

NEWS BRIEF

Provided by: ToughComp

Employee Quits Continue Downward Trend in May From All-time High

The U.S. Bureau of Labor Statistics (BLS) recently released its May [Job Openings and Labor Turnover Summary](#). The number of employee quits continued to fall for the second month in a row; May's reported number of employee quits fell to around 4.3 million, down from 4.4 million in April and from a record high of 4.5 million in March.

The BLS defines "employee quits" as a "voluntary separation initiated by the employee." "Employee quits" is used as a measure of workers' willingness or ability to leave jobs. May marks the 12th consecutive month that more than 4 million workers left their jobs.

Despite the decrease in total employee quits, May's report reveals that the rate of quits changed very little, dropping slightly from 2.9% in April to 2.8% in May. The arts, entertainment and recreation industry saw a slight increase in employee quits.

In addition to the continued high number of employee quits, the number of total job openings fell slightly from 11.4 million on the last day of April to 11.3 million at the end of May. Job openings outnumbered unemployed workers by approximately 5.3 million. The most significant decreases in job openings were in professional business services, durable goods manufacturing and nondurable goods manufacturing.

Other key takeaways from May's report include an unchanged hire rate despite the slight decrease in job openings. Additionally, although the number of layoffs and discharges dropped slightly to 1.4 million, the discharge rate was unchanged at 0.9%.

May's report indicates that employee mobility remains strong as employees continue to leave their jobs voluntarily in very large numbers. Consistent with prior months, May's report indicates that employees are not leaving the workforce entirely but finding new employment.

Employer Takeaway

Even though employee quits have continued to trend down, the number of job openings appear to have stabilized at more than twice as high as pre-pandemic levels. As a result, the demand for workers remains high, and employers continue to struggle retaining employees.

May's report suggests that workers still feel confident enough to switch jobs for better pay or working conditions due to the high number of job openings. Employers have been forced to respond by raising wages and offering competitive benefits to attract talent.

The sustained trend of high numbers of employee quits and job openings likely point to continued talent challenges for employers. As such, employers should continue to monitor employment trends to stay informed on the evolving market.

Contact ToughComp for more resources.