

Transforming Financial Operations to Account for Increased Employee Turnover

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IN APRIL 2021, 2.7% OF ALL EMPLOYEES LEFT THEIR JOBS, THE HIGHEST VOLUNTARY TURNOVER IN MORE THAN 20 YEARS

SOURCE: BUREAU OF LABOR STATISTICS, JUNE 2021

Despite the uncertainty of the market and the high unemployment rate, employees are quitting their jobs more than ever to pursue better salaries, more fulfilling careers, and less demanding responsibilities. Many companies are designating taskforces and enacting efforts such as creating a positive, healthy work environment to reduce turnover. Now more than ever, organizations need to understand how to operate more efficiently through times of high turnover and enable employee success through empowerment.

Some ways your company can minimize the impacts of high turnover:

Align Financial Planning & Analysis (FP&A) to achieve company goals

- **Human Capital FP&A** | Rethink planning and analysis to gain deeper insights into the financial impacts of employee turnover and build justification for recruiting, retention, and benefits programs.
- **What-If Scenarios** | Conduct what-if analyses on employee turnover to ensure operational and financial goals can be met in a tightening labor market.
- **Real-Time Reports** | Institute continuous reporting on operations, resourcing, and financial KPIs so that hiring personnel can quickly act to ensure organizational stability.

Plan to maintain company productivity despite employee changes

- **Standardized Policies** | Harden employee roles and responsibilities through robust and clear policies and procedures, ensuring continuity across promotions and turnover.
- **Contingency Plan** | Maintain cash and resource reserves to preserve company stability throughout periods of increased turnover and operational difficulties.
- **Organization Buy-In** | Align stakeholders and company leadership with high-level strategic objectives, resource targets, cash reserve plan, and other needs required to stabilize business performance.

Revitalize the workforce to modernize and accelerate business

- **Learning & Development** | Maintain robust internal and external training curriculums to develop the next generation of company leaders and cultivate a wide range of in-demand skills that benefit both the employer and employee.
- **Personalized Career Paths** | Prioritize career development for all employees, providing them with opportunities to expand and deepen their expertise while allowing them to pursue their interests.
- **Encourage Company-wide Initiatives** | Empower employees to understand different parts of the business through rotation programs, allowing them promote collaboration and establish common ground.

While high turnover may be unavoidable, organizations should be proactive in mitigating the impact of employee departures.

For more information about our Financial Transformation services, please contact our practice leaders: Michael Wong at Michael.Wong@DayBlink.com or Phillip Carrington at Phillip.Carrington@DayBlink.com