



LOUISIANA DEPARTMENT OF STATE
CIVIL SERVICE

**Report on Turnover Rates
For
Non – Temporary Classified Employees
FISCAL YEAR 2010/2011**

Prepared for the Joint Legislative Committee on the Budget

FY 10/11 REPORT ON TURNOVER RATES FOR NON-TEMPORARY CLASSIFIED STATE EMPLOYEES

ISSUED: 12/15/2011

SUMMARY OF REQUEST:

Pursuant to the terms of Chapter 28 of Title 42 of the Louisiana Revised Statutes of 1950 (comprised of R.S. 42:1601), the Department of State Civil Service will submit to the Joint Legislative Committee on the Budget on or before December 15th each calendar year the following information:

- 1) *The turnover and turnover rate for each agency and the costs associated with the turnover.*
 - 2) *The five job classifications with the highest turnover rates.*
 - 3) *The five agencies and job classifications for which the cost of turnover is highest.*
-

EXPLANATION OF DATA:

Source: The data presented in this report is based upon an analysis of the number of classified employees serving in non-temporary positions who separated from state service during fiscal year 2010/11, as reported by the employing agencies to the Department of State Civil Service.

Exclusions: The information in this report does NOT reflect the following.

- Separations of unclassified employees
- Separations of temporary classified employees
- Transfers of employees from one state agency to another

Voluntary Turnover: Separations from state service due to resignation, retirement or death.

Involuntary Turnover: Separations from state service through dismissal, layoff, separation during probationary period, or non-disciplinary removal.

Turnover Rates: Turnover rates shown are calculated by comparing the number of non-temporary classified employees in state service on June 30, 2011 to the number of non-temporary classified employees who separated from state service during the previous twelve months.

Cost Estimates: Turnover costs provided in this report are estimates of productivity losses, calculated using the Mathis/Jackson Simplified Turnover Costing Model shown below.

In this model, if a job paid \$20,000 (A) and the benefits cost 40% (B), then the total annual cost for one employee would be \$28,000. Assuming 20 employees quit in one year (C) and it takes three months to become fully productive (D), the calculation in (F) results in a per-person turnover cost of \$3,500. Overall, the annual turnover cost would be \$70,000 for the 20 individuals who left.

Please note that the Mathis/Jackson model estimates cost of turnover based upon **VOLUNTARY SEPARATIONS ONLY**. Estimated turnover costs calculated using this model will vary, depending on the average length of time it takes a new hire to complete training to reach full productivity. Since the requisite training time for different jobs can vary widely, **we have provided two cost estimates; one based upon an average training period of three months and one on an average training period of twelve months.**

Mathis/Jackson Simplified Turnover Costing Model

*Mathis, Robert L. & Jackson, John H. Human Resource Management,
10th Edition, Fig. 3-10, p. 90. U.S.: Southwestern, 2003*

- A. = Typical annual pay for job
- B. = % pay for benefits times (x) annual pay
- C. = Total employee annual cost (A + B)
- D. = Voluntary quits in the past 12 months
- E. = Time to become fully productive (in months)
- F. = Per person turnover cost: { multiply (E÷12) x C x 50%* }
- G. = Annual turnover cost: (F x D)

*Assumes 50% productivity throughout the learning period (E).

The typical annual pay used for the turnover calculations in this report was based upon the average annual salary of non-temporary classified employees that voluntarily separated from state service during FY 10/11. The percentage of pay for benefits used for the calculations in this report is 19.35%. This figure includes retirement (6.6%), Medicare (1.45%), and health insurance (11.3%).

The percent that the state pays for the unfunded accrued retirement liability is not included in this calculation. The Division of Administration has issued a budget memorandum setting the actuarial rate for the UAL at 15.4% for FY 10/11.

Non-Temporary Classified Employee Turnover Report FY 10/11

OVERALL TURNOVER RATES & COST ESTIMATES

The table below reflects the overall FY 10/11 turnover rates for Non-Temporary Classified employees.

TURNOVER RATES FOR NON-TEMPORARY CLASSIFIED EMPLOYEES 10/11				
Number of Non-Temporary Classified Employees as of 6/30/11	Number of Separations from State Service (<i>Voluntary + Involuntary</i>)	Overall Turnover Rate (<i>Voluntary + Involuntary</i>)	Number of Voluntary Separations from State Service	Voluntary Turnover Rate
52,565	9,111	17.33%	6,802	12.94%

Estimated Cost of Voluntary Turnover based on 3-month average training time: **\$ 47,593,269**
 = $((3/12)*(\$46,900*1.1935)*0.5)*6,802$

Estimated Cost of Voluntary Turnover based on 12-month average training time: **\$ 190,373,077**
 = $((12/12)*(\$46,900*1.1935)*0.5)*6,802$

HIGHEST TURNOVER JOBS

The five jobs with the highest voluntary turnover rate for Non-Temporary Classified employees in 10/11 are listed below. Jobs with less than 50 incumbents were not considered for this ranking.
 (Note: Total Separations include both Voluntary and Involuntary Separations.)

