

Employee Retention Framework: From Risk Assessment to ROI

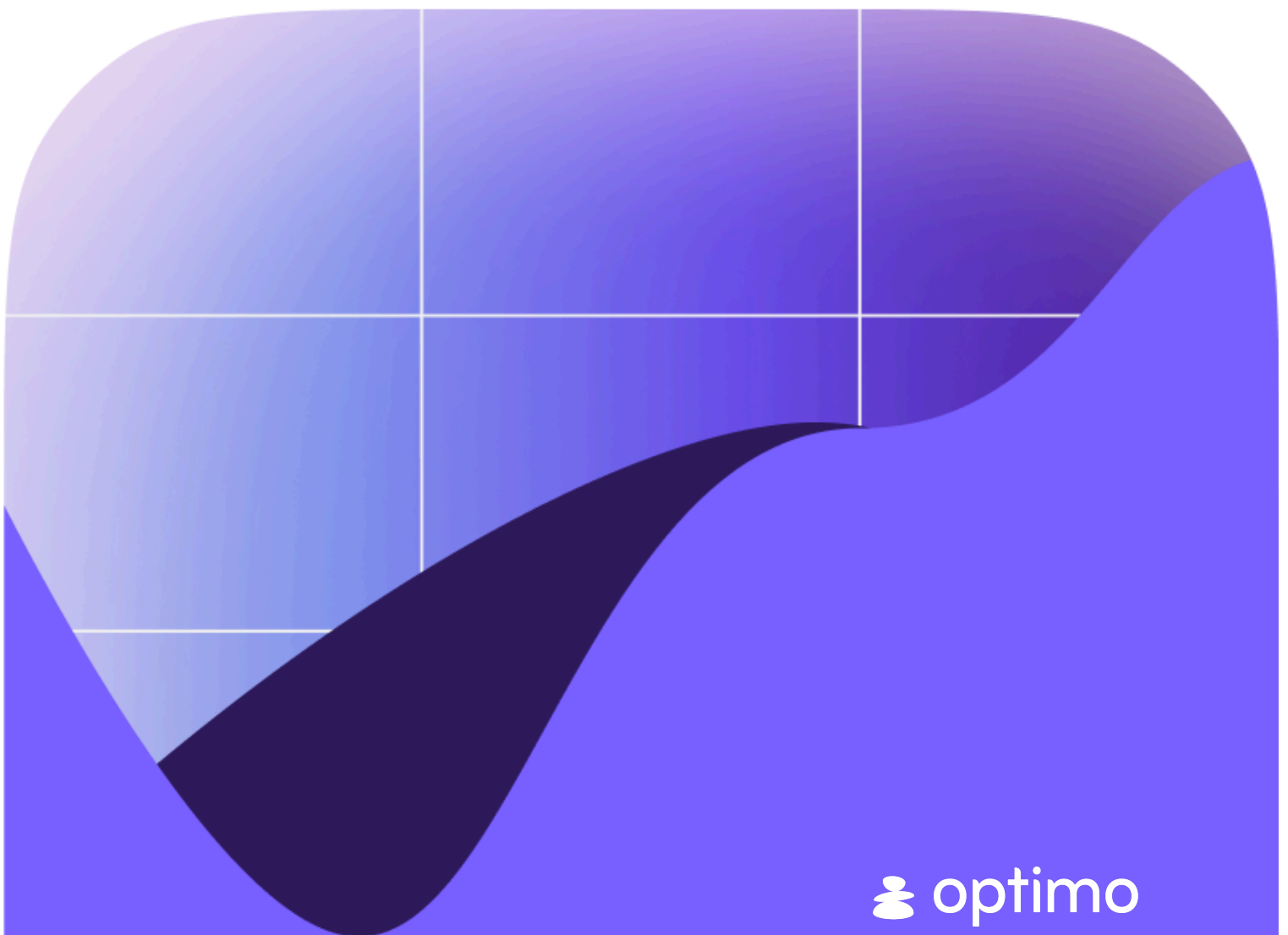


Table of Contents

1	<u>Executive Summary</u>
2	<u>The Real Cost of Regrettable Turnover</u>
3	<u>A Framework to Measure & Manage Retention Risk</u>
4	<u>Why is Optimo Different</u>
5	<u>Optimo in Action: Measurable Impact</u>
6	<u>Calculate Your Retention Risk</u>
7	<u>The Benefits</u>
8	<u>Closing The Loop</u>

Executive Summary

Regrettable turnover isn't just costly, it's often preventable.

Across industries, organizations are losing high-potential employees faster than they can retain or replace them. Managers are operating without visibility. HR is overwhelmed by disconnected systems. And executives are left wondering why the best people keep leaving.

Attrition risk is typically treated as a lagging indicator, only surfaced in exit interviews or annual reviews. By then, the damage is done: lost productivity, stalled growth, declining morale, and major financial waste.

Optimo changes the equation. Our next-generation platform helps organizations anticipate, quantify, and reduce regrettable turnover before it impacts the bottom line. By combining predictive analytics, risk modeling, and action-focused tools, Optimo transforms talent risk into measurable business opportunity.

This white paper outlines the financial stakes of regrettable turnover, offers a practical framework for quantifying risk and cost, and demonstrates how Optimo uniquely empowers organizations to intervene early and decisively.



The Real Cost of Regrettable Turnover

Attrition is more than a people problem, it's a business liability.

