

Return on Employee Investment EXPLAINED

Employees are the most important component in the quest to improve your business results. The investments you make in your workforce should yield a healthy return and positively affect the bottom line.

Companies that take a strategic approach to talent management see

40%
LOWER
turnover

2X
THE REVENUE
per employee

38%
HIGHER
engagement¹

The cost of replacing one employee can add up.

The cost to replace one employee:

20-213%
of his or her
annual
SALARY

BOTTOM LINE
The cost to the company:

\$10K
or more

(20% of \$50,000 salary=\$10,000)²

What's so great about engagement?



Higher customer satisfaction

70% of engaged employees understand customer needs; only **17%** of disengaged employees understand them³



Stronger financial performance

3.4 times stronger, to be exact⁴



Better growth rates

28% growth in earnings-per-share, vs. **9.4%** growth rate decline⁵



Superior safety

62% more accidents for low-engaged organizations⁶

Organizations that invest in integrated talent management suites see a **270%** higher ROI.⁷

To learn how to increase your Return on Employee Investment (ROEI) please visit: www.ROEI.COM

¹ <http://www.bersin.com/blog/post/2012/01/The-Business-Case-for-Talent-Management-Steve-Ballmer-Agrees.aspx>

² Suzanne Lucas, "How much does it cost companies to lose employees?" <http://www.cbsnews.com/news/how-much-does-it-cost-companies-to-lose-employees>, CBS, "Money Watch", November 2012.

³ Bruce Rayton, University of Bath, School of Management, "Engage for Success: The Evidence," 2012, p.5.

⁴ Castellano, William, "A New Framework of Employee Engagement," Center for Human Resource Strategy at Rutgers University.

⁵ James Harter, Sangeeta Agrawal, Stephanie Plowman, Jim Asplund, "Employee Engagement and Earnings Per Share: A Longitudinal Study," Gallup Consulting, 2010, p.1.

⁶ J.K. Harter, F.L. Schmidt, E.A. Killham, J.W. Asplund, "Q12® Meta-Analysis," Gallup Consulting, 2012, p.36.

⁷ Erik Berggren and Keith Messick, "Moving Mountains," a SuccessFactors Research Whitepaper, 2009.