



**Report on Turnover Rates
For
Non – Temporary Classified Employees
FISCAL YEAR 2011/12**

Prepared for the Joint Legislative Committee on the Budget

FY 11/12 REPORT ON TURNOVER RATES FOR NON-TEMPORARY CLASSIFIED STATE EMPLOYEES

ISSUED: 12/15/2012

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.*
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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 2011/12, 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, 2012 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 11/12. The percentage of pay for benefits used for the calculations in this report is 21.34%. This figure includes retirement (6.98%), Medicare (1.45%), and health insurance (12.91%).

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 18.92% for FY 11/12.

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OVERALL TURNOVER RATES & COST ESTIMATES

The table below reflects the overall FY 11/12 turnover rates for Non-Temporary Classified employees.

TURNOVER RATES FOR NON-TEMPORARY CLASSIFIED EMPLOYEES 10/11				
Number of Non-Temporary Classified Employees as of 6/30/12	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
50,075	8,600	17.17%	6684	13.35%

Estimated Cost of Voluntary Turnover based on 3-month average training time: **\$ 39,377,934.00**
 = ((3/12)*(\$38,842.08*1.2134)*0.5)*6,684

Estimated Cost of Voluntary Turnover based on 12-month average training time: **\$ 157,511,734.73**
 = ((12/12)*(\$38,842.08*1.2134)*0.5)*6,684

HIGHEST TURNOVER JOBS

The five jobs with the highest voluntary turnover rate for Non-Temporary Classified employees in 11/12 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	6/30/12 NON-TEMP CLASSIFIED EMPLOYEES	# SEPARATIONS 11/12		TURNOVER RATES 11/12	
		TOTAL (<i>Vol+Invol</i>)	VOLUNTARY	TOTAL (<i>Vol+Invol</i>)	VOLUNTARY
Nursing Assistant 1	83	119	76	143.47%	91.57%
Corrections Cadet	182	210	128	115.38%	70.33%
Residential Services Specialist 1	176	283	115	160.80%	65.34%
Juvenile Justice Specialist 1	102	110	45	107.84%	44.12%
Behavior Shaping Specialist	58	34	25	58.62	43.10%

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 11/12 by Major Department (descending by estimated costs).

