



PUBLISHED:
02/24/2022



TURNOVER SURVEY



2022 TURNOVER SURVEY



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- Not be used in collective bargaining or grievance proceedings.
- Protect, completely, organizational identity.

*For a complete list of surveys available from MRA, please visit our website at www.mranet.org.
Survey questions can be directed to 800.488.4845, ext. 3508 or Surveys@mrnet.org.*

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A nighttime photograph of a city skyline reflected in a body of water. The scene includes a prominent skyscraper with a pointed top, several other illuminated buildings, a bridge with streetlights, and a row of trees in the foreground. The lights from the buildings and bridge are reflected in the calm water. A dark blue banner with white text is overlaid on the top right of the image.

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TURNOVER

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TURNOVER AT A GLANCE

The "Great Resignation" continues to be a challenge for many employers. The mass movement of employees from established jobs beginning in the summer of 2021 has challenged employers to become more creative in their recruiting and retention strategies. Quickly, talent acquisition became many organization's key focus and responsibility, only to find that labor markets remained highly competitive for skilled talent.

The results of the 2020 Turnover Survey gave some indication of the increased turnover that was expected in the upcoming year. The characteristic and potential long-term effecting actions of employers could not have been anticipated.

Many employers are proactively focusing on the future by taking action to recruit and retain talent. It is important to understand what has happened to create this environment as well. This study will focus on identifying the total employee movement of the MRA membership and the ripple effect that turnover has within an organization. It will also provide insight as to leading reasons employees are leaving their employers to help provide comparative information to organizations.

"Knowledge is the best weapon in fighting turnover. It is equally important to know why people are staying and leaving your organization. Once you know where you can focus your efforts, you can begin the process of reducing turnover."
—Kristie Haase, SPHR, SHRM-SCP, Employee Engagement Survey Director

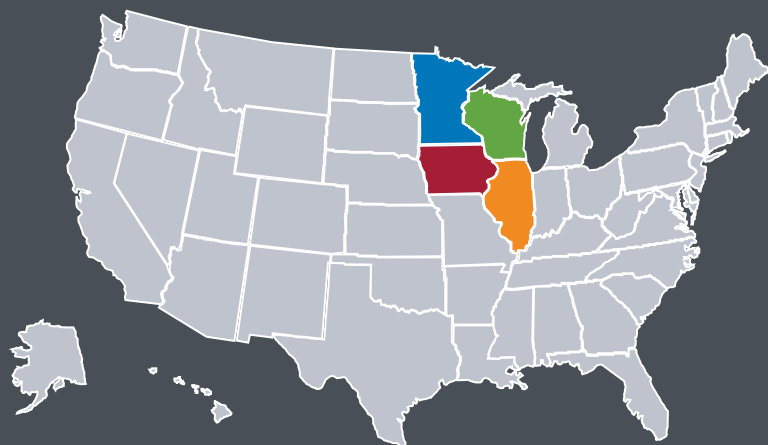
Results of the questions that were surveyed are shown in tables on the pages following this summary. They include additional breakouts by state when enough clean, relevant data was present.

"Thank you to all survey participants who submitted and worked with our team to ensure data is correct and complete. Your participation is vital to maintaining the strength and integrity of MRA surveys."
—Zach Day, Director, Surveys, Custom Research, & Analytics

Our goal is to help your organization figure out the best employee turnover strategy for your business. Use this data to help find the root cause of turnover, estimate the cost-to-hire, and plan for the ever-changing economy. We hope you find the answers in this survey impactful, as you work on retention strategies to help your organization with employee turnover.

SURVEY PARTICIPATION

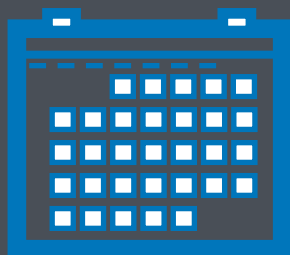
Fig. 1



495
PARTICIPATING ORGANIZATIONS

SURVEY TIMELINE

Fig. 2



**DECEMBER 2021 –
JANUARY 2022**
SURVEY CONDUCTED

ABOUT THE SURVEY

Fig. 3



26
QUESTIONS SURVEYED

TURNOVER AT A GLANCE

OVERALL **TURNOVER RATES**

With the challenges of talent management so prevalent last year, it is no surprise that the turnover rate of 2021 increased to 25.4%. This was an increase from last year's rate of 21.2% and the highest rate it has been in the past decade. Having one of every four employees of an organization leave, on average, has strained the labor market, causing every industry and employee group to see an increase in turnover this year.

