



Retail Employee Turnover Up as Black Friday and Holiday Shopping Season Nears, According to Korn Ferry Hay Group Survey of Top U.S. Retailers

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-Retailers See a Nearly Two-Thirds Turnover in Hourly Store Employees, Highest Churn Rate Since Before the Great Recession-

LOS ANGELES--(BUSINESS WIRE)--Nov. 16, 2016-- There will be more unfamiliar faces working at your favorite retail outlets this upcoming holiday, according to a survey of top retailers conducted by the Hay Group division of [Korn Ferry](#) (NYSE:KFY) in advance of the holiday shopping season.

The survey included responses from HR and compensation professionals at 66 retail organizations, representing more than \$75 billion in annual revenue.

Nearly 40 percent of respondents (38 percent) said they've seen an increase in employee turnover since the beginning of 2016. The survey also finds that of all retail positions, hourly store employees have the highest turnover rate, with a 65 percent rate in 2016. That's an increase from 57 percent in 2015.

When considering retail distribution centers, the overall turnover rate in 2016 was 23 percent, compared to 21 percent in 2015.

While retail corporate positions saw the lowest turnover rates in the industry, the percentage was higher in 2016 (18 percent) than 2015 (15 percent).

"We haven't seen retail turnover rates this high since before the great recession," said Craig Rowley, Korn Ferry Hay Group Senior Partner, Retail and Consumer. "Decreasing unemployment rates make competition greater, and as retail sales rise, retailers are hiring more people and increasing starting salary rates to lure employees away from their competitors."

Of the positions that had the highest turnover, respondents cited "better opportunities / promotions" as the No. 1 reason for departures, followed by more money and a desire for a move/geographic change.

When asked for what retailers will be looking to do to curb turnover moving forward, "career pathing" and "training" were cited as the top focus areas, followed by "better communications on the employee value proposition" and "compensation packages."

"Today's retail industry is full of opportunity for people who are willing to work hard and who enjoy working with customers," said Rowley. "To retain top employees, employers need to lay out a clear career path, as well as offer training to stay ahead of today's omni-channel options, such as helping fulfill customer orders online. It's critical that employees feel nurtured and that they feel part of the organization instead of just having a job."

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