JOB TITLE	6/30/11 NON-TEMP CLASSIFIED EMPLOYEES	# SEPARATIONS 10/11		TURNOVER RATES 10/11	
		TOTAL (<i>Vol+Invol</i>)	VOLUNTARY	TOTAL (<i>Vol+Invol</i>)	VOLUNTARY
Corrections Cadet	82	178	114	217.07%	139.02%
Residential Services Specialist 1	255	366	142	143.53%	55.69%
Nursing Assistant 1	98	98	51	100.00%	52.04%
Practical Nurse/Licensed, 1	61	42	28	68.85%	45.90%
Food Service Specialist 1	53	34	24	64.15%	45.28%

ESTIMATED COST OF VOLUNTARY TURNOVER BY DEPARTMENT

The table on the following page provides the results of the application of the Mathis/Jackson model of turnover cost estimates for VOLUNTARY turnover among NON-TEMPORARY CLASSIFIED employees in FY 10/11 by Major Department (descending by estimated costs).

Non-Temporary Classified Employee Turnover Report FY 10/11

MATHIS/JACKSON VOLUNTARY TURNOVER COST ESTIMATES BY DEPARTMENT 10/11					
MAJOR DEPARTMENT	Non-Temp Classified Employees 6/30/11	Voluntary Separations FY 10/11	Voluntary Turnover Rate	Estimated Cost (3 Months)	Estimated Cost (12 Months)
Department of Health & Hospitals	8,882	1,503	16.92%	\$9,055,309.48	\$36,221,237.92
Higher Education	10,622	1,293	12.17%	\$5,839,733.90	\$23,358,935.60
Department of Corrections	5,163	955	18.50%	\$5,497,767.55	\$21,991,070.18
Louisiana Health Care Services Division	5,949	681	11.45%	\$3,522,555.09	\$14,090,220.34
Department of Children & Family Services	3,933	485	12.33%	\$3,222,134.14	\$12,888,536.56
Department of Transportation & Development	4,454	401	9.00%	\$2,622,534.35	\$10,490,137.38
Executive Department	1,706	167	9.79%	\$1,390,979.16	\$5,563,916.64
Office of Juvenile Justice	911	190	20.86%	\$1,059,836.96	\$4,239,347.85
Louisiana Workforce Commission	996	139	13.96%	\$1,032,464.32	\$4,129,857.30
Department of Public Safety	1,608	135	8.40%	\$930,562.67	\$3,722,250.68
Department of Environmental Quality	746	94	12.60%	\$851,416.17	\$3,405,664.66
Department of Revenue & Taxation	755	97	12.85%	\$793,088.75	\$3,172,354.99
Veterans Affairs	792	174	21.97%	\$684,666.86	\$2,738,667.44
Department of Wildlife & Fisheries	746	57	7.64%	\$491,654.97	\$1,966,619.88
Department of Culture, Recreation, & Tourism	598	72	12.04%	\$363,187.17	\$1,452,748.69
Department of Education	449	38	8.46%	\$360,125.62	\$1,440,502.46
Department of Agriculture	539	52	9.65%	\$352,832.63	\$1,411,330.53
Department of Natural Resources	369	34	9.21%	\$298,667.17	\$1,194,668.68
Ports, Levee Boards, Fresh Water Districts	904	48	5.31%	\$286,967.24	\$1,147,868.96
Housing Authorities	634	55	8.68%	\$239,509.67	\$958,038.68
Department of State	374	25	6.68%	\$169,894.73	\$679,578.90
Education – Other	392	35	8.93%	\$159,951.50	\$639,806.00
Retirement Systems	304	21	6.91%	\$159,393.83	\$637,575.34
Civil Service Agencies	203	18	8.87%	\$143,586.64	\$574,346.57
Department of Insurance	227	10	4.41%	\$79,758.98	\$319,035.92
Department of Economic Development	68	9	13.24%	\$76,953.78	\$307,815.11
Department of Treasury	49	5	10.20%	\$66,601.84	\$266,407.34
Public Service Commission	78	7	8.97%	\$47,731.88	\$190,927.54
Treasury – Other	106	2	1.89%	\$12,424.81	\$49,699.25

