A Qualitative Case Study on Employee Turnover and Retention at Clean Cause Company

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Homelessness is a multifaceted issue influenced by economic factors such as affordable housing, mental health, drug addictions, incarcerations, and social support systems that impact half of millions of the US population, accounting for 18 out of every 10,000 people (National Alliance to End Homelessness, 2023). Wes Hurt, owner of Clean Cause, a Texas-based soft drink company, is a recovering addict who has been sober for the last seven years but spent 20 years prior recovering from addictions and alcoholism (Grossman, 2021).

Wes was at the height of his drug use, homeless, and sleeping on the floor in an abandoned warehouse when he had a vision that he was going to die unless he got help. Wes called his ex-wife and asked if he could come back home and get help. His ex-wife responded that he should go home now if he were serious. Though Wes questioned whether to return home, he did and immediately enrolled in a rehabilitation program (Grossman, 2021).

During Wes's recovery from drug addictions, he envisioned starting another company. Still, he wanted something with a purpose that would motivate and inspire him to stay on track with his recovery, so Clean Cause was born (Cavagnaro, 2020). Clean Cause products incorporate clean products made with certified organic ingredients and support individuals recovering from alcohol and drug addictions. Clean Cause provides 50 percent of its profits to scholarship programs to help those in the preliminary stages of recovery (Clean Cause Foundation, n.d.).

The Problem

Burnout and loss of engagement are related to a psychological response to workplace stress caused by exhaustion, mental health because of homelessness, and drug addiction (Razai et al., 2023). Burnouts are far-reaching, impacting our level of engagement at work, turnover, retention, and ability to communicate positively. The relationship between burnout, employee performance, and turnover is multifaceted and depends on various individual and organizational factors.

The problem at Clean Cause was observed at the Austin distribution center, which has experienced high staff turnover and low engagement (C. Hollinger, personal communication, November 22, 2022). Managing the workload among warehouse workers is very important, especially when other factors such as mental illness are also present. Evidence from observational studies shows that limiting hours worked and allowing flexible work schedules help manage burnout (Razai et al., 2023). The HR director of Clean Cause also expressed concerns that turnover impacted their productivity, which correlates with the company's bottom line.

Driving Research Question

The problems, as seen by the organization, were that employees were not staying with the company, and efforts to hire additional staff had yet to be successful. The study seeks to answer the following driving research question to help identify a solution:

> Considering the challenges nationally due to low unemployment numbers and candidates' multiple viable employment options in Texas, how can Clean Cause improve the retention and turnover of employees at their Austin warehouse?

The doctoral project identified gaps in compensation and benefits that impacted employee job satisfaction. The purpose of the findings from the gap is to identify the root causes of the problem and identify potential solutions to the employee retention issue at Clean Cause.

Methodology

A comprehensive review of research provided us with a better understanding of how decisions are made to leave organizations, the impact on the organizations and the rest of the employees, and the impact on the employees who quit. Though this is a complex phenomenon, there are evidence-based potential solutions that, when administered correctly, can have a positive and long-term impact on turnover. A methodology framework was then developed to analyze the data that drives the research question until potential solutions were formed.

The researcher incorporated the Survey Monkey platform to generate a list of questions to collect data on employee experiences while working at the Clean Cause distribution center. Spector's (1985) job self-assessment satisfaction survey was completed on the workforce with the HR director. A gap analysis then highlighted the difference between the current and required state to identify the best possible solutions. The findings were then analyzed through the McKinsey 7-S framework, identifying two potential solutions to answer the research question.

Analysis

The analysis highlighted areas of concern. In particular, the company had a strong culture where employees enjoyed working for their managers, and the vision of creating a safe space for those struggling with addictions was aligned with the employees—however, two areas needed to be aligned: benefits and compensation. Further evaluation found that the company owner had created a transparent culture, promoted a shared culture, and offered opportunities for advancement to all his employees. However, managers and employees wanted to be more satisfied with the compensation and benefits offered.

Potential solutions were identified from the gap analysis and then ranked in the McKinsey framework until potential solutions were identified: offer additional mental days off, provide flexible work options, extend educational programs, and offer financial wellness programs. However, not all solutions were viable. The researcher found that offering additional mental days off and educational and wellness programs could have been more viable and costly. The VBM model of virtue Brooker and Boyce (2016) guided the researcher in selecting flexible work options to answer the driving research question.

Recommended Solution

Two potential solutions were chosen from the potential interventions: (a) offering additional mental days off and (b) offering flexible working options. The researcher went with the second option to address the turnover and retention issue at Clean Cause, offering flexible working options to employees.

The potential solution identified was ranked in the top tier of the McKinsey 7-S model. This solution will create opportunities for employees to manage better work-life balance, create opportunities for additional income, and be a strategic partner in attracting new employees. Work-life for many employees includes managing competing priorities, sometimes putting the job in front of family and health (Brough et al., 2005).

Literature reviews and research on flexible work options and their impact on employee turnover and retention have been consistent. Flexible work options have been associated with workplace strategies that enhance employee experiences, such as flextime (Aziz-Ur-Rehman & Siddiqui, 2019). When employees choose their start and end time or compressed work week, they are more likely to continue working for their employer and have higher productivity (Allen, 2001; Brough et al., 2005).

Flexible work options are associated with better employee health outcomes and lower stress levels (Timms & Brough, 2013). There is also a parallel between the psychological and the sociological climate at the workplace, which refers to the organizational culture and systems in place (Denison, 1996). The psychological environment creates relationships at the workplace, forming work groups that are important for employees to overcome the challenges at work (Parker et al., 2003).

Conclusion

The change management plan provides a strategic roadmap for implementing the approved solution of offering flexible work options to the employees of Clean Cause. The researcher implemented the solution using Lewin's three stages of change model (Lewin, 1947). The plan comprised a timetable of events with a specific start and end date. In addition, the plan also covers reinforcement strategies, which reinforce the change of the new processes to prevent employees from moving back to the old process, and scenario planning, which offers insight into what employees can do when the "what ifs" happen, with more detailed and comprehensive instructions. Finally, the plan will allow for follow-up and adjust the strategies as needed to meet the needs of the Clean Cause workforce.

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