

The Billion-Dollar Breaking Point:

Failing Workforce Communication Leaves Majority of U.S. Employees Wanting to Quit

Effective company communication is perceived as an employee benefit by the U.S. workforce. And it's reducing attrition for organizations that get it right.



INTRODUCTION

At a time of economic uncertainty and record unemployment, a shocking number of U.S. employees are stressed, unhappy, and ready to quit.

According to its Annual State of Employee Communication and Engagement Study, Dynamic Signal found that **80 percent** of the U.S. workforce reports feeling stressed because of ineffective company communication, a **30 percent** jump from just one year ago. Also, **63 percent** say that they are ready to quit their jobs, and **70 percent** feel overwhelmed because of broken communication methods and fragmented information.

EMPLOYEE STRESS INDEX

Workforce Stress Is on the Rise –
80 percent of the U.S. Workforce is Suffering:

Ineffective employee communication and siloed information are causing an increase in job stress for most of the U.S. workforce.

80%

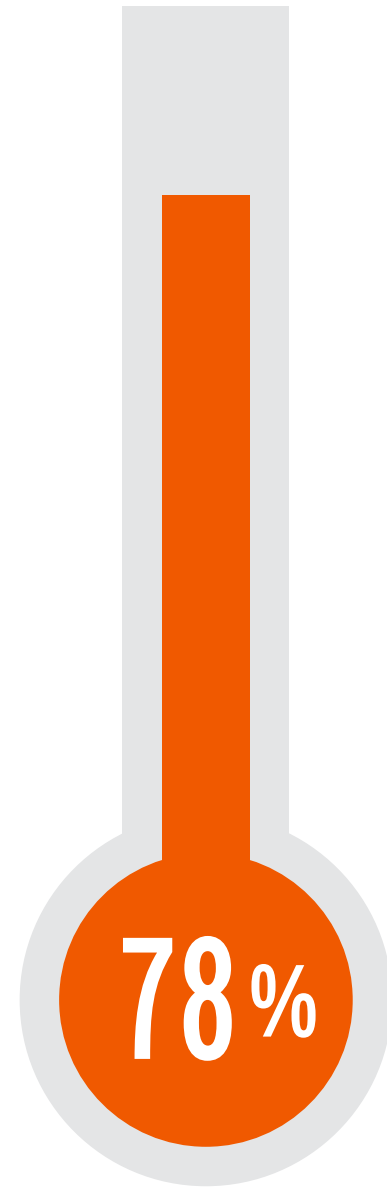
of employees report feeling stressed out due to poor company communication– a **30 percent** increase since 2018

63%

of employees are considering quitting as a result of poor communication – up from **34 percent** in 2018

60%

of employees feel unhappy in their jobs because of ineffective communication at work



FUELING THE CRISIS

Companies aren't prioritizing Employee Communication and Engagement: **78 percent** of employees said it should be a higher priority for their current employer

TOP THREE COMMUNICATION STRESSORS FOR EMPLOYEES:

