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**Intro to Human Resources**

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## The cost of turnover calculator

Minimizing the high cost of employee turnover.

### Tools

06/07/2016

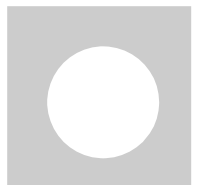
The staffing experts at Adecco USA understand the nuances of how employee turnover impacts a company's bottom line, and we're ready to help you cultivate a workplace that minimizes this loss. Determine your cost of employee turnover by using our calculator below. To learn more about how we can assist you, contact us today (/employers/contact-adecco-staffing/request-talent/).

Annual salary of new hire

Average number of days it takes to fill position

Salary of hiring manager

Average numbers of hours it takes hiring manager to screen resumes



Average number of hours to conduct interview

Cost of advertisements

Cost of drug screening and background checks

Cost of lost productivity ( impact on lost sales, missed projects etc. )

Number of days the manager trains the new hire

**Calculate**

Total Cost

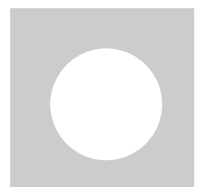
## Why employee turnover rate matters.

According to the Center for American Progress, the cost of replacing an employee ranges from 10-30% of their annual salary, depending on the industry and length of time on the job — making employee retention strategy a top priority.

The core reason that employee turnover costs are rarely considered is simple: the expenses are passive, and are therefore easily overlooked.

## Transitioning employees.

During the final days on the job, the lion's share of an employee's time will be spent documenting proprietary information and transitioning their projects. And, of course, many employees will not perform at top



Productivity when they have one foot out the door.

Even with the most seamless transition with the most ethical employee, it's hard to put a price tag on the value of an individual's set of professional contacts, established business relationships, accumulated training, and specialized knowledge that were acquired during an employee's tenure. Relationships and understanding of how a corporate culture are things that only come with time, and your next team member will need to nurture these anew.

### **On boarding new hires.**

While this transition is in progress, human resources is spending time placing job ads and vetting the candidates one by one. Additionally, managers and staff will need to take time away from clients and projects to interview potential employees.

Once the job offer has been extended, the company must invest significant time on-boarding the employee. Multiple departments will be involved in getting the new employee ready to go, including setting up the work area, registering their accounts with IT, providing a computer and necessary hardware, and having security processing an identification badge.

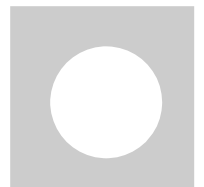
### **Transitioning from new recruit to productive team member.**

Even beyond the employee's first day on the job, the costs continue for the company. In many cases, a new employee must be sent to expensive specialized training on software, corporate policy, and established business standards. Additionally, other employees will typically take time from their work to train the new team member on processes and procedures, and to begin to establish a healthy working team relationship with their new coworker.

During the ramp-up period, additional manager supervision and guidance is often required, and the employee is typically not very productive until a few weeks into their employment.

### **Avoid employee turnover by establishing retention strategies at your workplace.**

The bottom line is that if you focus on your employee retention strategy ([/employers/resources/us-workforce-attraction-and-retention-report/](#)), then you won't accrue the cost associated with employee turnover. By striving to retain the employees that you already have, you can avoid employee turnover expenses while increasing the quality of the products and services you provide to your customers.



So exactly how much will an employee turnover cost your company? Adecco's cost calculator is a great way to evaluate the potential damage. However, the best way to ensure that this cost is minimized is to hire carefully and build a culture of workforce retention.

The experienced recruiters at Adecco can help with this by providing you with high-quality matches for your workplace culture — ones that have the skills you're looking for, and the professional background you need to cultivate an excellent team. Whether you're heading a large corporation or leading a small business, we invite you to contact us today (</employers/contact-adecco-staffing/request-talent/>) to find out how our professional services can be a fit for your company.

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## 2021 Stimulus Effect Tool

(</employers/resources/2021-stimulus-effect-tool/>)

Situation (</employers/resources/case-study-popular-adhesive-brand-adheres-to-adecco->