According to the [Society for Human Resource Management](#), the cost of losing an employee can range from 50% to 200% of their annual salary, depending on their role and seniority. In Canada, the estimated cost of turnover includes recruiting, onboarding, lost productivity, and impact on morale:

Role type		Estimated Cost of Turnover (CAD)
	Entry-level	\$10,000 – \$25,000
	Mid-level professional	\$30,000 – \$60,000
	Manager/Specialist	\$50,000 – \$100,000
	Executive	\$100,000 – \$250,000+

Beyond direct replacement costs, organizations face hidden expenses: decreased team productivity, knowledge loss, increased workload on remaining staff, and potential client relationship disruption.

A Framework to Measure & Manage Retention Risk

Optimo enables a **three-part approach** to reducing regrettable turnover:



Flag risk before it becomes reality

Identify at-risk employees through predictive analytics and early warning signals before they reach the point of no return.



Quantify the financial exposures

Calculate the true cost of potential turnover across teams, departments, and the entire organization.



Activate the right interventions

Deploy targeted, data-driven retention strategies that address root causes, not just symptoms.

1. Flag Risk Before It Becomes Reality

Optimo surfaces early warning signs that research proves correlate with attrition risks.

It monitors key indicators including:



[Low engagement](#) or **inclusion** scores

Tenure-based risk (e.g., 1–2 years at highest risk)

Low participation in [L&D](#) opportunities

Poor or declining **manager effectiveness**

Underrepresentation in promotions

High **team turnover**

Lack of internal mobility or **growth plans**

Each signal is tracked, scored, and aggregated into an actionable risk dashboard across roles, departments, and employee segments.

2. Quantify the Financial Exposures

With Optimo's *Executive Financial Impact View*, HR and business leaders can model the true cost of inaction. Let's look at the sample risk assessment below:

This financial modeling extends beyond individual teams to provide organization-wide visibility into retention risk exposure, helping leaders prioritize interventions and allocate resources effectively.



Sample Risk Assessment:

Metric		Value
	Employees in team	20
	High-risk employees	5
	Avg. Cost of Turnover	\$45,000 CAD
	Projected Attrition Cost	\$225,000 CAD

3. Activate the Right Interventions

Optimo doesn't just diagnose risk, it activates a response. For every high-risk signal, the platform suggests evidence-based interventions:



Each intervention includes implementation guidance, success metrics, and ROI projections.

Why is Optimo Different

Most HR tools surface data and measure symptoms.

Optimo prescribes solutions, translating workforce signals into clear actions.



Once patterns emerge, Optimo recommends precise, real-time actions to reduce risk and improve retention, no spreadsheets needed.

Built for Financial ROI

Calculate turnover costs, productivity loss, and potential savings automatically. HR no longer needs to "make the case" for people programs - it's already modeled, forecast, & available instantly.

Empowers Managers, not just HR

Put tools directly into managers' hands: dashboards, performance signals, and feedback loops tailored to their teams.

Focuses on High-Potential Talent

Zero in on HiPo retention and career acceleration through development plans, mentoring, and opportunity matching, ensuring that your top talent sees a future with you.

AI-Driven Approach

HRIS integrations and machine learning eliminate manual work while continuously improving predictions and recommendations.

Optimo in Action: Measurable Impact

Optimo’s [product](#) design is anchored in measurable business outcomes:

Business Goal	Target Impact (Year 1)
Reduce Regrettable Turnover	↓ 20%
Improve Manager Effectiveness	↑ 15% (via survey scores)
Boost Employee Engagement	↑ 10% (particularly for HiPos)
Quantify HR Impact	\$ Cost of Turnover savings

These [metrics](#) are monitored continuously in the Executive Dashboard and surfaced in the Financial Impact View for CFOs, CHROs, and other key stakeholders.

Calculate Your Retention Risk

Discover the hidden costs of employee turnover with Optimo's [Retention Risk Calculator](#): a powerful diagnostic tool that provides instant financial impact analysis and ROI projections.

Here's how it works:



Team composition input

Enter your team size and breakdown across role levels: entry-level, mid-level, managers/specialists, senior leaders, and high-potentials.



Risk factor assessment

Identify 8 key retention risks from low engagement scores to limited internal mobility, creating your organization's risk profile.



Financial impact calculation

- Projected annual attrition cost
- High-risk employee percentage
- Average replacement cost by role



Instant ROI projections

See potential savings with targeted retention strategies, including up to 50% attrition reduction and 3.5x average program ROI.



Actionable results

Every calculation ties directly to Optimo's platform capabilities, ensuring a seamless transition from diagnosis to retention strategy implementation.



Every regrettable departure costs your organization over \$100,000. Systems either drive performance, or let it slip through the cracks.

Optimo's **Retention Risk Calculator** helps you understand where misalignment is costing you performance, potential, and people.

Take 5 minutes. Get instant clarity.

[Take the Assessment](#)

Who Benefits from Optimo

From frontline managers to board-level decision makers, each role gets exactly what they need to move culture forward.



HR executives

Unified people data, measurable ROI, strategic insights



High-potential employees

Structured growth pathways, recognition & mentorship programs



People managers

Integrated data sources, root-cause analysis, & predictive insights

87% of millennials say career growth opportunities are very important - [Gallup](#)



HRBP/People analytics

Integrated data, root-cause analysis, predictive insights



CFO/CEO

Financial modeling of people risks and program returns

Closing the Loop on Talent Risk

Regrettable turnover is no longer an inevitable cost of doing business. With Optimo, it becomes a solvable, trackable, and financially-justifiable challenge.

Organizations that shift from reactive HR to proactive retention strategy don't just keep talent, they build momentum, improve performance, and lead with confidence.

Optimo doesn't just track regrettable turnover. It prevents it.

Ready when you are.

Contact us at hello@optimoteams.com

Contact Us

