



20 Surprising Employee Retention Statistics You Need to Know

By George Dickson

Employee retention is a challenge for nearly every organization. Even the best leaders have a hard time keeping top talent. Although it may seem impossible to perfect a retention strategy in the face of these odds, you can often make a dramatic improvement with a few simple steps.

The first step toward achieving better retention is understanding the scope and the core issues that drive turnover. Here are 20 surprising and illuminating employee retention statistics you may not have heard, and some simple strategies to help you keep your team together for the long term:

1. About 3 million Americans quit their job each month.

This figure doesn't count layoffs or any other types of involuntary termination. [According to data from the US](#)

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[Bureau of Labor Statistics](#), three million employees have left their job voluntarily every month since June 2017.

To put that into perspective, the equivalent of the combined populations of Wyoming, Alaska, Vermont, and North Dakota are handing in their resignation each month. An even larger number of employees are likely considering an exit, and need just one little nudge in that direction.

That level of voluntary turnover speaks to the magnitude of the retention issue many organizations face. People leave their jobs for myriad reasons, and the better grasp you and your team have on those reasons, the better you'll be able to keep great employees longer.

2. In a study of over 1000 workers, 31 percent reported having quit a job within the first six months.

Our friends at [BambooHR](#) surveyed over 1000 currently employed Americans and found that nearly a third of them had left a job before crossing the half-year mark.

Why are so many recently-hired employees jumping ship?

According to the research participants, the top reasons for leaving were a poor onboarding experience, a lack of clarity surrounding job duties and expectations, or a less than stellar boss.

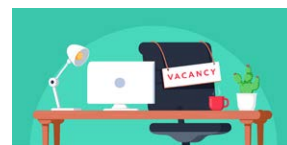
This is actually good news because most, if not all, of these factors are within an organization's control. Transparency is a crucial element of trust, and trust is paramount in any relationship. If the first few days of an employee's experience are punctuated by a breach of that trust, you can expect their



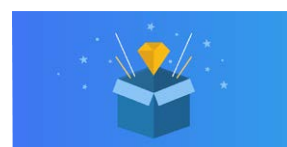
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tenure to be short. That's why it's crucial to ensure the work an employee signs up for is the work they'll actually be doing day-to-day.

A strategic onboarding program can also make a significant difference for newly-hired employees by providing clarity around their role, a community of trusted colleagues, and a clear path to success. If you don't have a formalized onboarding program, [you can get started here](#).

3. More than 50 percent of all organizations globally have difficulty retaining some of their most valued employee groups.

A recent [Willis Towers Watson study](#) shows that turnover is a nuanced issue. Although hiring has increased in recent years, [turnover and attrition rates](#) have also increased for many organizations. This in itself is problematic. However, it's not just the number of employees who leave; it's the types of employees who leave, and reasons they're leaving that deserve some focus.

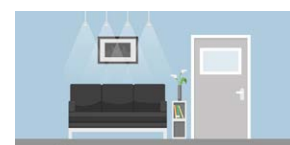
If you have an exceptionally productive employee like a 10x engineer in your organization, it's crucial to [recognize the massive value](#) they're bringing to the table. If they're producing a prodigious amount of work, but they're [not being rewarded for it](#), they're likely going to fall into the high-retention-risk group at some point.

If they get a sense their skills and/or productivity are being taken for granted in your organization, that job offer plus a pay bump your competitor inevitably offers is going to look increasingly attractive each time it comes up — *and in the case of a 10x engineer, it will. Often.*

4. Eighty-seven percent of HR leaders



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consider improved retention a critical or high priority for the next five years.

According to [research by Kronos and Future Workplace](#), 87 percent of HR leaders are aware of the importance of employee retention and consider it a primary concern.

Despite that focus, progress for many organizations have been stymied by competing priorities and a lack of resources.

Technology debt and a lack of process automation tooling were cited as major roadblocks, in addition to limited executive support and organizational vision.

