



ONDEMAND PAY

# Buyer's Guide

Boost Retention & Engagement





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## Turnover Is Shattering Records

One in four workers quit jobs in 2021 (Visier). **Businesses that employ hourly workers have been hit the hardest**, with many employees jumping ship for higher wages or seeking a career change. While economists point to a healthy labor market and new opportunities for the workforce, there's no silver lining for employers struggling to keep up with turnover costs and business disruptions.



89%

of U.S. workers are willing to reskill for a new job.

Source: SHRM



\$4,800

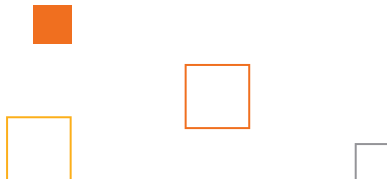
The average cost to replace one employee earning less than \$30,000/year is 16% of their annual salary.

Source: CAP



## Turnover Is Everywhere, but These Industries Are Feeling the Most Pain

**Quick-serve restaurants suffer the highest turnover rates (nearly 150%) of any industry—that’s an average of \$150,000 lost per business each year.** (CNBC) The pandemic only accelerated turnover across healthcare, as burnout and challenging work environments forced many nurses and staff to quit. The national average turnover rate for registered nurses is 17%, year over year, and job growth is only expected to rise by 15% in the next five years. (Bureau of Labor Statistics) The same is true for manufacturers, many of whom didn’t have the luxury of working remotely during the pandemic. **Long hours, new workplace regulations and increased uncertainty and anxiety contributed to more separations.**





\$5,864

The average cost to replace one employee in the restaurant industry.

Source: Center for Hospitality Research

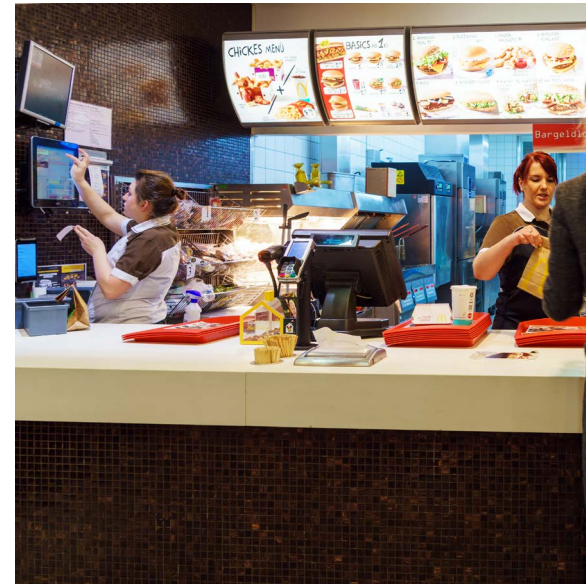
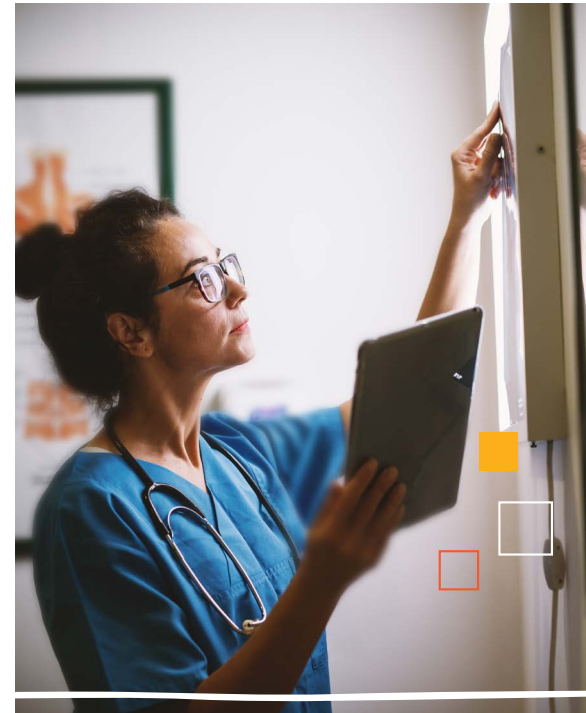
57%

