

# 5 Causes of Employee Turnover and Effective Ways To Reduce It!

The days of an employee working for a company for several years seem to be a thing of the past. It is uncommon for an employee to remain at a company for more than five years. Based on a survey from the Bureau of Labor Statistics (BLS), tenure varies by age and the workforce landscape. The results report that the “Median employee tenure was generally higher among older workers than younger ones. For example, the median tenure of workers ages 55 to 64 [was 10.4 years] in January 2014, [which] was more than three times that of workers ages 25 to 34 years [averaging a tenure of 3.0 years].” Although companies cannot fully prevent employee turnover, they can take steps to reduce it while increasing employee engagement. First, let’s look at five frequent reasons people leave a company or job.

## 1. Boredom

The employees in today’s workforce want to develop themselves into the best that they can be. They want to expand and polish their skills, abilities, and experiences. Employees who feel restrained or get bored will eventually start looking outside of the organization to fulfill their advancement needs. This boredom is also a result of poor job fit and can be avoided using effective recruitment and hiring processes.

## 2. Inadequate Salary and Benefits

According to the BLS survey, about 15 percent of participants left because of money. Employees expect to be paid market rate, and if they feel underpaid by industry comparison, they will start looking for employment elsewhere. Also, with rising healthcare costs, benefits are extremely important. Lack of benefits or subpar benefits can also drive an employee away.

## 3. Lack of Recognition

A lack of recognition is reportedly the main reason 25 percent of employees leave their jobs. Not only do employees

want monetary compensation for the job they are doing, but they also want recognition for doing that job well. When an employee starts to feel like his or her efforts are going unnoticed, he or she may become less productive or move on to another company in hopes of receiving more recognition. There are countless ways to give recognition within your organization. If the organization is thinking of developing leadership, think of a leadership assessment like CheckPoint 360° as a way to recognize employees and what they do well while also identifying development areas for improvement.

## 4. Limited Advancement Opportunities

This is a big one! Whether it is professional or personal advancement opportunities, 20 percent of employees leave their jobs because they feel that there is not enough opportunity for advancement within the company or department. After being overlooked for a period of time, an employee sees his or her duties as redundant and, more likely than not, will start looking for a new job.

## 5. Unhappy with Management

Based on the BLS survey results, 30 percent of the respondents said they didn’t quit their job—they quit their manager. As the saying goes, “People leave people, not jobs.” The employee-manager relationship is one of, if not the most, important relationships within an organization. Employees can’t seem to find the door fast enough when they have to deal with poor management or leadership.

It is important for managers and employees to communicate because management must know the cause of the issue before they can come up with a solution. Knowing the causes of employee turnover is pertinent if a company wants to develop a strategy that will entice employees to stay long-term.

Email our team at [MCaspole@AssessmentSpecialists.com](mailto:MCaspole@AssessmentSpecialists.com) to learn more.