If you're having trouble gaining buy-in from stakeholders in your organization, there are some [useful tools and data you can leverage](#) to help speak to the bottom line impacts of employee retention.

5. The cost to replace a highly-trained employee can exceed 200 percent of their annual salary.

Turnover is expensive, no matter what type of position an employee holds. Estimates on the true cost of losing employees vary based on multiple factors, but [recent research found](#) that the cost of replacing highly-trained employees and executives can easily exceed double their annual salary.

Although that may seem like a massive cost, [the true cost is likely even higher](#).

If you're not convinced employee retention is an important business objective, try out our [Cost of Employee Turnover Calculator](#). It's designed with transparency in mind, so you can see exactly how and why turnover costs stack up.

[Try our Cost of Employee Turnover Calculator](#)

One of the most effective ways to lower the cost of turnover is to lower the *rate* of turnover. Focus on [fostering an engaging, rewarding work environment](#) that inspires employees to stick around and do their best work while they're on your team.

6. More than 25 percent of employees are in a high-retention-risk category.

According to [research from Willis Towers Watson](#), over one quarter of employees are at a high risk for turnover. Many of those people possess mission-critical skills and are top performers, or have the potential to become top performers.

The cost of recruiting and onboarding new hires aside, this is a cohort of employees whose presence won't be easy (and in some cases will be impossible) to replace. The best strategy is to avoid losing them in the first place.

How do you do that?

It all starts with identifying which people on your team fall into the high-retention-risk category, and doing that takes open and honest communication.

[Keeping an open dialogue](#) with your team can provide priceless insights into their collective engagement and the engagement levels of individual members.

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levels of individual members.

7. Forty-six percent of high-retention-risk employees used apps to find new jobs in the past month vs. 13 percent in low-risk groups.

Modern technology and social media are making it much easier to look for a new job, and recent research from [research from Willis Towers-Watson](#) shows that nearly half of employees considered to be a high-retention-risk used a mobile app or website to search for and find new jobs within the past month.

This can be a challenge, an opportunity, or both.

If the employees in your organization are highly engaged, they'll often become some of your best brand ambassadors. For talented individuals looking for great places to work, it's an extraordinarily positive sign to see employees voluntarily making positive comments about their workplace and their coworkers.

8. Companies that support remote work have 25 percent lower employee turnover than companies that don't.

Collaborative [research from Owl Labs and TINYpulse](#) found that supporting a remote work program can have a meaningful impact on employee retention.

Whether it's an occasional ad-hoc remote day, or a more permanent remote work arrangement, there are myriad ways that remote work can improve employee experience.

In some cases, remote work makes it possible to attract and keep great employees that would never have considered your organization otherwise.

Some excellent candidates may have physical conditions or life events that keep them from working in an office environment regularly. You might be surprised to find out how many employees are ready to leave simply because of their commute. Providing the flexibility to work remotely can significantly relieve those pressures.

You don't have to manage a completely distributed organization for your team to enjoy the benefits of a well-designed remote work program, and there are a lot of resources available to help [make remote work easier to implement and more sustainable](#).

9. More than 70 percent of high-retention-risk employees say they'll have to leave their organization to advance their career.

According to the same Willis Towers Watson study, nearly three quarters of employees who fall into the "high-retention-risk" category are itching to leave because they've bumped up against their career ceiling prematurely in their current organization.

Nobody wants to work a dead-end job.

If an employee feels their advancement is being stifled [by their environment](#), they're going to leave. It's not due to a lack of loyalty and it's not their fault.

Leaving is a smart move on their part.

Just like most successful businesses won't remain in a

stifling environment out of a sense of duty, or misguided [loyalty](#), neither will a smart employee — especially if their skills are marketable.

This career advancement limitation can come in many forms, but there are just as many ways to avoid it.

Offer and encourage professional training and development.