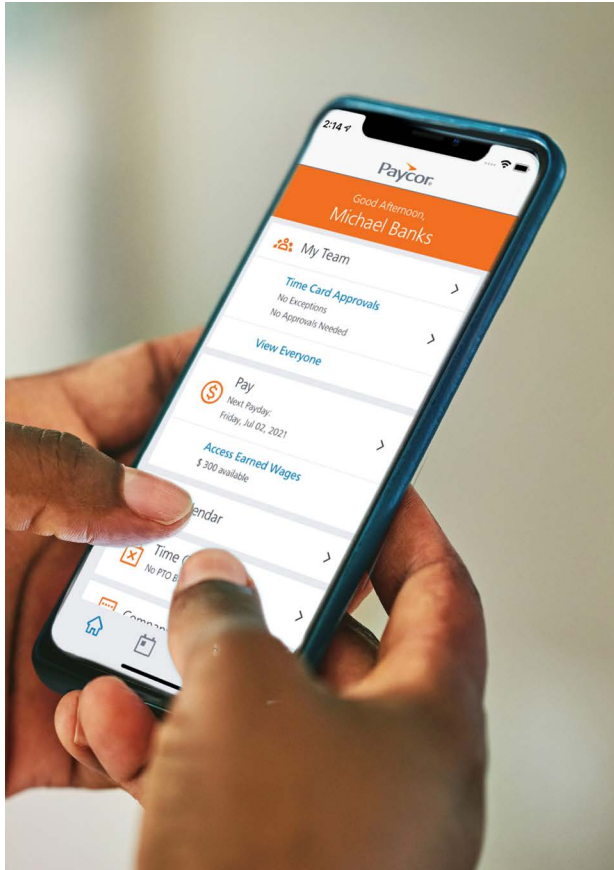
of healthcare graduates will leave during their second year of practice.

Source: My American Nurse

The reality is blue-collar jobs that require manual labor and a physical presence offer less freedoms than other roles where remote work and more flexibility is the norm. **Bottom line: business owners and HR leaders with hourly workers must find creative ways to attract talent and keep high performers engaged during these turbulent times.**

In this guide, we will explore how leaders can use Paycor's OnDemand Pay to help employees minimize financial stress with flexible pay options.





100 Million

U.S. workers live paycheck to paycheck.

Source: Forbes

## Flexibility Matters

Paycor's OnDemand Pay was built for HR leaders in the restaurant, long-term care and manufacturing industries looking to decrease turnover and offer employees more flexible pay options. With OnDemand Pay, employees can access their wages when they want, budget for expenses and receive free access to financial education.

### Discover the Key Benefits



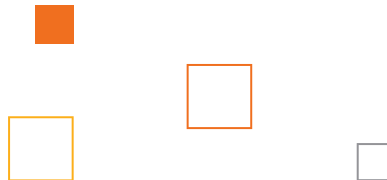
1. Increase employee satisfaction



2. Improve retention rates



3. Enhance productivity





Increase Employee  
*Satisfaction*



## Increase Employee Satisfaction

With so much volatility across the job market, employees are facing more financial pressures than ever before. And more than ever, workers are turning to their employer for support to help alleviate the increased stress. **A Prudential survey found that nearly 80% of workers want their employer to provide benefits that directly impact their financial wellbeing.** To some, that may mean better resources for mental health and wellness and to others, it's financial counseling.

71%

of employees suffer from financial stress.

Source: PayActiv

40%

Roughly 40% of Americans cannot afford to cover a \$400 financial emergency with savings.

Source: Federal Reserve

## How Paycor Helps

OnDemand Pay provides free financial counseling and learning resources to address an employee's short-term and long-term needs.