Production, Maintenance, Service, & Trade positions saw the highest turnover rate of all groups with one in three (33.6%) employees leaving their organizations for different opportunities. Of those employees that left their employment, the majority were within 2 years of their employment (66%), indicating that this employee group is job-hopping from one opportunity to the next leaving employers struggling to sustain consistent workforces. Unlike Production, Maintenance, Service, & Trade positions, Executive (55%) and Managerial, Supervisor, & Professional (42%) positions had the largest population of turnover at the 5+ years of service mark. Vacancies created by the departure of tenured personnel have a more adverse impact on organizations since longer-term employees are more likely to hold key positions and possess specific knowledge and skills. Employers dealing with this type of turnover may need to fill the resulting gaps through internal promotions or the recruitment of skilled external candidates.

Regardless of which positions or how long employees have been with the organization, the people movement of the past year has caused stress and challenges to the competition in the market. With available skilled labor being at a premium in the market, organizations turned toward enticing employed candidates to move organizations by increasing starting wages, and adding in additional incentives and any differentiating benefits they could. Organizations should expect these challenges to continue and will likely feel similar pressures of this past year.



Turnover Rate by Employee Group

Fig. 4



PRE-PANDEMIC TURNOVER **COMPARISON**

Prior to the COVID-19 pandemic, MRA's Turnover Survey was seeing a steady increase in turnover year over year since 2014. Compared with 2019's turnover rate of 24.3%, it seems that the steady increase of turnover has picked up from a temporary decrease in 2020. The 2020 turnover drop, in comparison to the 2021 increase, is likely due to the personal management of the pandemic and individual safety. As people better understood the pandemic, the better they felt about taking the risk of changing positions.

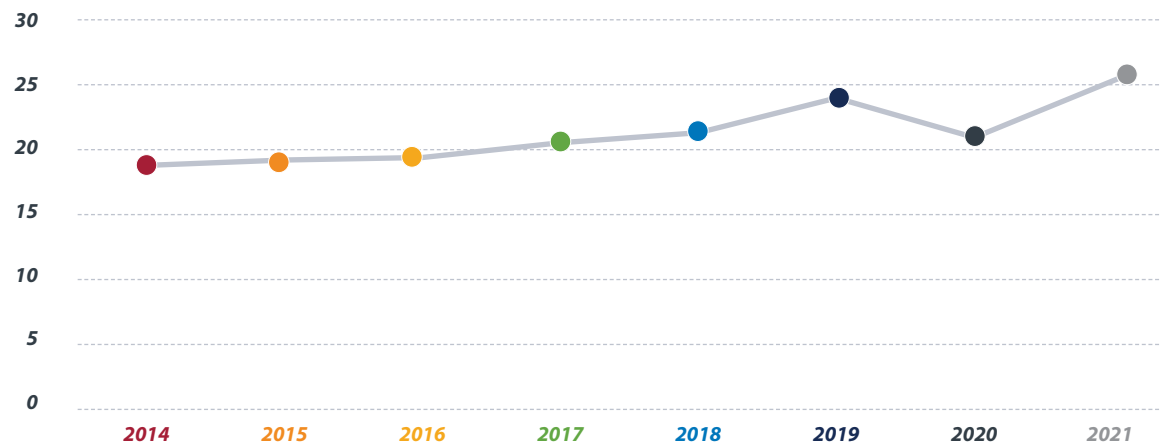
When compared with 2019 and previous year figures, 2021 turnover resembles incremental increases to turnover in key categories of the trends happening from 2014 to 2019. While the attention, suddenness, and real feeling of the "Great Resignation" felt like a

significant increase to turnover, organizations were experiencing similar challenges prior to the pandemic.

Skilled talent has been at a premium for many years. In the previous 7 years, tenured employees of 5+ years were still the largest group of turnover of Executive and Managerial, Supervisory, & Professional staff. While the pandemic year of 2020 halted some of these trends, trying to find and attract qualified talent did not go away.