It's unfortunately common to hear leaders say they're hesitant to invest in employee training and professional development initiatives because they're concerned that the efforts would groom them for their next job in a different company.

[Personal growth and development](#) are a crucial element of what your organization can offer to any employee, and the benefits extend in every direction. Supporting their development ensures they'll be more engaged, more productive, and better at what they do.

If the time does come for them to leave, they'll be able to honestly tell others how much they grew while working for your organization, rather than how stifled they felt.

Offer your employees leadership opportunities.

Not everyone's interested in a career path that ends in managing others, but for those who are, providing even small opportunities to experience this type of work and build these skills can go a long way.

10. Thirty-five percent of employees said they'd look for a new job if they did not receive a pay raise in the next year.

[Research by Glassdoor](#) states that 35 percent of employees are so unsatisfied with their salary that they're willing to start a job search over it.

In a case where salary offers are equal (or close), the company with the strongest [culture will nearly always win](#). Culture is an incredible retention driver, but only if you're already keeping up with basic [table stakes](#).

If your organization is not willing or able to maintain salary parity, it can't expect to compete for talent effectively. This is especially true in regards to employees with highly valuable skills.

11. Forty-four percent of employees say they would consider taking a job with a different company for a raise of 20 percent or less.

[Another Gallup poll](#) found that a pay bump of 20 percent (or less, in many cases) is all it would take for almost half of the respondents to job hop.

Among **actively-disengaged** employees, as many as **54 percent** of respondents would leave their current positions for a salary increase of 20 percent or less. Among **engaged employees**, the number was dramatically reduced to **37 percent**.

It doesn't take a much higher salary offer for you to lose an employee. Since most employees can expect their annual salary increase to be a percentage in the low single digits, competitors can easily beat those numbers in their recruiting efforts.

Your competitors aren't likely to set a precedent of paying

[above market value](#) for employees, though. If you're already paying your team at market rate or better, it will be considerably harder for your competitors to hop in and offer a 20 percent pay bump.

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The challenge here is twofold:

- Understanding what it takes to keep employees engaged in order to limit your overall exposure to job hopping.
- Keeping your finger on the pulse of what market rate actually is for each position on your staff.

If you can keep your employees engaged and pay them market rate, you're greatly reducing the chances that they'll jump ship.

12. More than 50 percent of American employees believe that if they lost their current job, they would be able to replace it in the next six months.

Another [recent study from Glassdoor shows](#) that over half of American employees have a high level of confidence that they'd be able to find a job at the same level within six months or less if they quit, were fired, or were laid off.

Why is this so important?

When the global economy was in considerably worse shape, employees were less confident they'd be able to find a new position at the same level -- provided they could find a new position at all -- if they had to start searching for one.

That apprehension was enough to keep many employees from leaving their current position, even if they weren't happy or fulfilled in it.

Now that employees feel more confident about their prospects, it's up to organizations to provide the kind of environment that encourages [them to stay](#).

13. Sixty-five percent of employees are confident they can find a better position that pays more.

[Recent research by Dice backs up](#) Glassdoor's findings, and takes it a step further. Their research suggests an even higher number of employees are not only confident that they'll find a position but also that they'll find an even better position than their current one.

Their research also suggests that salary satisfaction among tech professionals declined in recent years.

What does that mean for your organization?

It's just further evidence that skilled labor has become a seller's market. Increased confidence in new job prospects combined with a decline in overall salary satisfaction is a one-two punch that can leave many organizations wondering what happened to all their top talent.

The best defense against this type of [turnover](#) is deceptively simple: be that better position.

The hard work is in determining how to be that better position, and then making that determination a reality, and that requires employee input. What a group of [managers or executives](#) believe would make a position better could be (and often is) dramatically different from the employee's belief.