1

Ineffective
and incorrect use
of communication tools

58%

2

Company doesn't send
enough communication

43%

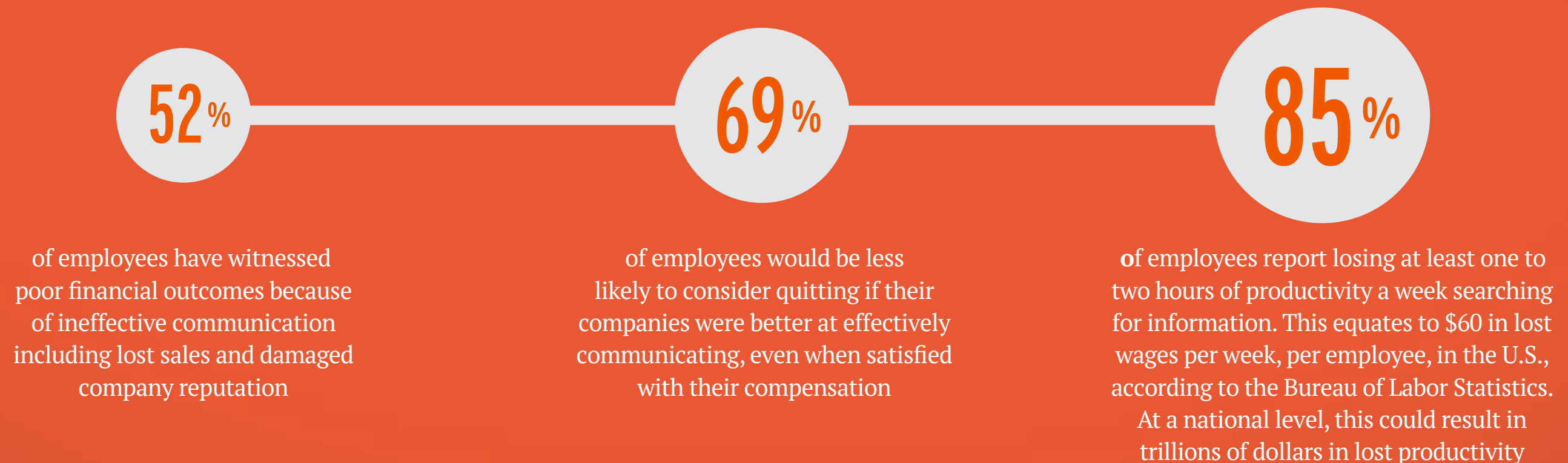
3

Don't know where to find
the information they need to
do their work

36%

The Potential Financial Exposure from Poor Employee Communication and Engagement is Immense:

*On average, a Fortune 500 company is exposed to nearly **\$1.2 billion** in turnover costs as a result of poor communication*



Understanding the Cost:

33%

Studies suggest that every time a business replaces a salaried employee, it costs one-third of that employee's annual compensation¹

\$24k

Based on an average salary at a Fortune 500 company of approximately \$73,000 per year, it costs roughly \$24,000 to replace an employee²



\$1.2 billion

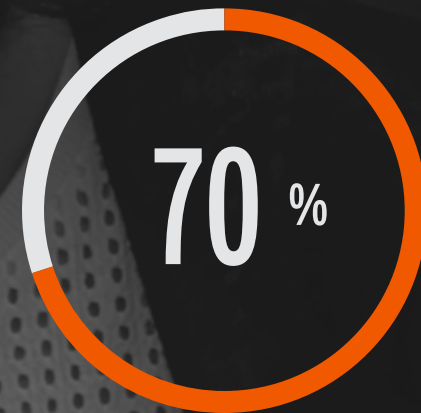
With the average Fortune 500 company employing 52,810 employees, this equates to more than 1.2 billion in potential economic loss



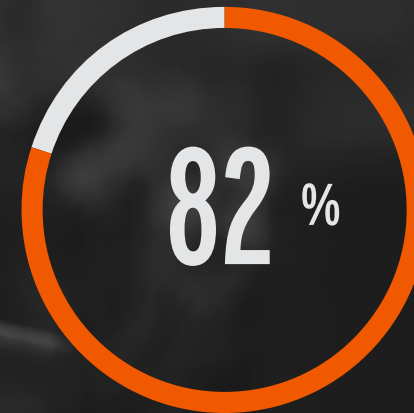
CONFIDENCE IN LEADERSHIP IS LACKING:

60 percent of employees report that they wouldn't confidently advise keeping their CEO because of the poor company communication they've experienced

Warning Signs that Ineffective Communication Leads to Uninspired Employees:



of employees feel overwhelmed by inefficient communication



of employees said they would be more likely to be an advocate for their organization if their company communicated with them more effectively

36%



INEFFECTIVE COMPANY COMMUNICATION IS DANGEROUS

36 percent of employees report having been in an unsafe situation because of poor communication

