

MAXIMIZE THE RETURN ON EMPLOYEE INVESTMENT



Summary: *The return on investment in employees can set a company off in the right direction towards even greater success.*

Employees are what keep a company functioning. Without them, a company is guaranteed to fail. Having the right employees ensures that a company not only keeps functioning but is successful as well. Investing in your workforce will always pay off and some of the biggest companies understand this idea.

What Does It Actually Cost to Hire a New Employee?

When a company invests in its employees, they see on average a 40 percent lower turnover and 38 percent higher engagement. Those employees also bring in double the revenue compared to companies that are not investing in their employees.

Corporate leaders try to keep up employee morale

The cost of replacing an employee ranges from 30 to 400 percent of their annual salary. For an employee that makes \$17 an hour, this averages around \$10,500. Compare this huge financial hit to the average of every \$1 invested in an employee yields \$10 in profit. That is a big difference in the right direction.

Ways to Boost Office Morale

Imagine the continued benefits of investing in employees to increase productivity and profitability. Manager of the CRF Institute Samantha Crous has said, "Consider the loss of training, and the manpower and time it takes to develop the necessary skills in a new employee, or the loss of morale when a team member leaves. But enhancing employer branding does more than save money. It also serves to boost the alignment between the employer brand and the consumer brand, which, by influencing both performance and reputation, can have a positive impact on the bottom line."

Source: http://www.huffingtonpost.com/2012/05/24/return-on-employee-investment_n_1539762.html?

Photo: forbes.com