Improve Retention Rates





## Improve Retention Rates

Workers are on the move. A recent CNBC report found that 1 in 4 employees are actively looking for new jobs. Many hourly workers are upskilling to get away from dead-end jobs, seeking new roles with higher wages or looking for new opportunities that prioritize their mental health. **For furloughed or laid off workers, time away from stressful jobs and long hours have opened their eyes to new possibilities. To combat high quit rates, employers must reevaluate how they support employees.**

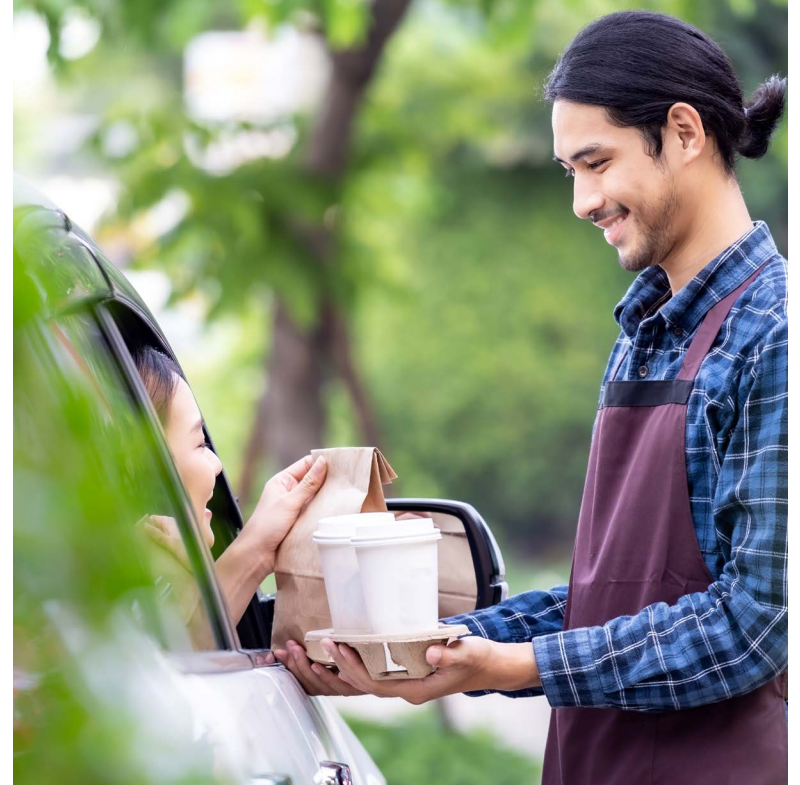


Flexible pay options decrease attrition within 30, 60 and 90 days by 36%, 29% and 24% respectively.

Source: PayActiv

## How Paycor Helps

No two employees are alike, so it's imperative that employers meet the unique needs of an entire workforce. With OnDemand Pay, employees get timely financial aid advice and more control over how they make payments.



Enhance Productivity





## How Paycor Helps

Offer employees more flexible pay options. With OnDemand Pay, workers can easily access earned wages in advance instead of waiting two weeks for a paycheck. That peace of mind is going to positively impact your business, with employees coming to work less stressed out and more engaged and focused on their jobs, their teammates and your customers.



