



THE CANNABIS BENCHMARKING REPORT

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EXECUTIVE SUMMARY

This report assesses the status of the cannabis industry based on labor headcount growth and turnover as compared to 2018. This inaugural report shows the demand for consistent, reliable workforce data. Wurk will continue to encourage and support cannabis businesses in improving reporting best practices, so we can build robust industry analytics in the future.



TO CANNABIS ADVOCATES EVERYWHERE



“Wurk exists to help underserved businesses **fortify, comply, and thrive** in the face of uncertain regulatory environments. Designed specifically for the cannabis industry, our platform allows employers to protect and streamline their operations, while providing an environment where people are a priority every step of the way. Our intuitive, all-in-one solution automates the most complicated and risk-prone processes associated with hiring, scheduling, and paying employees.”

- Keegan Peterson, Founder & CEO of Wurk



REPORT OVERVIEW

Over 100 cannabis organizations aggregate workforce data from the last five years is included in this report. Compare how your business is performing against industry standards. Identify strengths and potential weaknesses to further position your business in this growing market.



KEY METRICS



Industry Headcount

Workforce headcount is the count of workers entering and exiting your organization. Headcount can be calculated based on different events that can affect your workforce such as new hires, terminations or rehires.



Industry Turnover

Turnover represents the percentage of the workforce that have departed from an organization over a period of time. A stable turnover percentage allows an employer to plan for general replacement efforts, while an irregular spike may indicate a specific problem that needs attention.



REPORT METHODOLOGY

Scope | Data Compliance

Job Title Compliance (% of employee profiles with job title populated) | 26%

Gender Compliance (% of employee profiles with gender populated) | 73%

Ethnicity Compliance (% of employee profiles with ethnicity populated) | 13%

Scope | Transaction

Average Data Time Span | 4.8 years

Number of Line Items | 2,534,619

Number of Payroll Runs | 5,193



101

101 companies
included in this report

154

154 business units
included in this report

33

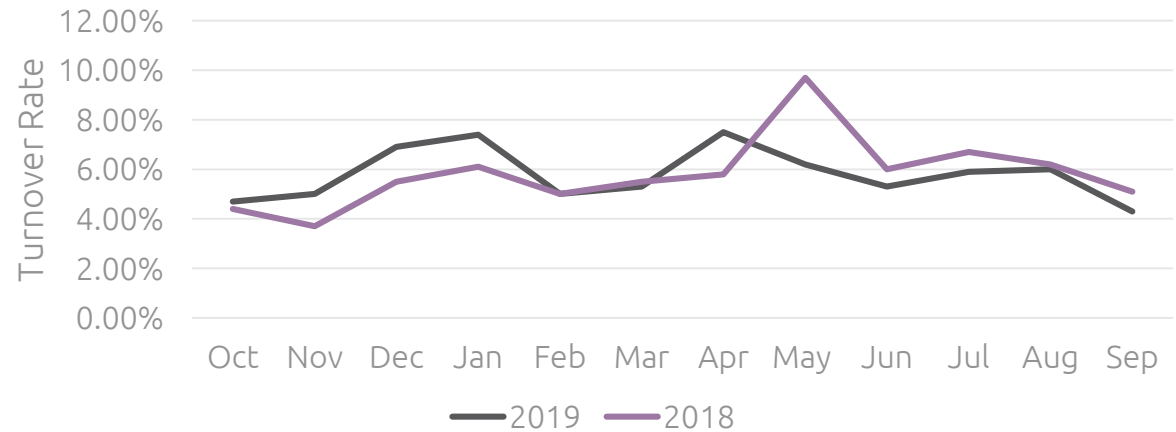
Companies from **33 states** represented in this report



RESULTS | TURNOVER

Team members separating from their employer is a natural part of the employee lifecycle. Turnover can happen for many reasons, both voluntary and involuntary, and can have a costly impact on the organization.

Monthly Turnover Rates | 2018 vs. 2019



3.2%

YTD turnover for 2019 is 3.2% lower than this same time last year.

0.2%

The average monthly turnover in 2019 is 0.2% lower than in 2018.

5.0

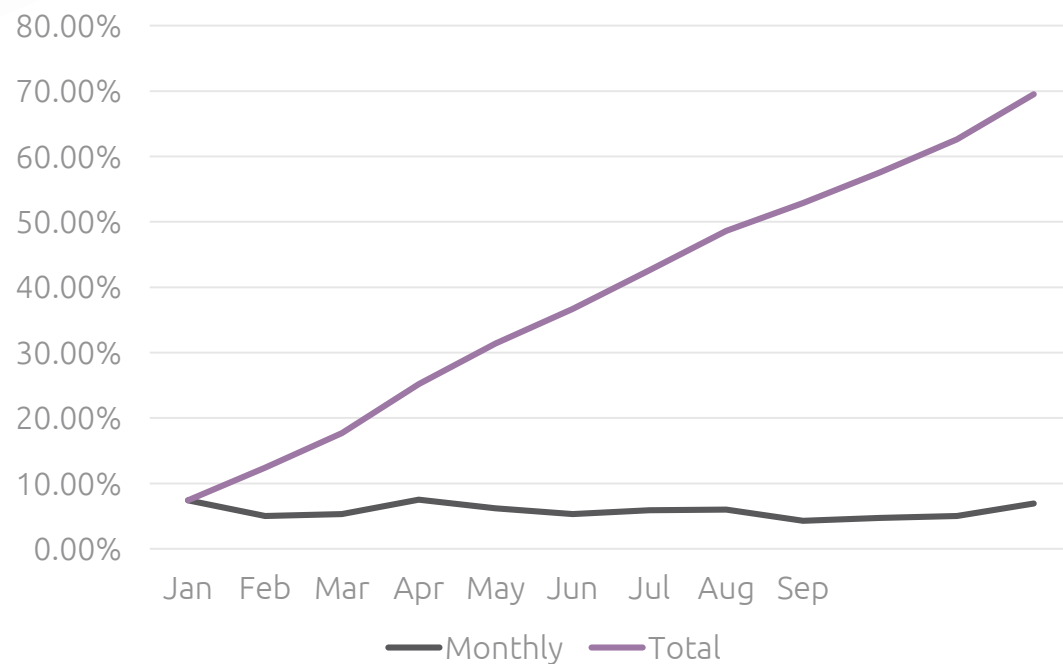
The last 5 months in a row have shown a decrease in turnover vs. the same time period last year.





