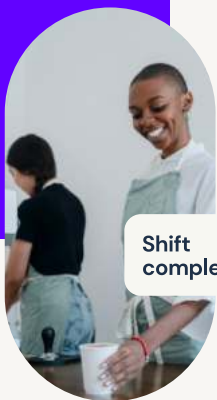
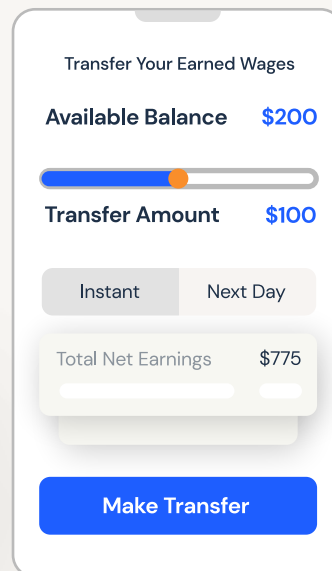
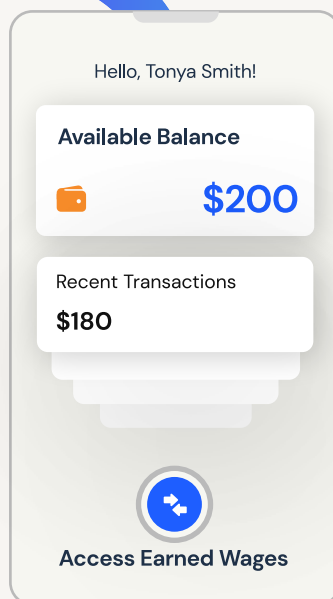


Stop the Revolving Door

Earned Wage Access as a Proven Strategy for
Keeping Your Best Employees



Shift
completed



Your money is on
the way!



The Costly Cycle of Turnover

Employee turnover is a constant strain on business budgets. The national annual turnover rate of 41% is costly enough, but in the leisure and hospitality sector, it's an alarming 79%.¹

In fact, many employees leave within months, sometimes before they're fully trained, leaving companies to foot the bill for constant recruiting and onboarding. With the national average 90-day turnover rate at 13% — spiking up to 26% in some sectors² — the financial drain is undeniable.

Sectors like fast food have it even tougher. The average fast-food employee stays on the job just 110 days.³ That comes to an annual turnover rate between 130% and 150%,⁴ with each departing worker leaving a \$2,000 hole in your profits.⁵ This constant talent drain affects your bottom line and your ability to grow.

Enter earned wage access (EWA). EWA empowers employees with financial flexibility by giving them on-demand access to their earned wages — a benefit proven to reduce turnover.

In this guide, we'll help you calculate how much talent loss costs your business — and how much EWA could save you.

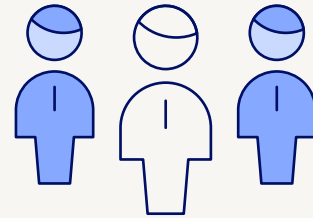
¹ Economic News Release: Job Openings and Labor Turnover, Bureau of Labor Statistics, 2023.

² Saratoga Workforce Index, PwC, 2022.

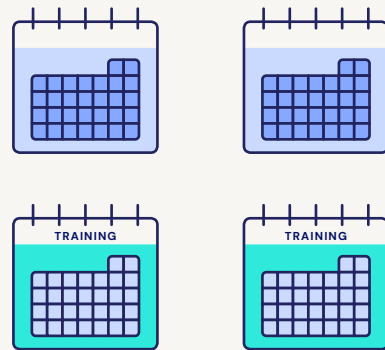
³ Restaurant Turnover Rate, 7shifts, 2022.

^{4,5} Panera is losing nearly 100% of its workers every year as fast-food turnover crisis worsens, CNBC, 2019.

Fast food, fast turnover



The fast food industry sees a 130–150% turnover rate each year. For every one employee that stays, two will quit.



The average employee stays just 110 days, with 1–2 months of that time spent in training.

Retaining Talent in a Changing Economy

The key to reducing turnover might not be what you expect. It's not just about higher salaries or flashy perks, but about offering benefits that resonate with employees' needs and provide meaningful value. Some of the most effective retention strategies are surprisingly simple and affordable. One such solution is earned wage access (EWA).

