



# IBM Talent Health Check

## Understanding Attrition Drivers

A comprehensive analysis of employee attrition patterns and strategic retention opportunities across IBM's workforce.

A minimalist office setup featuring a white desk against a light pink wall. On the desk sits a purple laptop, a white keyboard, a white mouse, and two small potted plants in white pots. A single vertical line hangs from the top of the wall.

# Executive Summary: The Critical Challenge

16% 1,00... 145

Overall Attrition Rate

1 in 6 employees left the organization

R&D Departures

Highest volume of attrition by department

Sales Executive Exits

Critical loss of client relationships

These metrics signal an urgent need for targeted retention strategies, particularly in R&D and among younger employees with low job satisfaction.

# Workforce Foundation

## Our Baseline

**1,470 total employees** form the foundation of our analysis. With an average tenure of 7.01 years and average age of 36.92 years, IBM maintains a relatively stable, experienced workforce.

This makes high attrition rates particularly concerning—we're losing high-value, experienced employees who represent significant institutional knowledge and client relationships.



Years Tenure



Average Age

# The R&D Crisis

**65.17% of Workforce**

R&D represents the majority of IBM's employee base

**1,000+ Departures**

Two-thirds of all attrition comes from a single department

## Top Performers Leaving

High-performing R&D employees in top rating buckets are exiting

The R&D department's dominance in both headcount and attrition creates a high-volume problem affecting organizational stability. Top talent may be recruited away or inadequately rewarded for their performance.



# Critical Roles at Risk

1

## Sales Executives

**145 departures** with high average tenure

Losing institutional knowledge and vital client relationships that drive revenue growth

2

## Research Scientists

**125 departures** from innovation core

Critical loss of technical expertise and future product development capabilities

3

## Sales Department

Second-highest attrition volume

Compounding the loss of customer-facing talent essential for growth

# Job Satisfaction: The Primary Predictor



## Low Satisfaction Drives Exits

Attrition is significantly higher for employees with low job satisfaction ratings—the most actionable metric for retention.



