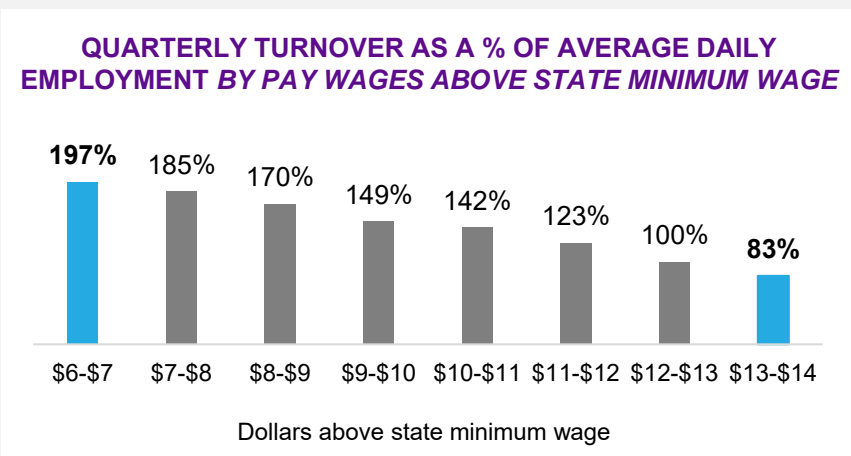


TURNOVER AND WAGES: AS ONE GOES UP, THE OTHER GOES DOWN.

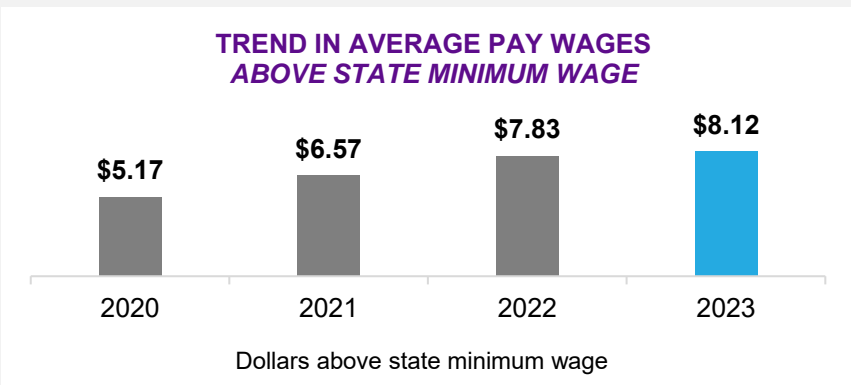
If you've been following our reports, you've noticed a theme since the end of 2022: increased job seeker optimism and contentment surrounding pay. The tight labor market over the last few years forced employers to be more wage-competitive, driving average pay rates up and removing pay as the no. 1 reason today's job seekers turn down or quit their jobs. And while it may be true that recruitment and retention no longer hinge on pay alone, our data show wages remain a control point for turnover.

HOW DO YOUR WAGES COMPARE TO STATE MINIMUM WAGE?

When looking at assignment data of our associates, there is a clear correlation between pay and turnover: The higher the pay above state minimum wage, the lower the turnover. This tells us that if starting pay is not adequate, it will always overshadow any and all other offerings. If you're struggling with high turnover, it's worth evaluating where your pay rate stands compared to your state's minimum wage and when you last increased your rates.



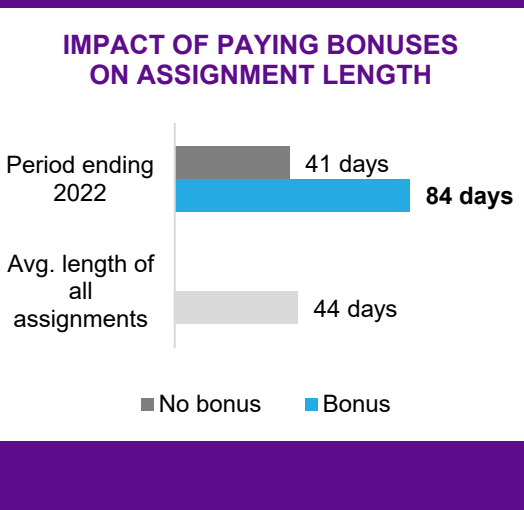
If you haven't increased your rates in the last three years, you've undoubtedly fallen behind market pace. Today, 75% of our assignments pay at least \$6 above state minimum wage, and over 25% pay more than \$10 above state minimum wage. If your starting pay is lagging the market and you're hovering near state minimum wage, consider a pay increase as the antidote to your turnover.



EMPLOYEE BONUSES: REDUCE TURNOVER WHILE MAINTAINING FINANCIAL FLEXIBILITY

As we approach the season of holiday hiring sprees and planning for 2024 hiring needs, now's a great time to reevaluate your bonus pay strategy (or lack thereof).

View more on offering bonuses as a retention strategy [HERE](#).



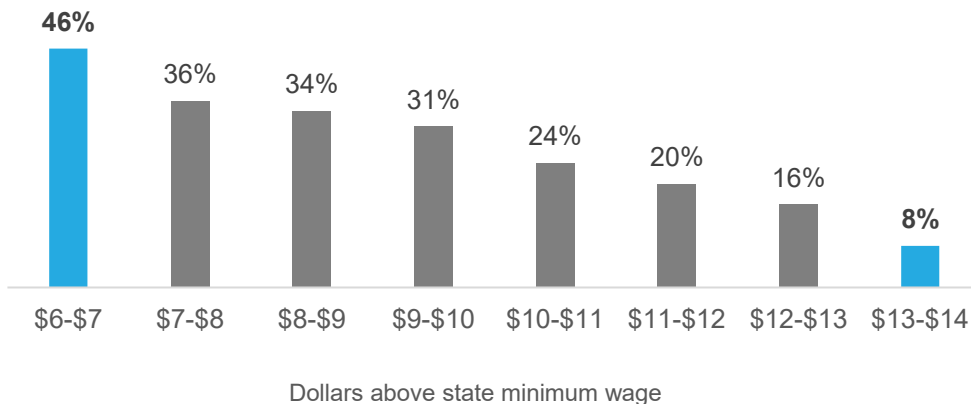
TURNOVER AND WAGES: AS ONE GOES UP, THE OTHER GOES DOWN.

GHOSTING BECOMES LESS PREVALENT WITH HIGHER WAGES

One of the most crippling types of turnover is job abandonment, or ghosting. It causes repeat hiring and training costs, workload adjustments, and production downtime or delays. As it turns out, ghosting also decreases as pay rates climb above state minimum wage. Approximately 1 in 2 associates will ghost their assignment at pay rates \$6-\$7 above state minimum wage. Whereas approximately only 1 in 10 associates will ghost their assignment at pay rates \$13-\$14 over state minimum wage.

Is your starting pay contributing to your ghosting issues?

**GHOSTING AS A % OF AVERAGE DAILY EMPLOYMENT
BY PAY WAGES ABOVE STATE MINIMUM WAGE**



CONCLUSION

The takeaway? A competitive pay strategy will always be the foundation of a successful retention strategy. A strong starting wage coupled with employee bonuses or aptly timed pay raises can help you decrease turnover and increase retention.

View more of our publications at [ElwoodThinks.com](https://www.ElwoodThinks.com)



This publication is proprietary and intended for informational purposes only. It does not, and is not intended to, constitute legal advice. You should contact an attorney to obtain advice with respect to any particular issue.