Visier Insights™ Brief:
COVID-19 Employee Turnover and Hiring Trends
The COVID-19 pandemic has forced us all to rethink how we approach business as usual. This research brief examines the impact of this crisis on employee turnover and hiring, uncovering surprising results that show the differences between employer and employee reactions to the pandemic.
Voluntary and involuntary turnover is shifting dramatically.

Since March 11, when the World Health Organization (WHO) declared COVID-19 a pandemic, Visier data has shown strong variability in the turnover rate across organizations. The magnitude of the impact of COVID-19 is best understood when compared with data from 2019. As Figure 1 shows, while for the first week of April we observe a slight increase in overall employee turnover, there has been a drop of 45% in overall employee turnover in the second week of April. Looking at both employee resignations and involuntary turnover better illustrates the underlying causes for the change in employee turnover.

Figure 1: Overall employee turnover has dropped sharply in the second week of April 2020. This graph shows the change in turnover rate, comparing 2020 to 2019.
Not all employees are staying put.

Resignation rates reveal how employees are reacting to this pandemic. Based on the data, a decline in resignation rates begins in mid-February and for the second week of April, there is a 54% decrease in overall resignations compared to 2019.

However, resignations haven’t fallen to zero: The annualized resignation rate based on the second week of April remains at 7%. This means employers should still be prepared for voluntary exits during this pandemic and plan accordingly.

Figure 2: Employee resignations have halved since the COVID-19 pandemic was declared, compared to 2019. This graph shows the change in resignation rate, comparing 2020 to 2019.
Figure 3: While many organizations are trying to mitigate the impact of COVID-19 by controlling their budgets, some companies are holding onto their workforce. This graph shows the change in involuntary turnover rate, comparing 2020 to 2019.

Not all employers are doing a reduction in force.

Involuntary turnover compared to 2019 is up, but upon looking closer at the same time period in April 2020, the data shows sharp volatility in the numbers. During the first week of April 2020, there was a 107% increase in involuntary turnover compared to 2019, followed by a 29% decrease the second week of April 2020.

By measuring the variance of the involuntary turnover rate between organizations (not shown), the data reveals that some companies are making quick and decisive reductions, while others are holding back for now.
Hiring has slowed, but not gone away.

Organizations are also looking to reduce spend by freezing hiring. There is a 22% reduction in hiring in the second week of April 2020 compared to the same time period in 2019.

However, hiring hasn’t stopped completely—for the first part of April we observe that the annualized hiring rate remains at around 22%.
Summary

While the rate and volume of employee turnover and hiring has changed, these activities haven’t stopped in the midst of the pandemic. There is still opportunity flowing in and around the market and employers should leverage their people data to make better decisions during this time.

Compassionate and data-driven people leaders are critical throughout all stages of any crisis. Coming out of any crisis situation, the most important question will be whether the business still has the trust and confidence of their workforce.

Forward-thinking HR leaders have found ways to ask the right questions about business impacts and automatically get on-the-spot answers with people analytics. They aren’t just getting rows of numbers—they’re getting strategic insight into what is really going on with skills, roles, safety, costs, and employee sentiment. This way, they can focus on what matters most: Ensuring employee safety and business continuity amidst this pandemic.
Resources

Visier is committed to helping organizations react, respond, and recover from the COVID-19 pandemic. To assist with data-driven decisions for crisis management and workforce planning, we are providing curated COVID-19 data and analytic content to our customers using Visier People, the market leading solution for people analytics and workforce planning.

We are also making our curated global COVID-19 case data, which is transparently consolidated from many primary and secondary sources, publicly available via GitHub:

github.com/VisierSolutionsInc/VisierCOVID19CaseData

Crisis management resources and virtual open forums for data-driven leaders are available at:

visier.com/crisis-management/

If you’d like to learn how other industry leaders are making a difference with people analytics, we invite you to join Outsmart, our global digital summit, on June 3–4:

visier.com/outsmart

Visier Methodology

At the core of Visier Insights reports is Visier’s unique database of anonymized, standardized workforce data. For this report we targeted a broad range of employers, leveraging a subset of Visier’s customer database, which included over six million employee records from more than 70 large companies.

Companies included in this report represent a wide range of industries, including Healthcare, Technology, Financial Services and Insurance, Energy, and Manufacturing. For each of the included companies, Visier ensured a high degree of confidence in both data availability and quality for the topics and time period being covered by the report.
About Visier

Visier’s purpose is to help people see the truth and create a better future—now.

Visier was founded to focus on what matters to business people: answering the right questions, even the ones a person might not know to ask. Questions that shape business strategy, provide the impetus for taking action, and drive better business results.

Visier delivers fast, clear people insight by using all the available people data—regardless of source. With best-practice expertise built-in, decision-makers can confidently take action. Thanks to our amazing customers, Visier is the market leader in Workforce Analytics with 5,000 customers in 75 countries around the world.

For more information, visit visier.com
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