



Turnover: Your Highest Unaccounted Expense

-Mark Haeussler, CEO

If we truly accounted for the cost of turnover, we would be outraged.

Credible studies estimate the cost of professional turnover at 50% to 225% of annual salary. We do not pause and consider all the monetary impacts, including lost productivity, hiring, onboarding, training, disengagement, reduced customer loyalty, reduced staff loyalty, loss of risk-taking because of uncertainty, and the wear and tear on others managing the slack until a replacement is hired and productive. From my experience ranging from recruitment to turning around cultures, I have no doubt about these seemingly outrageous figures.

As leaders ascend in organizations, their previous hard-skill knowledge and how to *do* things becomes less important, and the need for building a future and engaging others becomes the primary role. Wielded well, leadership has a tremendous multiplying effect on others.



“He was a good boss, but a little strict.
Kick his briefcase down, too.”

From a recruitment standpoint, I can tell you with confidence that people leave leaders and not jobs, and that the good leaders are the first to go out looking when encountering a disengaging boss or culture.

Good leaders, or good enough leaders, are fairly common, but the great leaders that attract talent, enroll people toward goals, wield emotional intelligence effectively, and adapt their style to make others feel important, are the ones who keep the great talent and leverage the financial expenditures of their organizations. As someone who once led over 300 people, I saw, firsthand, how investment in training and development was key in smashing turnover and improving the bottom line.