EMPLOYEES RESPOND WHEN COMPANY COMMUNICATION MAKES THEM FEEL VALUED AND ENGAGED

Care more about work

+73%

Go above and beyond their duties

+67%

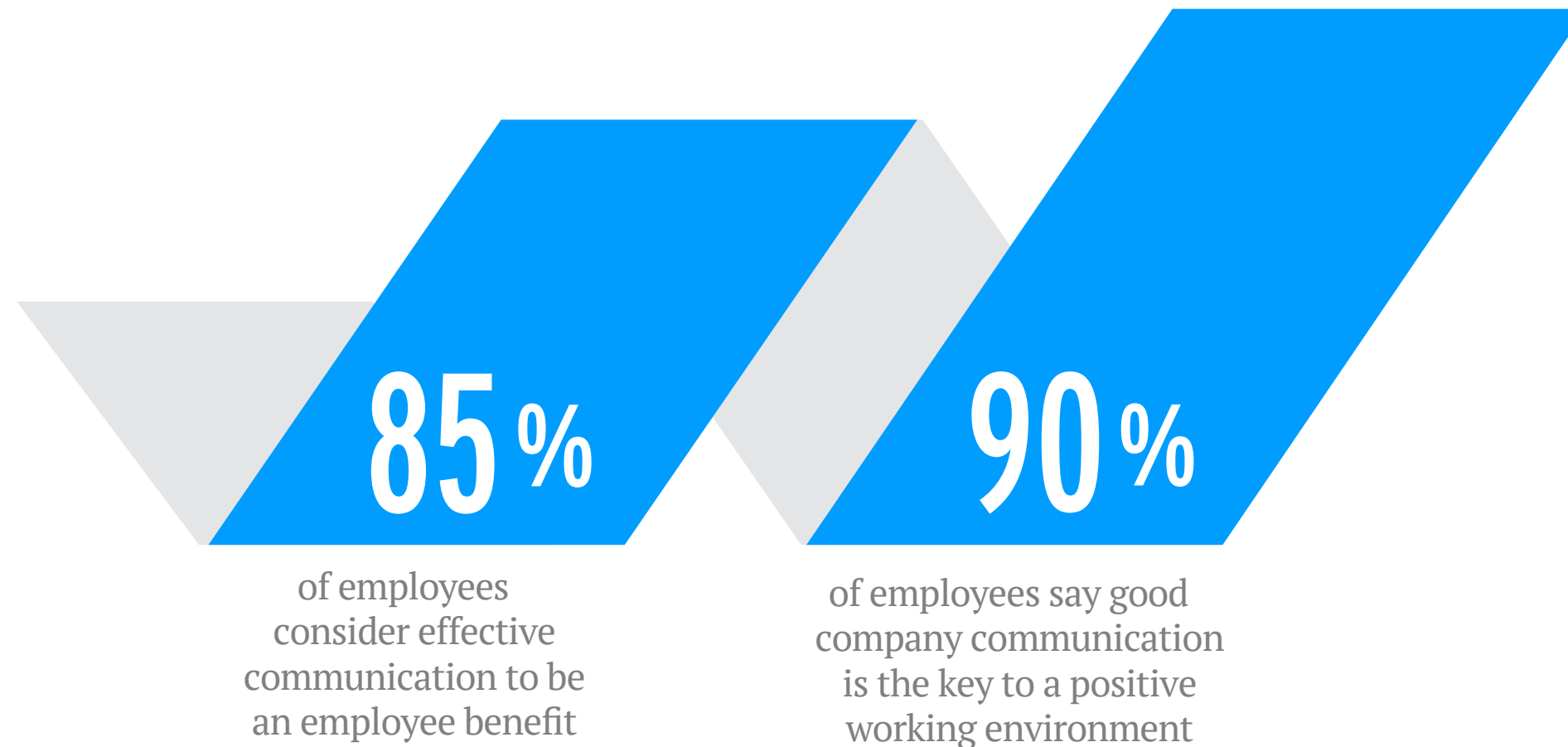
Engage more with their teams

+71%

*Gallup concurs. Organizations with higher employee engagement see **24 percent** greater worker retention, **21 percent** higher profitability, and **17 percent** more productivity, according to the 2017 “State of the American Workplace” report.*



Effective Employee Communication and Engagement Is an Employee Benefit



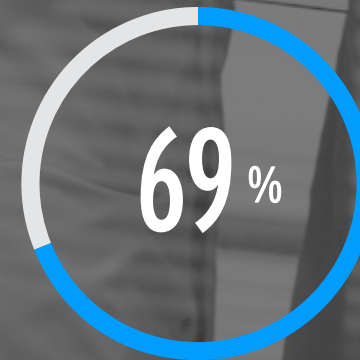
THE GREAT DIVIDE: OFFICE VERSUS DESKLESS EMPLOYEES

Dynamic Signal also investigated the sentiment of deskless workers when dealing with a communication imbalance

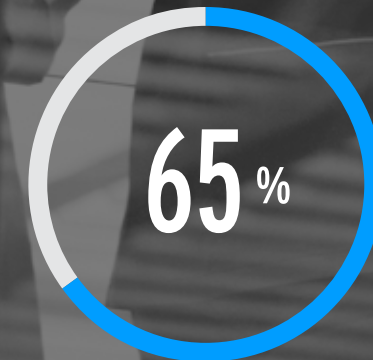
THE BILLION-DOLLAR BREAKING POINT

4X

Employees were approximately four times more likely to note their company communicated to office employees more effectively than to deskless employees



69 percent would be less likely to quit, even with less compensation, if employee communication was better



65 percent of deskless employees say the communication imbalance affects their company's financial performance

METHODOLOGY

This study was commissioned by Dynamic Signal and conducted by the independent market and advertising research firm Survata. Survata interviewed 1,001 online respondents between January 31, 2019, and February 12, 2019. For further information, visit www.survata.com/methodology.

Footnote 1: 2018 Work Institute report says 33% of annual salary, <http://info.workinstitute.com/retentionreport2018>

Footnote 2: Average Fortune 500 salary is \$73k: <https://www.simplyhired.com/salaries-kfortune-500-jobs.html>



Dynamic Signal is the leading Employee Communication and Engagement Platform, connecting organizations with their most valued asset - their employees. Hundreds of companies across every business sector, including more than 30 percent of the Fortune 100, increase brand equity, reduce risk and grow their businesses using Dynamic Signal to securely deliver personalized, timely information to millions of employees around the world, on the channels and devices they prefer.

Learn more at www.dynamicsignal.com