EWA is especially essential today, when 78% of Americans are living paycheck-to-paycheck.⁶ For hourly workers, the financial picture is even bleaker. A recent Tapcheck survey revealed over half carry credit card debt (51%), and nearly half have only \$2,000 or less in savings (49%).⁷

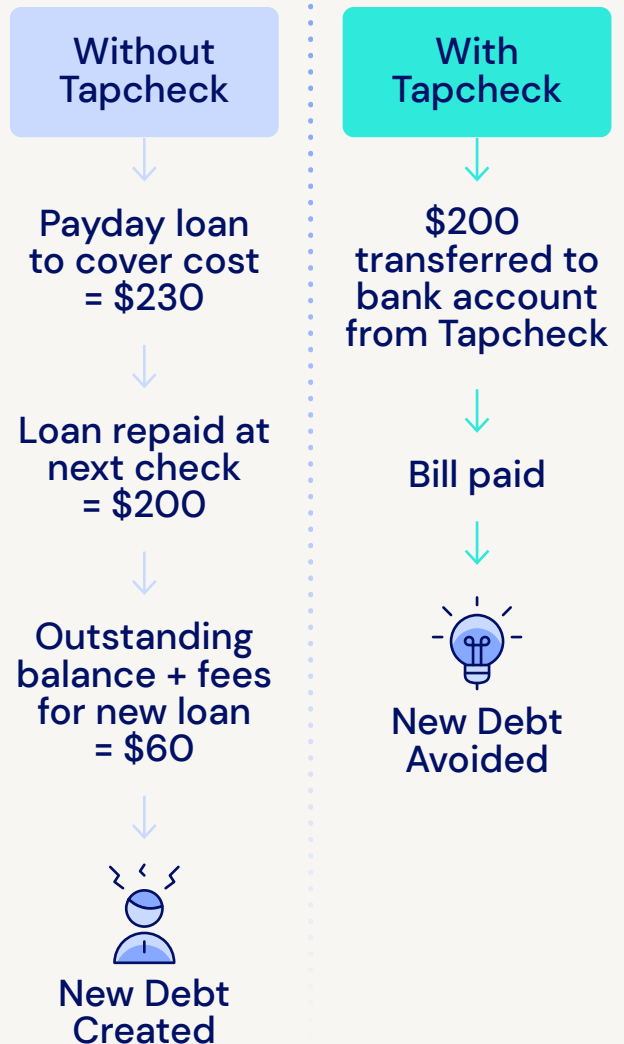
As a result, more than three-quarters (77%) of hourly workers feel the strain between paydays.⁸ This financial juggling act leaves most working-class Americans one unexpected expense away from crisis.

EWA gives employees immediate access to their earned wages, providing financial flexibility to cover unexpected expenses and reduce the stress of living paycheck-to-paycheck.

EWA vs. the payday trap

Financial stress traps employees in a cycle of debt and distraction. EWA breaks this pattern, empowering them to handle unexpected costs.

Two employees need to replace a car alternator for \$200.



⁶ Living Paycheck to Paycheck Statistics 2024, Forbes, 2024.
^{7,8} Tapcheck Q2 2024 Survey, Tapcheck, 2024.

The High Cost of Financial Stress

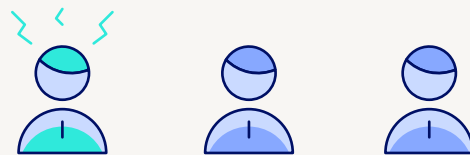
When employees are worried about making ends meet, they can't bring the best version of themselves to work.

One in three (33%) American employees say personal financial stress inhibits their ability to focus on their job, and one in four (25%) say financial stress impacts their productivity or confidence at work.⁹ All told, American employees spend 14 hours a week on average grappling with financial concerns — with over half of that time spent during work hours.¹⁰

For some, the stress is so overwhelming they can't even make it to work, leading to lost productivity and missed opportunities for your business. For example, if a cook calls out sick because they can't afford to fix a flat tire, the absence can cost a restaurant thousands in lost sales and potential overtime pay. And this is simply one example. Studies show that productivity loss in the U.S. due to absenteeism ranges from 22.6% for planned absences to 36.6% for unplanned ones.¹¹

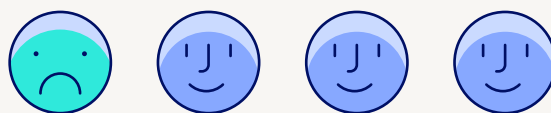
Clearly, financial instability takes a heavy toll on your workforce, making them less focused, less productive, and more likely to miss work. This financial pressure also creates a breeding ground for stress and dissatisfaction, leaving employees feeling trapped and seeking greener pastures. The result? Higher turnover rates that drain your resources and disrupt your business.

Money worries at work



1 of 3

workers can't fully focus on their job due to financial stress¹²



1 of 4

report decreased productivity or confidence because of financial worries¹³



14 hours a week
time spent by the average employee worrying about finances¹⁴

9 10 11 12 13 14 The Future of Workplace Financial Well-Being, SoFi At Work, 2024.

15 Total Financial Impact of Employee Absences in the U.S., Society for Human Resource Management, 2014.

Calculate Your Turnover Costs

The average cost per hire for U.S. businesses is estimated to range from \$2700¹⁵ to \$4700.¹⁶ However, turnover's true cost runs deeper.

