



RESEARCH HIGHLIGHTS

2025 Priorities for Retail Leaders

Our survey is designed to help retail organizations identify strategic priorities they may want to focus on to drive productivity, build a healthy people strategy, and gear up for growth.

Top Challenges Facing Leaders

(Responses for extremely/very/somewhat challenging)

BUSINESS

1. Economic uncertainty (96%)
2. Staying ahead of the competition (83%)
3. Business growth (76%)

HUMAN RESOURCES

1. Attracting/recruiting talent (60%)
2. Flexible work models (54%)
3. Fostering innovation (51%)

TECHNOLOGY

1. Lack of integration (55%)
2. Scalability/ability for HR system to grow with our company (55%)
3. Employee training on HR tools (54%)

PEOPLE MANAGEMENT

1. Workforce productivity (96%)
2. Employee engagement/retention (94%)
3. Recruiting, hiring and onboarding (90%)

COMPLIANCE

1. Record-keeping and documentation (66%)
2. Terminations (60%)
3. Wage and hour laws (53%)

Impact of Employee Turnover

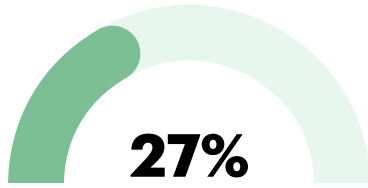
Costs **\$2,686 per employee**, on average

Business outcomes:

1. Training and onboarding costs (43%)
2. Impact on customer relationships (41%)
3. Recruitment costs (39%)

The **#1 employee retention strategy** is **offering flexible work schedules**.

Time & Cost of HR Administration



of leaders spend **more than 10 hours** a week on HR administration tasks.

AVERAGE COST OF TIME SPENT ON HR TASKS

\$89,156

annually

OR

\$1,715

per week

MOST TIME-CONSUMING HR TASKS

Average annual cost

Payroll processing **\$13,938**

People management **\$9,055**

Risk management/managing workers' compensation **\$8,388**

Managing multiple HR systems **\$8,043**

Tracking employee hours worked **\$7,819**

HR Outsourcing Gets Prioritized

59% of retail leaders plan to outsource HR administration in the year ahead.

(Responses for extremely/very/somewhat likely)

TOP TASK TO OUTSOURCE

1. Payroll processing (26%)
2. Managing employee performance (17%)
3. Maintaining regulatory compliance (12%)

EXPECTED RESULTS

1. Fewer mistakes (47%)
2. Increased productivity (39%)
3. Better analytics and reporting (34%)

Get Help with Your Business Challenges

Paychex makes HR brilliantly simple. Contact us to access dedicated HR experience and help solve your biggest HR issues.