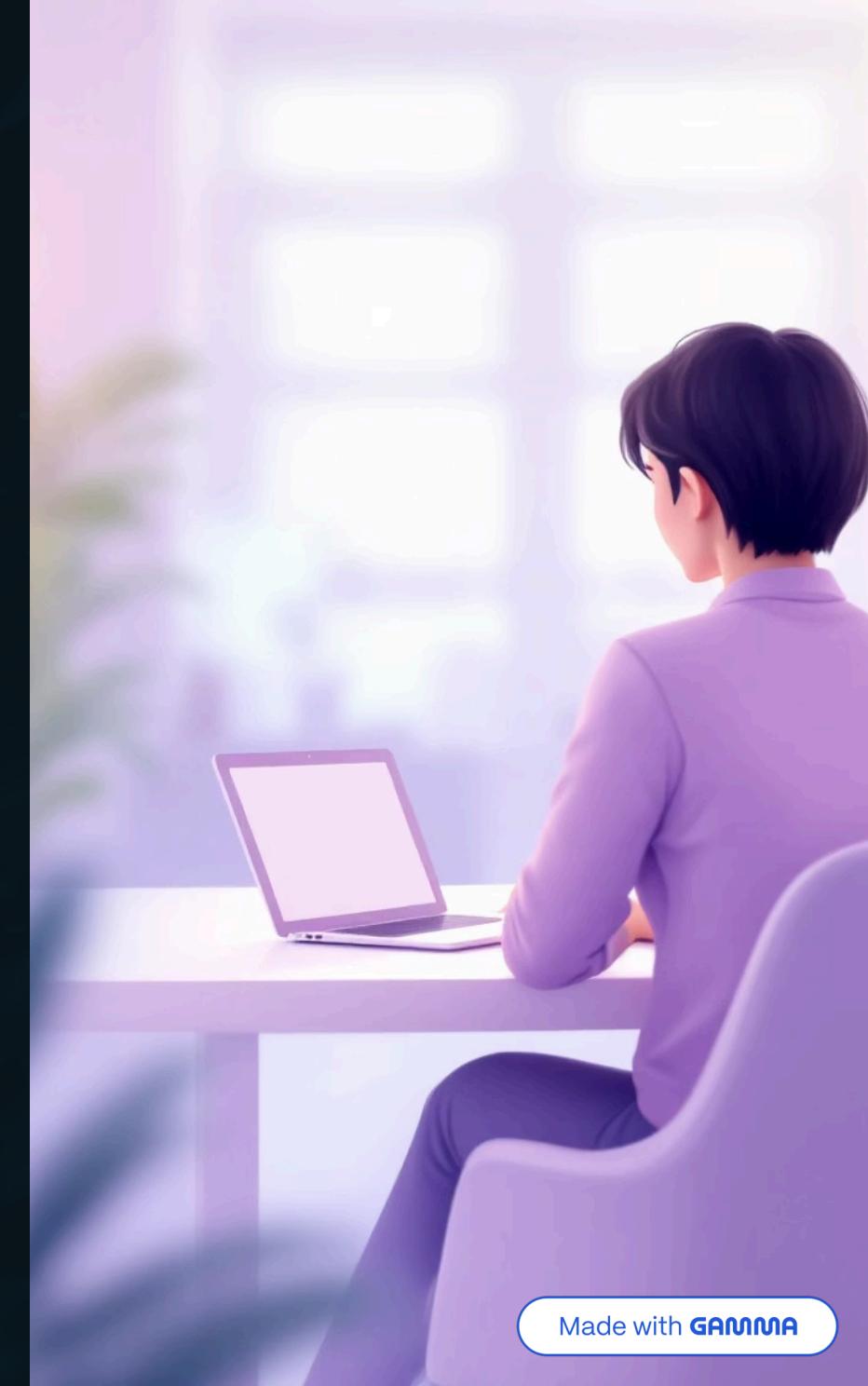
## Work-Life Balance Factor

15.52% of leavers cite poor work-life balance as a contributing factor—a simple retention win opportunity.



## Counter-Intuitive Finding

81.7% of leavers do not work overtime, suggesting structural issues (salary, career path, culture) rather than burnout.



# The Millennial & Gen Z Flight



## Younger Employees at Highest Risk

Younger age brackets show the highest departure volumes, indicating a critical problem retaining early-career talent.

**The Challenge:** New employees need mentorship, fast-tracked development opportunities, and competitive early-career compensation to stay engaged.

**The Opportunity:** Implementing mandatory check-in programs and targeted satisfaction surveys for younger employees could stem this tide.

A large, semi-transparent image of a hand reaching out from the left side of the screen towards a small, glowing yellow orb. The hand has light-colored skin and purple-painted fingernails. The background is a soft, out-of-focus gradient.

# Salary Insecurity



## Lower Income Brackets

Highest departure volume at the lower end of the income spectrum

## Clear Contributor

Low salary is a direct driver of turnover across departments

## High ROI Opportunity

Increasing minimum monthly income for entry/mid-level roles could provide significant retention returns

**Good News:** Attrition is nearly equal between males (16.12%) and females (15.62%), indicating retention efforts should be broad rather than gender-specific.

# Strategic Imperatives for Retention

01

## R&D Retention Program

**Action:** Create an R&D-specific retention task force immediately

**Goal:** Cut R&D attrition rate by 25% within two quarters through culture, compensation, and career pathing improvements

02

## Targeted Satisfaction Intervention

**Action:** Launch Pulse Surveys focused on Job Satisfaction and Work-Life Balance for high-risk roles

**Goal:** Elevate satisfaction scores for employees with less than 5 years tenure

03

## Compensation Review

**Action:** Conduct salary benchmarking for lower income brackets with highest turnover

**Goal:** Propose targeted salary adjustments to mitigate "quit for a raise" phenomenon



# The Path Forward



## Focus on R&D

Address the department driving two-thirds of all attrition



## Improve Satisfaction

Target the primary predictor of employee departures



## Invest in Talent

Competitive compensation for early-career and high-risk roles

By implementing these strategic imperatives, IBM can transform its talent retention challenge into a competitive advantage, preserving institutional knowledge and building a more engaged, stable workforce.