For one, each voluntary departure can indirectly cost your company \$690 per remaining employee due to damaged client relationships.¹⁷ Plus, resignations trigger a domino effect, increasing the odds of further departures by 7% to 25%.¹⁸

Factor in onboarding and training expenses, averaging \$4,100 per new hire,¹⁹ and the overall cost of turnover is conservatively estimated to be 20% of an employee's annual salary.²⁰ For some positions, this can balloon to one and a half²¹ to four times²² their yearly pay, significantly impacting your bottom line.

¹⁵ Saratoga Workforce Index, PwC, 2022.

^{16, 22} The Real Costs of Recruitment, Society for Human Resource Management, 2022.

¹⁷ Customer Satisfaction as a Mediator of the Turnover-Performance Relationship, Journal of Organizational Psychology, 2011.

¹⁸ Turnover Contagion Is Real—and the Clock is Ticking, Visier, N.D.

¹⁹ Human Capital Benchmarking Report Infographic, Society for Human Resource Management, 2016.

²⁰ There Are Significant Business Costs to Replacing Employees, Center for American Progress, 2012.

²¹ This Fixable Problem Causes U.S. Businesses \$1 Trillion, Gallup, 2019.

Quick Turnover Cost Estimator



This calculator uses broad data for U.S. employers to give you a ballpark idea of the financial impact of turnover.



Number of Employees Who Left in a Year



Average Number of Employees



0.20



Average Annual Salary



Annual Turnover Cost

Close the Door on Turnover

Today's employees, particularly younger generations, demand financial flexibility. EWA gives them that. In a recent survey, we found that 50% of employees with access to Tapcheck have successfully avoided new debt²³ — including the high-interest rate loans that those squeezed between paychecks often have to resort to.

This in turn boosts employee satisfaction and loyalty. Our survey also showed that 77% of employees see clear value in EWA, and 50% view their employer more positively because of it. EWA even makes your company more attractive to potential hires; 62% of surveyed employees say they're more likely to apply for a job that offers it.²⁴

Q: I'm worried my employees will misuse EWA or become financially irresponsible.

Our data shows that employees primarily use EWA for essential needs like groceries, gas, and bill payments. In fact, 76% of Tapcheck users report using on-demand pay for financial emergencies, not frivolous spending.²⁶ EWA can actually empower your employees to make more responsible financial decisions by helping them avoid costly overdraft fees and predatory loans.

^{23, 25, 26} Tapcheck Q2 2024 Survey, Tapcheck, 2024.
²⁴ Tapcheck Q1 2024 Survey, Tapcheck, 2024.

EWA by the numbers²⁵



Debt Avoided

50%

of employees steer clear of new debt with EWA.



Value Recognized

77%

of employees see the clear benefits of EWA.



Employer Appreciation

50%

of employees have a better opinion of their employer thanks to EWA.



Attracting Talent

62%

of job seekers are more likely to apply when EWA is offered.

The Tapcheck Advantage

The data is clear: EWA is an incredibly popular benefit that can reduce turnover and boost your bottom line. And with Tapcheck, this benefit is easier than ever to implement

It's time to stop asking "Should I offer EWA?" and asking "Why haven't I?" Don't wait to build a stronger team. Start offering EWA today and experience the difference it can make.

Q: I'm already swamped. Is integrating EWA into my payroll system going to be a complex and time-consuming process?

.....

Tapcheck offers seamless integration with over 250 payroll and timekeeping systems. Our no-code integration means you can get up and running within a matter of days, and EWA transactions are automatically reconciled with your payroll system — no extra work required.

Plus, Tapcheck provides top-tier support every step of the way for both you and your team members. From implementation to ongoing management, our dedicated team will make sure everything EWA-related runs smoothly for your business.



Zero cost to employers

Tapcheck is completely free for you to offer.

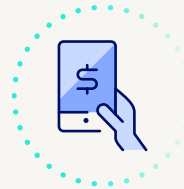
Employees pay a small, flat fee per transfer, similar to an ATM fee.



Easy integration

Get started in minutes, not months.

Our no-code integration connects seamlessly with over 250 payroll and timekeeping systems.



Instant access, 24/7

Employees can transfer their earned wages whenever they need them and receive funds within minutes.



100% online & mobile

Your team can access their earnings whenever they need through our intuitive app or website.





Tapcheck



Your money is on the way!



Tapcheck is the #1 EWA provider for businesses and their employees, bringing the highest precision integration and top-tier customer support to the industry. Tapcheck remains the most accurate, most trusted, and the most committed to financial wellness and empowerment of employees nationwide.

Contact us at sales@tapcheck.com

Further Reading

Enhancing Employee Well-being and Satisfaction with EWA

How On-Demand Pay Transformed Employee Satisfaction at Jiffy Lube

Promote Employee Financial Wellness in the In-Home Care Industry