Turnover Rate 8-Year Trend

Fig. 5



Note: 2017 and 2019 calculations were derived from Hot Topic surveys



HIGH PERFORMER **TURNOVER**

As expected with the increase of people movement, turnover of high performers also rose last year. The rate of change from year-to-year turnover for high performers also was much steeper compared with overall turnover. More employees identified as high performers were on the move last year.

These losses cause significant additional challenges to an organization. As many organizations are experiencing a need to focus on retention this year, identification and honest

conversation with high performers should be a key strategy used by organizations to counteract potential turnover of valued employees.

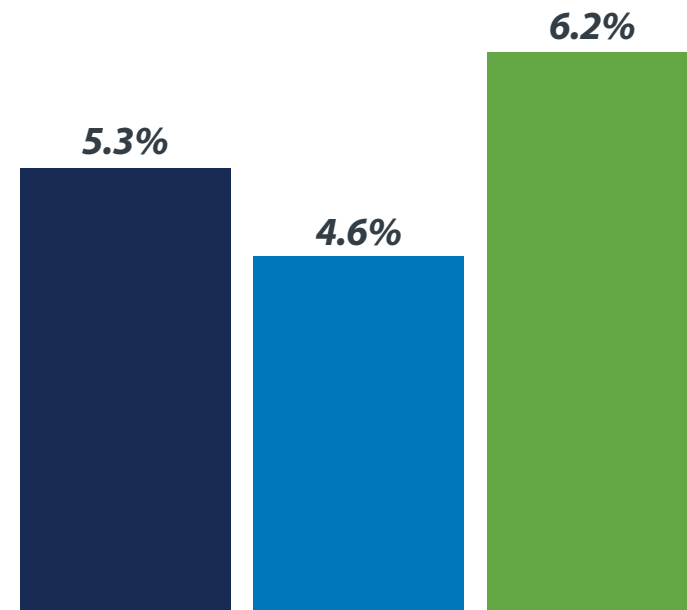
Retention strategies like stay interviews, employee insight surveys, total reward reviews, and education are helpful ways for staff and decision makers to understand why employees would leave or why they continue to stay.

“Promoting and challenging high performers can help them feel invested in the long-term success of an organization. With skilled talent at a premium, it may require a different approach with engaging high performers to expand past their current roles. It could be that a move within the organization will provide the career development and change of pace they would be seeking elsewhere.”

—Kristie Haase, SPHR, SHRM-SCP,
Employee Engagement Survey Director

Fig.6

Turnover Rate Trends for High Performers



TURNOVER AT A GLANCE

Trend of Top Reasons for Turnover by Employee Group

Fig. 7



Executive

	2018	2020	2021
Retirement	30%	42%	34%
For a similar job at another employer	16%	17%	21%
Due to performance	30%	18%	16%



Managerial, Supervisory, & Professional

	2018	2020	2021
For a similar job at another employer	46%	43%	46%
Retirement	34%	40%	39%
Due to performance	37%	30%	29%



Office & Technical

	2018	2020	2021
For a similar job at another employer	43%	34%	39%
Retirement	30%	34%	32%
Career change	30%	27%	32%



Production, Maintenance, Service, & Trades

	2018	2020	2021
For a similar job at another employer	45%	40%	47%
Due to attendance	50%	45%	45%
More salary/better benefits	31%	30%	44%



REASONS FOR **TURNOVER**

With the competition for talent on the rise, retention has become a larger focus for staffing strategists. Over the last year, organizations were less likely to terminate employees (involuntary turnover). Likely this is due to the needs of consistent headcounts and management of the 11% increase in voluntary turnover.

No matter if the employee voluntarily or involuntarily left, knowing the root cause of why an employee left can help an organization take the necessary steps to fix or prevent issues that may be changeable. In return, this can help extend the average employee tenure.