RESULTS | TURNOVER

Total 2019 Turnover



69%

The total turnover rate for 2019 is projected to be 69.5% in the cannabis industry.

73%

The total turnover rate for 2018 was 72.7% in the cannabis industry.

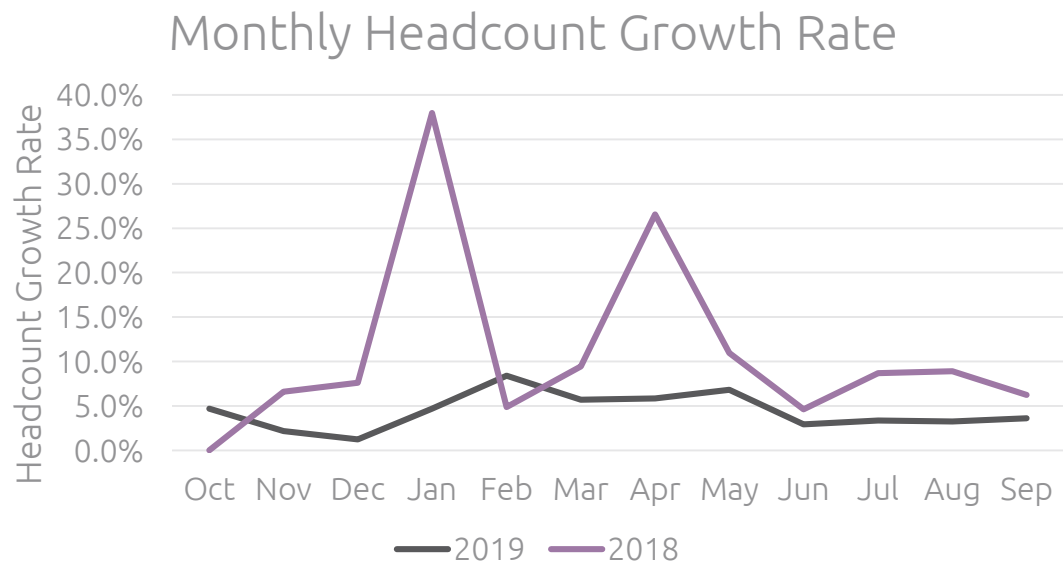
-3.8%

2019 is projected to see a 4% decrease in total annual turnover.



RESULTS | HEADCOUNT

In a growing industry, it can be helpful to see how many jobs are added or removed on a month-by-month basis. This can illustrate the health of the overall industry and how we are growing or constricting.



148%

Headcount has grown by an average of **4.1% per month** for the past 24 months for a net total increase of 148%.

5.0%

The average company headcount has grown by an average of **5.0% per month** in 2019 YTD, which is 8.1% lower than the same period last year.

2.4%

2019 average monthly growth rate is **2.4% slower than 2018**.





WHAT WE'VE LEARNED

Wurk is dedicated to providing industry leading benchmark reports so that you can continue to build your cannabis company by making data-driven decisions and understanding where you compare to industry averages. In order to improve future reports, there are three key objectives. First, we must standardize industry titles and positions. This will ensure accurate salary reporting and benchmarking. Second, we must encourage cannabis companies to make data reporting a priority. Wurk provides streamlined tools to make this process as easy as possible for you. And last, we must continue to engage with the cannabis community to identify challenges and key metrics that will help solve those challenges.

KEY OBJECTIVES



Standardization



Consistent Reporting



Community Insight



FUTURE REPORTS

Release Date

Report Topic

Q4, 2019

Industry Headcount and Turnover

Q1, 2020

Industry Headcount, Turnover, and Overtime

Q1, 2020

Industry Headcount, Turnover, Overtime, Gender, and Diversity

Q2, 2020

Industry Headcount, Turnover, Overtime, Gender, Diversity, and Compensation

Q2, 2020

4/20 Overtime

Q3, 2020

Industry Headcount, Turnover, Overtime, Gender, Diversity, Compensation, and Turnover by Job Title

REPORT DISCLOSURE

Wurk's Disclosure Policy provides extensive details on how we collect and analyze your company's data. Please note that your analyses and calculations are subject to change at any point during the collection of new industry data. Wurk is not responsible for drastic changes in month-to-month industry rankings, as industry data is constantly evolving in this new space.



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CAPITAL MANAGEMENT
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