It could be an issue as simple as, *"My chair is terrible, and I have no windows near me. It makes me feel like my company doesn't care about my comfort."*

Maybe a window is a physical impossibility in your case, but that doesn't mean there's nothing you can do. Get creative. Show your employees that you genuinely care about them and about improving their situation. Give them a few extra opportunities to go outside each day — that "unproductive" time will likely have a dramatic effect on their overall productivity and satisfaction.

The best way to find out how you can improve a person's work experience is to ask them. [Solicit feedback regularly](#), and show visible signs of progress towards improvement.

14. Employees who are "engaged and thriving" are 59 percent less likely to look for a job with a different organization in the next 12 months.

[Further Gallup research found](#) that although engaged employees are surely less likely to leave your organization, employees who are engaged and thriving are even less likely to leave.

Aren't being engaged and thriving the same thing?

Consider them more like two parts of a whole. Engagement

is best described as an employee's emotional commitment to an employer, its constituents, [its values](#), and its purpose.

Wellbeing consists of factors like physical and mental health, stress levels, and so on.

If you look at this from the perspective of Fredrick Herzberg's [motivator-hygiene theory](#), most elements of wellbeing fit into the spectrum of hygiene factors, and the elements of engagement often fit into the spectrum of motivational factors.

As the theory states, you can have one without the other, but the two work in concert.

For instance, you can have a great mission to work on, but terrible equipment. You can walk into an environment of boring drudgery every day, but have the best equipment and resources. The best outcomes arise when a multitude of both hygiene and motivational factors are accounted for: working on great equipment to complete an exciting and important mission.

15. Ninety-three percent of young professionals say they left their employer the last time they changed roles.

A recent [Gallup poll showed](#) that a vast majority of millennials took new jobs at new companies, rather than advancing in their current organization. While it may seem easy to dismiss this as "standard millennial job-hopping behavior," there's a lot more at play here.

To understand why these employees changed companies when they changed their roles, you need to understand what they wanted. The seven percent that stayed had good reasons.

In a [recent interview with us](#), Making Good's Julian Caspari explained many of the key elements modern employees expect in a work environment, and how organizations can deliver on those expectations.

16. Forty-one percent of employees listed job security as the most important reason to stay in a company.

A [Willis Towers Watson study of over 31,000 employees worldwide](#) found that job security was a major retention driver.

That held true for employees across generations — in fact, the study found that “job security is the second-most frequently selected driver of attraction across all key age groups.”

While the job-hopping millennial and long-tenured baby boomer are both tragically common stereotypes, the data suggest that job security is important to modern employees regardless of the generation they were born in or the industry in which they work.

If employees feel as though their time at your organization might be fleeting, they're likely to look for the next safe harbor. Consider how managerial interactions and internal communications can impact an employee's sense of job security and make it a priority to help them understand the value of their place in the organization.

17. Forty-six percent of HR leaders say employee burnout is responsible for up to 50 percent of their annual workforce turnover.

Although startup employees are often depicted as the poster children for burnout, [research has shown it's a prevalent issue](#) for organizations of all types across the world. There are several key contributors to employee burnout, and most of them are solvable if you're able to identify them early on.

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See if you recognize any of these traits in your own workplace, and if you do, consider how they might be alleviated:

No fun: Work isn't *all* fun and games, but that doesn't mean it should never be fun. Make sure there are opportunities for the team to interact with one another outside the context of project deadlines and meetings.

No ownership: It's difficult for employees to become invested in something they have little or no ownership over — that investment is critical to engagement, and ultimately, retention.

Poor balance: Are employees praised for "taking one for the team" by working late? That's a dangerous precedent to set. If you don't afford your employees enough time to pursue their passions and recharge, they'll eventually burn out. And when they do, they'll leave.

To learn more about spotting the signs of burnout and resolving it before it escalates to a resignation, [check out this article we published last year](#).

18. Strong management transparency leads to 30 percent better employee retention.

Transparency isn't just important as the foundation of trust and a healthy employment relationship; it's also a major retention driver, [according to recent research by TINYpulse](#).