The primary drivers to why employees are leaving—in no particular order—as cited by organizations (*Fig. 7*):

- More salary/better benefits
- For a similar job at another employer
- Career change
- Retirement
- Due to performance

TURNOVER AT A GLANCE

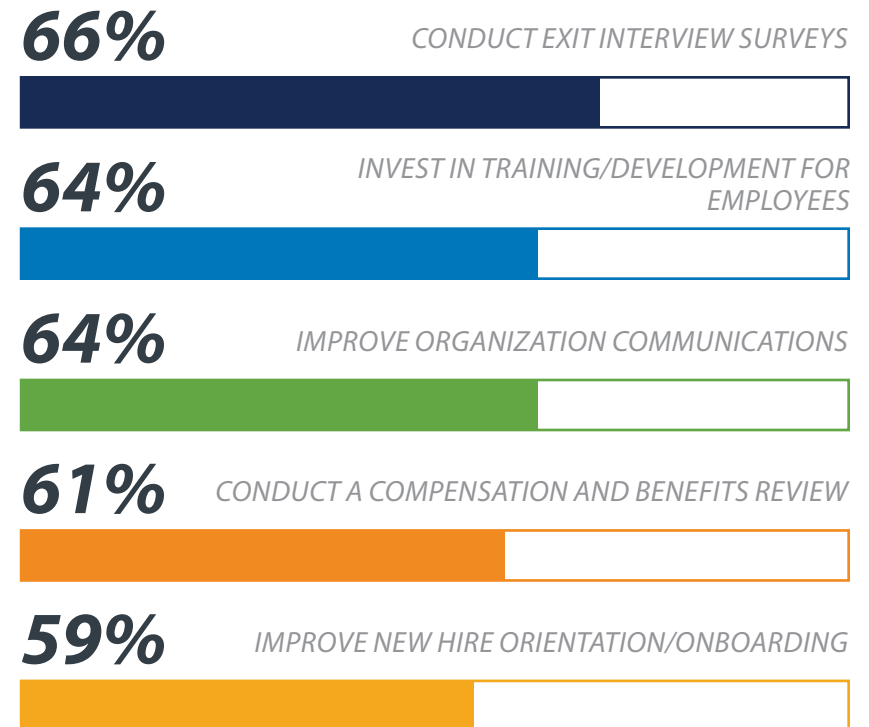
ACTIONS TO REDUCE **TURNOVER**

There are many actions that organizations can take to counteract the potential impact of increased employee turnover. Exit interviews were the top action employers took in 2021 to help reduce future turnover (*Fig. 8*). Exit interview surveys can provide helpful insights to key reasons employees are leaving the organization. These questions could vary from organizational culture to management. Exit interviews will not provide every reason someone is leaving an organization. Organizations should focus on asking the questions that can provide actionable information. If you are unsure where to start, please see [Exit Interview Questions](#) on our website.

Showing that an organization is invested in the growth of their employees often is seen as a key satisfaction driver. Many organizations invested in training and development for their employees last year and increase retention (*Fig. 8*). Working on an employee's career and soft skills doesn't necessarily mean putting them back in the classroom. Managers should also ask their employee's what they need for their current job, what tools would be helpful to them to improve their work, and what can they do to help them grow professionally. Training leaders to take the time to communicate clearly to their employees and establish good relationships with them can be impactful.

Actions Organization Are Taking in 2022 to Reduce Turnover

Fig. 8



CHALLENGES **CONTINUE**

There is no shock at the collected statistics of this year's turnover study. It has been a challenging year of employee management and talent acquisition. While employee turnover remains as a concern, the business outlook of the economy and revenue growth suggests that organizations are succeeding despite the talent management challenges.

It is important to remember that employee turnover is a natural part of an organization's operations whether it is voluntary or involuntary. All turnover is worthy of investigation and analysis. Utilizing exit interviews when an employee leaves can be opportunity for an organization to grow and improve. It can be used as a time to evaluate employees, ensuring compensation and benefits plans are in alignment with the organizational culture, and improve upon communication to its employees.

Retention strategies can help affect turnover and are worthy investment for an organization to understand their employees. Targeting and focusing on the satisfaction and investment of high performers will have the greatest effect for the effort. Focusing on the development of employee careers, satisfaction of job positions, and strong company cultures will help prevent current employees from looking at alternatives.



RELY ON **US**

Have questions on the data? Contact the Survey Department at 800.488.4845 ext. 3508 or email us at Surveys@mrnet.org.

Want to talk it out? Call our HR Hotline 24/7 at 866-HR-Hotline (866.474.6854) to get the conversation going or email us at InfoNow@mrnet.org.



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