*Questions regarding this report should be directed to: Shannon S. Templet, Civil Service Director:
(225) 342 -8272, or by email: Shannon.Templet@la.gov*

HIGHEST TURNOVER JOBS AT DEPARTMENTS WITH THE HIGHEST COST ESTIMATES

From the previous section, the five departments for which the Mathis/Jackson cost estimates for Voluntary turnover among Non-Temporary Classified employees are the highest include:

- Department of Health and Hospitals
- Higher Education
- Department of Corrections
- Louisiana Health Care Services Division
- Department of Children and Family Services

Using the Mathis/Jackson formula, the job with the highest turnover cost at these five agencies is as follows:

Highest Turnover Cost Estimates based on **3-MONTH** and **12-MONTH** Training Periods

MAJOR DEPARTMENT	JOB TITLE	ESTIMATED COST (3 Months)	ESTIMATED COST (12 Months)
Department of Health and Hospitals	Residential Service Specialist 2	\$530,352.64	\$2,121,410.58
Higher Education	Registered Nurse 2	\$580,093.23	\$2,320,372.91
Department of Corrections	Corrections Sergeant	\$1,488,243.66	\$5,952,974.63
Louisiana Health Care Services Division	Registered Nurse 2	\$693,064.82	\$2,772,259.27
Department of Children & Family Services	Social Service Analyst 2	\$753,836.08	\$3,015,344.33

The table on the following page presents further detail about the additional high-turnover jobs at each of these five major departments which contribute to their overall estimated turnover costs.

Non-Temporary Classified Employee Turnover Report FY 10/11

Jobs with the Highest Estimated Turnover Costs at Each of the Five Major Departments with the Highest Overall Cost Estimates using the Mathis/Jackson Model <i>(Based on Voluntary Turnover among Non-Temporary Classified Employees)</i>				
MAJOR DEPARTMENT	JOB TITLE	VOLUNTARY SEPARATIONS	ESTIMATED COST <i>(3 Months)</i>	ESTIMATED COST <i>(12 Months)</i>
Department of Health & Hospitals	Residential Service Specialist 2	159	\$530,352.64	\$2,121,410.58
	Registered Nurse 3	40	\$360,392.09	\$1,441,568.38
	Residential Service Specialist 1	137	\$325,347.62	\$1,301,390.49
	Psychiatric Aide 2	63	\$250,764.46	\$1,003,057.84
	Administrative Coordinator 3	45	\$217,117.70	\$868,470.80
Higher Education	Registered Nurse 2	92	\$580,093.23	\$2,320,372.91
	Administrative Coordinator 3	65	\$281,301.71	\$1,125,206.82
	Custodian 2	80	\$238,341.67	\$953,366.69
	Administrative Coordinator 2	65	\$225,334.95	\$901,339.79
	Custodian 1	78	\$189,016.84	\$756,067.36
Department of Corrections	Corrections Sergeant	345	\$1,488,243.66	\$5,952,974.63
	Corrections Sergeant - Master	194	\$1,284,227.24	\$5,136,908.98
	Corrections Cadet	114	\$417,162.15	\$1,668,648.58
	Corrections Lieutenant	48	\$347,320.67	\$1,389,282.69
	Practical Nurse/Licensed, 3	33	\$187,042.46	\$748,169.82
Louisiana Health Care Services Division	Registered Nurse 2	95	\$693,064.82	\$2,772,259.27
	Registered Nurse 3	29	\$244,182.24	\$976,728.95
	Practical Nurse/Licensed, 2	37	\$189,094.95	\$756,379.81
	Administrative Coordinator 2	50	\$163,665.46	\$654,661.85
	Nursing Assistant 2	46	\$153,950.64	\$615,802.54
Department of Children & Family Services	Social Service Analyst 2	130	\$753,836.08	\$3,015,344.33
	Child Welfare Specialist 2	44	\$278,682.51	\$1,114,730.03
	Administrative Coordinator 3	54	\$244,496.35	\$977,985.41
	Child Welfare Specialist 3	25	\$202,737.94	\$810,951.74
	Social Service Analyst Supervisor	24	\$191,613.32	\$766,453.29

Note: Cost estimates are based on the application of the Mathis/Jackson Turnover Costing Model. Voluntary separations reflect only separations of Non-Temporary Classified Employees. For details on data parameters and the Mathis/Jackson model, please see the "Explanation of Data" section at the beginning of this report.

*Questions regarding this report should be directed to: Shannon S. Templet, Civil Service Director:
(225) 342 -8272, or by email: Shannon.Templet@la.gov*