Employees are more likely to stay in an organization where they can trust management and senior leadership. Fostering transparency doesn't require you to take the "radical transparency" approach [some companies have](#). Your approach can be something as simple as defaulting to transparency.

How does defaulting to transparency work?

Instead of asking "Is it absolutely necessary to *share* this with my team?" ask "Is it absolutely necessary that I *keep* this from my team?"

19. Employee happiness is 23.3 percent more correlated to connections with coworkers than direct supervisors.

Coworker relationships matter, and they matter on a level that is bigger than you might expect. As part of a [recent employee engagement survey](#) they conducted, the team at TINYpulse found that employee happiness is much more closely correlated to the [connections they share](#) with their coworkers, rather than those they share with their direct supervisors.

This doesn't mean that the connection an employee has with their supervisor is unimportant — far from it. An employee's relationship with their supervisor matters a great deal, but it's often their coworkers that truly inspire them to go the extra mile at work.

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There are many ways to inspire [stronger coworker relationships](#), like team outings and activities, but to get the best results, it's best to [bake it into](#) your organizational culture— right down to the way your spaces are organized.

Building spaces that encourage organic interactions between employee and encouraging those interactions can make a dramatic impact on the way relationships sustain people at work.

20. Seventy-one percent of retirees who returned to work originally retired due to a lack of flexibility in their work arrangement.

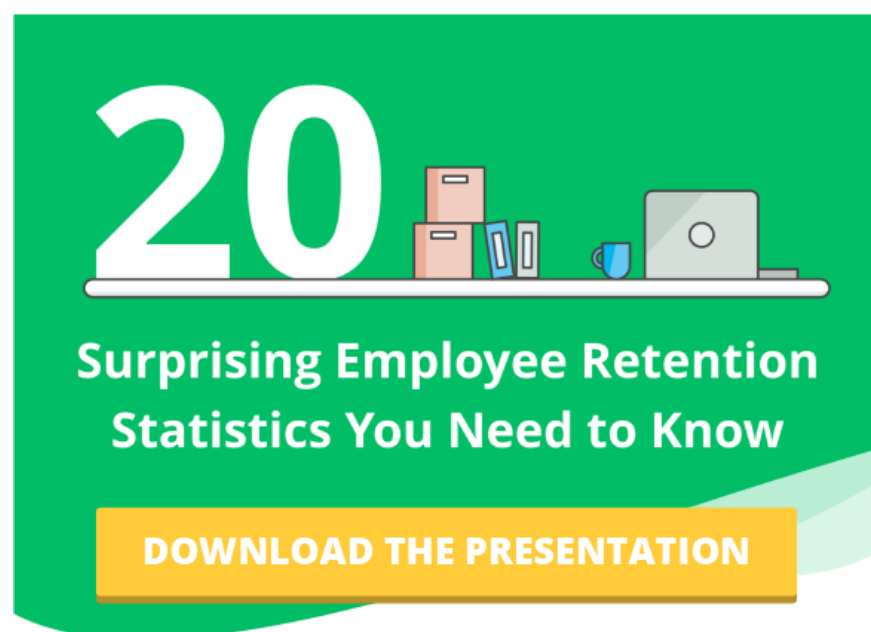
Contrary to popular opinion, a desire for flexibility in the workplace isn't unique to millennials. [According to Global Workplace Analytics](#), over two thirds of retired workers who returned to the workplace left their original jobs because they lacked flexibility.

Consider how you can add flexibility to your workplace and survey your team to find out what might make their experience working in your organization easier.

In conclusion

Although some of these employee retention statistics may seem alarming, it's not all bad news. Understanding what drives employee behavior and working to cultivate a stellar work environment and [employee value proposition](#) will go a long way towards helping your organization beat the odds on retention.

If you want to share these statistics with your colleagues, download the PDF version of this blog post and take the next step towards retaining your best employees:



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