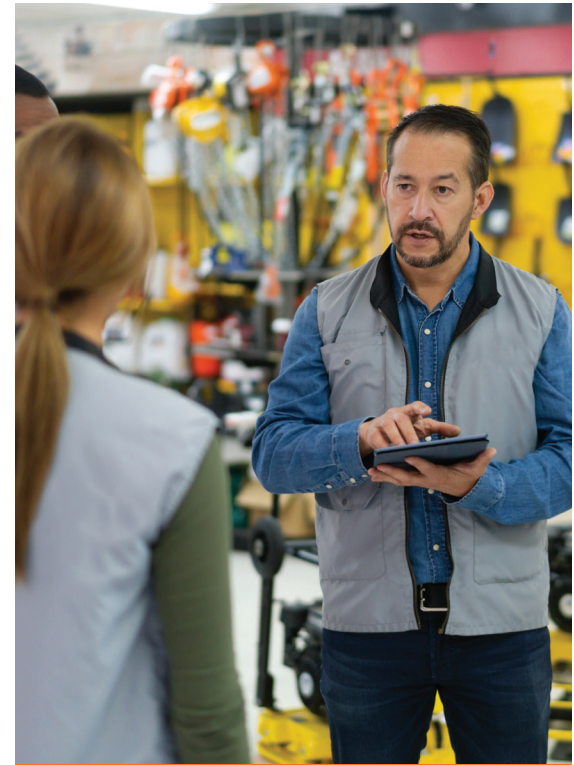
- **“Payment Penny”** is motivated by reliable, consistent pay (number of hours she can work per week). An engagement driver for Penny is a clear pay progression plan and a culture that ties job performance to increased wages.
- **“Schedule Sarah”** is motivated by work/life balance and a schedule she can control or at least influence. An engagement driver for Sarah is a flexible schedule and the ability to work more hours and earn more pay when she needs to.
- **“Make-It-Happen Mike”** is an experienced worker who takes pride in his job. An engagement driver for Mike is autonomy and respect from white-collar staff.



- **“Ideas Isaac”** is an “idea person” and wants to be heard. An engagement driver for Isaac is a company culture that listens to and considers new ideas, whether they are implemented or not.
- **“Ladder-Climber Lisa”** is motivated by job title and increasing her sphere of influence. An engagement driver for Lisa is a clear path for career growth and frequent touchpoints to ensure she’s making progress.

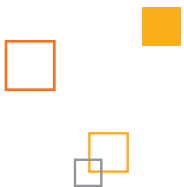
How to Measure Blue-Collar Manager Effectiveness

- Resignation metrics by manager (filter by tenure, role, and DE&I to identify trends).
- Track volume & quality of recognition given by manager to team members.
- Compensation alignment with team members’ job titles.



How Paycor Helps:

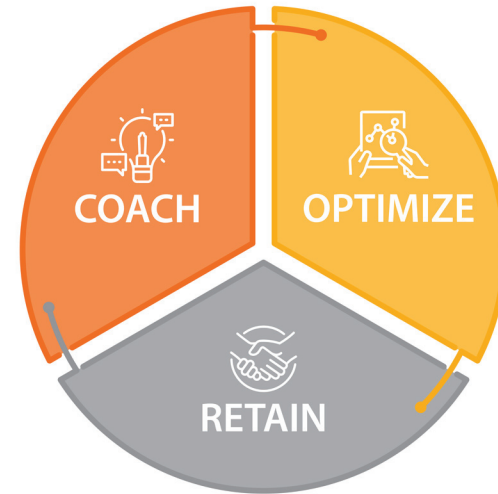
Benefits, Compensation
Planning, Payroll, Pulse,
Paycor Wallet, Recognition,
Analytics, Scheduling,
Team Insights Dashboard





Paycor's Platform Transforms Frontline Managers into Leaders

Find and hire quality candidates with Paycor Smart Sourcing, an innovative new AI-driven recruiting tool. Then, use Paycor's COR Framework to inspire fierce loyalty and extreme engagement.



	<p>COACH</p> <p>Paycor provides targeted training for frontline managers, designed to help them hone their leadership skills at every level of development.</p> <p><i>Onboarding, 1:1 tool, Career Management, Leader Homepage, 9-Box, LMS, Paycor Paths</i></p>
	<p>OPTIMIZE</p> <p>Paycor gives team leaders the templates and tools they need to track goals, align individual performance to business objectives, and have meaningful conversations with their direct reports.</p> <p><i>Progress Tracking, Performance Reviews, Reporting, OKRs, Time Budgeting/Forecasting</i></p>
	<p>RETAIN</p> <p>Paycor enables leaders to build a culture of retention with a full suite of products designed to reward, recognize, and support employees.</p> <p><i>Benefits, Compensation Planning, Payroll, Pulse, Paycor Wallet, Recognition, Analytics, Scheduling, Team Insights Dashboard</i></p>



LEARN MORE AT [PAYCOR.COM](https://www.paycor.com)



About Paycor

Paycor's human capital management (HCM) platform modernizes every aspect of people management, from recruiting, onboarding and payroll to career development and retention, but what really sets us apart is our focus on leaders. For more than 30 years we've been listening to and partnering with leaders, so we know what they need: a unified HR platform, easy integration with third party apps, powerful analytics, talent development software, and configurable technology that supports specific industry needs. That's why more than 29,000 customers trust Paycor to help them solve problems and achieve their goals.

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