



# The Retention Equation

## How Benefits Keep Your Best Employees from Leaving

### The Cost of Turnover vs. Investing in Better Benefits

*Replacing an individual employee can cost between 50% to 200% of their annual salary.<sup>1</sup>*



#### Turnover Cost

Lost productivity  
Recruitment expenses  
Training costs  
Disrupted team dynamics



#### Benefits Cost

Comprehensive health coverage  
Wellness programs  
Paid family leave  
Mental health resources



## What Employees Look for in Benefits

80%

### Health Insurance

Comprehensive coverage for themselves and family.<sup>2</sup>

76%

### Work-Life Balance

Flexible schedules, remote work, paid leave.<sup>3</sup>

73%

### Retirement Planning

Competitive 401(k) match.<sup>2</sup>

68%

### Mental Health Support

Therapy, wellness apps, mental health days.<sup>4</sup>

60%

### Professional Growth

Tuition, certifications, and development opportunities.<sup>5</sup>

## How Strong Benefits Drive Retention



Employees Feel Valued



Higher Job Satisfaction



Longer Employee Tenure



Improved Productivity

*Compensation and benefits drive 30% of retention actions.<sup>6</sup>*

## Strategies to Prevent Costly Turnover



Conduct employee surveys to identify benefit priorities



Offer tiered benefits that align with employee tenure or performance



Provide flexible benefits packages to meet diverse needs



Invest in mental health programs and wellness incentives



Communicate benefit value clearly and consistently to staff



**Selected Benefits, Inc.**

1. <https://www.indeed.com/hire/c/info/estimating-cost-of-higher-turnover>  
2. <https://www.shrm.org/executive-network/insights/future-of-talent-retention-report-why-employees-leave>  
3. <https://hubstaff.com/blog/work-life-balance-statistics/>  
4. <https://hrxecutive.com/how-many-employees-are-looking-for-workplaces-with-mental-health-support/>  
5. <https://blog.clearcompany.com/27-surprising-employee-development-statistics-you-dont-know>  
6. <https://www.gallup.com/workplace/646538/employee-turnover-preventable-often-ignored.aspx>