## Enhance Productivity

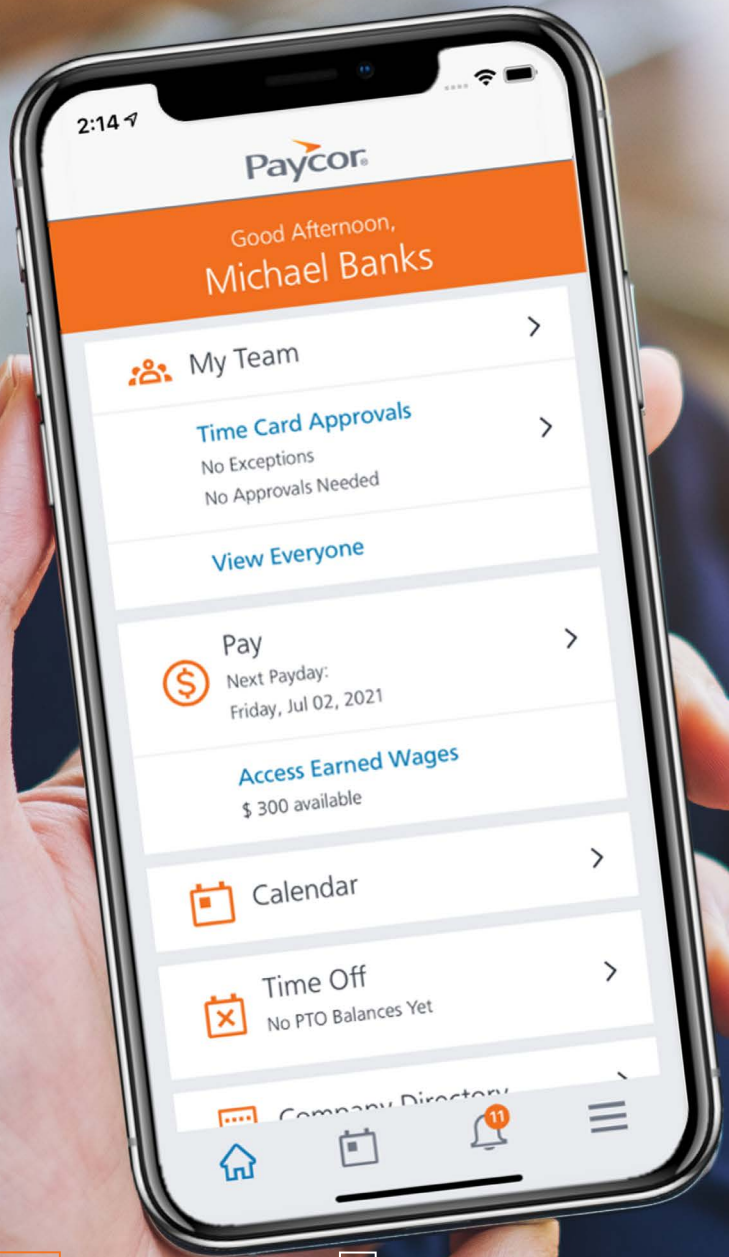
Rent payments, auto loans, medical bills, childcare—with an endless list of expenses hanging over our heads and millions of Americans living paycheck to paycheck, it's tough to make ends meet. Many workers resort to picking up more shifts to earn extra income, but it only complicates matters. **The added stress of juggling schedules can become overwhelming. The result is poor job performance, lack of focus and feelings of isolation.**

### 20+ Hours

Employers lose 20+ hours/month from worker absenteeism and distractions.

Source: Mercer





## Engage and Retain Your Workforce with Paycor's OnDemand Pay

Improve payroll efficiency, save time and money, and give your employees the freedom to access their earned wages any day—for free.

Empower employees to see what they've earned and access funds when they need it.

Make it easy for employees to know at a glance how much they can put into savings, based on upcoming bills and spending patterns.

Provide free access to financial learning articles and appointments with professional financial coaches.

Instead of paying extra for technology that meets your unique needs, we've built OnDemand Pay directly into our payroll solution. It is available for all customers and there is zero cost to employers.



## HR Software For Leaders

Paycor creates Human Capital Management (HCM) software for leaders who want to make a difference. Our HCM platform modernizes every aspect of people management, from recruiting, onboarding and paying associates, to developing and retaining them. But what really sets us apart is our focus on business leaders. For over 30 years, we've been listening to and partnering with leaders, so we know what they need: HR technology that saves time, powerful analytics that provide actionable insights and personalized support. That's why more than 29,000 customers trust Paycor to help them solve problems and achieve their goals.

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