

Rising Employee Turnover Costing Companies an Average of \$26,511 Annually

Revolving Door Taking Toll on Workers

Latest Results from The Harris Poll

OKLAHOMA CITY, Dec. 8, 2021—Adding to the difficulty of finding qualified workers this season, 42% of U.S. companies say employee turnover has increased this year, costing businesses an overall average of \$26,511 annually in lost productivity and recruiting.

This is according to a new survey from The Harris Poll commissioned by Express Employment Professionals.



That figure is even higher for 21% of companies that say the price tag to replace employees overall is \$50,000 annually or more. This proportion swells to 34% for the largest companies (500+ employees), but only 4% for the smallest companies (2-9 employees).

Beyond the financial impact of employee turnover, around 2 in 3 (68%) companies agree this challenge places a heavy burden on existing employees. In response, the majority of businesses (80%) plan to rehire workers, generally either to keep the same level of employees (36%) or to increase their overall employee count (34%).

Among those that have experienced an increase in turnover, the most common reasons are more advancement opportunities elsewhere (37%) and better pay/benefits offered elsewhere (35%). Around 1 in 3 hiring managers say vacancies increased due to employees resigning (33%) or retiring (33%) and/or better perks elsewhere (e.g., Summer Fridays, unlimited vacation days) (32%).

“Turnover will continue into 2022 because we are in an employees’ market where the fear of losing a job or the stigma that was once a part of that has gone,” said John Culpepper, Express franchise owner in Georgia. “Employers are looking past short tenures because they need workers so badly. Companies are willing to take a chance that they will be the company an employee will stay at.”

In New Jersey, Express franchise owner Mike Nolfo agrees that high turnover will continue to trend into next year based on workers’ emotions.

“It seems like people are still trying to come out of the pandemic and they are not happy, in general,” he said. “When people aren’t happy, they look to make a change. One of the easiest things to change is your work situation.”

Employers who are struggling to retain workers right now should focus on company culture since pay may be similar at other businesses, but business operations seem to be behind the times on employee engagement.

“Most turnover happens because the job they are at becomes a burden,” Culpepper said of why workers leave. “If an employee is made to feel like just a number, nothing is keeping them from change. They are constantly looking for a place that is easier for the same pay or where they are made to feel appreciated. Since the first cannot be controlled oftentimes, it’s important to improve the latter.”

It’s also important to engage with key players as the backbone of the company and get them involved in decision-making, Nolfo added. While a pay raise may not be feasible for every employee, one may be needed for these top employees to stop them from looking for other opportunities.

“A healthy company culture has so many benefits for a business, some of which can ultimately affect the bottom line,” Express CEO Bill Stoller said. “At a time when inflation is pushing raw material prices higher and higher, companies can’t afford to add the high cost of turnover, as well.”

Survey Methodology

The survey was conducted online within the United States by The Harris Poll on behalf of Express Employment Professionals between March 23 and April 12, 2021, among 1,001 U.S. hiring decision-makers (defined as adults ages 18+ in the U.S. who are employed full-time or self-employed, work at companies with more than one employee, and have full/significant involvement in hiring decisions at their company). Data was weighted where necessary by company size to bring them into line with their actual proportions in the population.

If you would like to arrange for an interview with Bill Stoller to discuss this topic, please contact Sheena Hollander, Director of Corporate Communications and PR, at (405) 717-5966.

About Bill Stoller

William H. "Bill" Stoller is chairman and chief executive officer of Express Employment Professionals. Headquartered in Oklahoma City, Oklahoma, the international staffing company has more than 830 franchises in the U.S., Canada, South Africa, Australia and New Zealand. Since inception, Express has put more than 9 million people to work worldwide.

About Express Employment Professionals

At Express Employment Professionals, we're in the business of people. From job seekers to client companies, Express helps people thrive and businesses grow. Our international network of franchises offers localized staffing solutions to the communities they serve across the U.S., Canada, South Africa, Australia and New Zealand, employing 526,000 people globally in 2020. For more information, visit ExpressPros.com.