



## RESEARCH HIGHLIGHTS

# 2025 Priorities for Hospitality Leaders

Our survey is designed to help hospitality 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 (86%)
2. Technological change/digital transformation (77%)
3. Managing the supply chain (76%)

### HUMAN RESOURCES

1. Retention (59%)
2. Attracting/recruiting talent (56%)
3. Talent management (52%)

### TECHNOLOGY

1. Data security/employee data privacy (59%)
2. Scalability/ability for HR system to grow with our company (55%)
3. Managing analytics/reporting (54%)

### PEOPLE MANAGEMENT

1. Workforce productivity (96%)
2. Recruiting, hiring, and onboarding (95%)
3. Employee engagement/retention (91%)

### COMPLIANCE

1. Data privacy/protection (67%)
2. Wage and hour (57%)
3. Record-keeping and documentation (55%)

### Impact of Employee Turnover

Costs **\$10,431 per employee**, on average

#### Business outcomes:

1. Disruption of team dynamic (53%)
2. Impact on morale (45%)
3. Workforce stress and burnout (45%)

The #1 employee retention strategy is **increasing pay.**

# Time & Cost of HR Administration



MOST TIME-CONSUMING HR TASKS	
	Average annual cost
Recruiting and onboarding	\$18,818
People management	\$18,618
Tracking employee hours worked	\$15,173
Payroll processing	\$12,630
Maintaining regulatory compliance	\$12,105

## HR Outsourcing Gets Prioritized

**59% of hospitality leaders plan to outsource HR administration in the year ahead.**  
(Responses for extremely/very/somewhat likely)

TOP TASK TO OUTSOURCE	EXPECTED RESULTS
1. Payroll processing (43%)	1. Fewer mistakes (48%)
2. Benefits administration (12%)	2. Increased productivity (41%)
3. Managing employee performance (9%)	3. Reduced costs (39%)

## 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.