

One-Third of Companies Bracing for Higher Employee Turnover

Exiting Workers Cost Businesses \$36,295 Annually

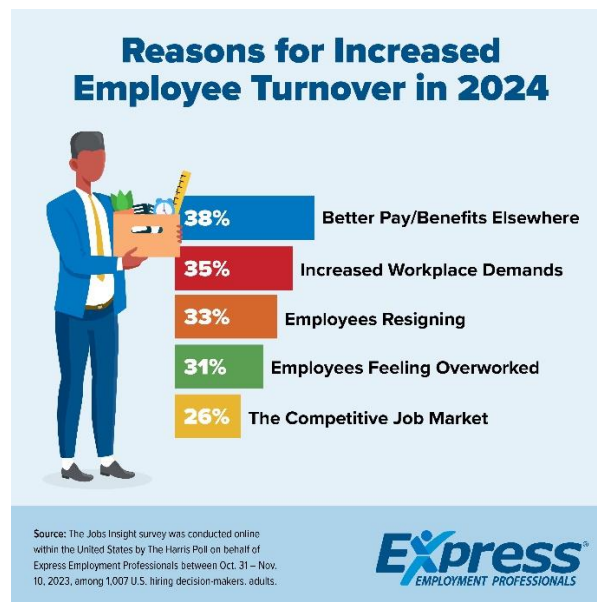
Latest Results from The Harris Poll

OKLAHOMA CITY, Feb. 28, 2024 — Thirty-three percent of U.S. hiring managers anticipate employee turnover at their company to increase in the next year, costing an average of \$36,295 (e.g., cost to rehire, lost productivity) annually.

Significantly, more than 20% of hiring managers say that number climbs to \$100,000 or higher.

This is according to a recent Express Employment Professionals-Harris Poll survey.

For those who anticipate increased turnover in 2024, many point to better pay/benefits offered elsewhere (38%), increased workplace demands (35%), employees resigning (33%), employee feelings of being overworked (31%) and the competitive job market (26%) as the cause.



Around a quarter believe it will be due in part to better perks being offered elsewhere (e.g., summer Fridays, unlimited vacation days) (23%), employees being terminated (23%), employees retiring (23%) and better company culture elsewhere (21%).

Turnover Fallout

Turnover not only takes a toll on the company, but also the remaining employees — nearly three-quarters of hiring managers (73%) say employee turnover places a heavy burden on existing employees.

In an effort to counteract this turnover and perhaps give some reprieve to their employees, the overwhelming majority of companies (88%) are making plans to hire next year — a significant increase since last year (81%).

Typically, companies are hiring either to increase their overall employee count (45%) or to keep the same level of employees (36%).

Building Blocks for Turnover Solutions

In any business, turnover is unavoidable. Employee movement within the workforce is natural and can be attributed to various factors. From affecting productivity to engagement, excessive turnover can wreak havoc on even the most established business' ability to stay competitive.

While best retention practices come in many shapes and sizes, they're all linked by the same basic idea—employees are a company's most valuable asset.

Express has identified eight building blocks for turnover solutions with full details available at ExpressPros.com/TurnoverSolutions:

1. **Understanding That Turnover is a Balance:** Turnover can be healthy for an organization to an extent such as underperforming team members, someone has checked out with retirement on the horizon, or an employee lacking motivation because they aren't happy in their role.
2. **The Cost of Turnover:** Studies show the actual cost to replace an employee is significant. Depending on a variety of factors — including skill level, education and experience — the total cost of turnover can be as high as 150% of an employee's annual salary.
3. **Understand the Expectations of Turnover:** Acknowledging that turnover is common in the employment cycle, organizations that delve into the complexity of expected turnover rates gain a pivotal advantage in proactive management.
4. **Avoid Retention Roadblocks:** Positive retention habits are the best defense against negative turnover. Time wasters can impede progress and reduce the effectiveness of turnover management efforts.

5. **Creating a Culture that Prevents Turnover:** While the upfront costs may seem significant, the long-term benefits can outweigh the expenses — prioritize maintaining the well-being and job satisfaction of your employees.
6. **Employee Engagement is Key:** Programs that foster a positive and inclusive workplace culture, provide opportunities for professional development and recognize and reward employee contributions can improve engagement.
7. **Manage Employees' Expectations of Success:** It's critical to be upfront with expectations to help mitigate turnover and ensure employees are prepared to stay.
8. **Support a Multi-Generational Friendly Workplace:** As organizations strive to create inclusive environments that cater to the needs and preferences of individuals spanning different age groups, they will learn how to leverage the collective strengths of diverse experiences as an opportunity to improve.

“High turnover in the booming jobs market of the past few years has led to a strained workforce that is stressed and burned out,” said Bill Stoller, Express Employment International CEO. “With data showing more employees are remaining in place, now is the perfect time to create retention tactics to stabilize headcount with top talent.”

Survey Methodology

The Job Insights survey was conducted online within the United States by The Harris Poll on behalf of Express Employment Professionals between Oct. 31 and Nov. 10, 2023, among 1,007 U.S. hiring decision-makers.

For full survey methodologies, please contact Sheena.Hollander@ExpressPros.com, Director of Corporate Communications & PR.

If you would like to arrange for an interview to discuss this topic, please contact Sheena.Hollander@ExpressPros.com, Director of Corporate Communications & PR.

About Bill Stoller

William H. "Bill" Stoller is chairman and chief executive officer of Express Employment International. Founded in Oklahoma City, Oklahoma, the international staffing franchisor supports the Express Employment Professionals franchise and related brands. The Express franchise brand is an industry-leading, international staffing company with franchise locations in the U.S., Canada, South Africa, Australia and New Zealand.

About Express Employment Professionals

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