Accountancy firms have long understood that losing valuable members of staff needs to be considered as a key risk to their success. But the actual financial cost of staff turnover has received little attention. According to Oxford Economics commissioned by Unum, the financial impact of staff turnover on accountancy firms is significant.

### Cost of Replacing a Single Employee

- **£39,230**
- **£580m** Annual staff turnover cost based on £25k+ earners in the accountancy sector

### Logistical Costs of Replacing an Employee

- **£4,339** Hiring temp workers before replacement starts
- **£1,057** Management time spent interviewing
- **£207** HR time spent processing the replacement
- **£483** Advertising the new role
- **£544** Agency fees

### Time to Reach Optimum Productivity Level (OPL)

- **32wks**

### Average Time a New Accountancy Employee Takes to Reach their Optimum Productivity Level

**BY WHERE THE EMPLOYEE COMES FROM**

- Employed within industry: 17wks
- Employed outside industry: 39wks
- School leaver: 55wks
- University graduate: 43wks
- Unemployed: 57wks

**BY ACCOUNTANCY FIRM SIZE**

- **1-250 employees** 34wks
- **250+ employees** 30wks

### Annual Staff Turnover Cost

- **£16,240** Retail
- **£21,633** Media
- **£31,808** IT
- **£35,307** Legal
- **£39,887** Retail

### Logistical Costs

- **£4,387** Retail
- **£4,154** Media
- **£4,580** Legal
- **£6,455** IT
- **£6,455** IT

### Retention and efficiency of accounting staff

Accountants take the longest to reach optimum productivity when compared to other industries in this report. It is crucial for accountancy firms to implement strategies to retain their valuable staff and minimize the financial impact of staff turnover.