Non-Temporary Classified Employee Turnover Report FY 11/12

MATHIS/JACKSON VOLUNTARY TURNOVER COST ESTIMATES BY DEPARTMENT FY 11/12					
Major Department	# Non-Temp Classified Employees 6/30/12	# Voluntary Separations FY 11/12	Voluntary Turnover Rate	Estimated Cost (3 months)	Estimated Cost (12 Months)
DEPARTMENT OF HEALTH AND HOSPITALS	8,241	1,272	15.44%	\$7,927,612.25	\$31,710,448.99
HIGHER EDUCATION	10,284	1,313	12.77%	\$6,115,506.41	\$24,462,025.64
DEPARTMENT OF CORRECTIONS	5,048	848	16.80%	\$4,826,264.85	\$19,305,059.39
LOUISIANA HEALTH CARE SERVICES DIVISION	5,135	890	17.33%	\$4,726,787.72	\$18,907,150.87
DEPARTMENT OF CHILDREN & FAMILY SERVICES	3,702	523	14.13%	\$3,743,211.00	\$14,972,843.98
DEPT OF TRANSPORTATION AND DEVELOPMENT	4,406	434	9.85%	\$2,760,499.04	\$11,041,996.16
EXECUTIVE DEPARTMENT	1,701	185	10.88%	\$1,552,409.34	\$6,209,637.34
OFFICE OF JUVENILE JUSTICE	912	177	19.41%	\$1,083,125.78	\$4,332,503.13
DEPARTMENT OF PUBLIC SAFETY	1,550	135	8.71%	\$871,759.59	\$3,487,038.34
VETERANS AFFAIRS	795	184	23.14%	\$720,827.15	\$2,883,308.60
LOUISIANA WORKFORCE COMMISSION	999	83	8.31%	\$564,448.63	\$2,257,794.53
DEPARTMENT OF EDUCATION	404	52	12.87%	\$514,510.24	\$2,058,040.94
DEPARTMENT OF REVENUE AND TAXATION	736	68	9.24%	\$469,963.90	\$1,879,855.58
DEPARTMENT OF WILDLIFE AND FISHERIES	735	52	7.07%	\$441,710.73	\$1,766,842.90
DEPARTMENT OF ENVIRONMENTAL QUALITY	720	55	7.64%	\$414,993.96	\$1,659,975.85
PORTS,LEVEE BOARDS,FRESH WATER DISTRICTS	884	63	7.13%	\$365,903.86	\$1,463,615.46
DEPARTMENT OF NATURAL RESOURCES	347	34	9.80%	\$324,695.34	\$1,298,781.38
HOUSING AUTHORITIES	616	66	10.71%	\$290,983.08	\$1,163,932.32
DEPARTMENT OF AGRICULTURE	532	38	7.14%	\$245,072.59	\$980,290.34
DEPT OF CULTURE, RECREATION AND TOURISM	591	46	7.78%	\$235,864.12	\$943,456.48
RETIREMENT SYSTEMS	292	24	8.22%	\$219,400.19	\$877,600.77
CIVIL SERVICE AGENCIES	200	26	13.00%	\$212,795.34	\$851,181.35
EDUCATION - OTHER	374	40	10.70%	\$163,396.54	\$653,586.15
DEPARTMENT OF INSURANCE	223	19	8.52%	\$158,299.18	\$633,196.74
DEPARTMENT OF STATE	362	21	5.80%	\$137,626.74	\$550,506.96
DEPARTMENT OF ECONOMIC DEVELOPMENT	65	14	21.54%	\$98,932.98	\$395,731.93
DEPARTMENT OF TREASURY	43	8	18.60%	\$95,001.70	\$380,006.79
TREASURY - OTHER	97	7	7.22%	\$57,408.62	\$229,634.49
PUBLIC SERVICE COMMISSION	76	5	6.58%	\$29,191.73	\$116,766.94
OFFICE OF THE LIEUTENANT GOVERNOR	2	2	100.00%	\$9,732.76	\$38,931.04

*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 <i>(3 Months)</i>	ESTIMATED COST <i>(12 Months)</i>
Department of Health and Hospitals	RN 3	\$429,096.10	\$1,716,384.39
Higher Education	Registered Nurse 2	\$679,737.70	\$2,718,950.80
Department of Corrections	Corrections Sergeant	\$1,280,856.76	\$5,123,427.03
Louisiana Health Care Services Division	Registered Nurse 2	\$1,205,764.53	\$4,823,058.12
Department of Children & Family Services	Social Service Analyst 2	\$875,610.07	\$3,502,440.27

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.

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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 (Based on Voluntary Turnover among Non-Temporary Classified Employees)				
MAJOR DEPARTMENT	JOB TITLE	VOLUNTARY SEPARATIONS	ESTIMATED COST (3 Months)	ESTIMATED COST (12 Months)
Department of Health & Hospitals	Registered Nurse 3	49	\$429,096.10	\$1,716,384.39
	Residential Services Spec 1	110	\$350,337.13	\$1,401,348.54
	Residential Services Spec 2	112	\$271,603.61	\$1,086,414.43
	Medicaid Analyst 2	42	\$260,162.89	\$1,040,651.58
	Corrections Guard/Therapeutic	45	\$251,825.64	\$1,007,302.55
Higher Education	Registered Nurse 2	105	\$679,737.70	\$2,718,950.80
	Administrative Coordinator 3	61	\$247,182.16	\$988,728.63
	Administrative Assistant 3	55	\$246,787.40	\$987,149.61
	Administrative Coordinator 2	66	\$232,576.53	\$930,306.11
	Custodian 1	79	\$194,749.57	\$778,998.30
Department of Corrections	Corrections Sergeant	295	\$1,280,856.76	\$5,123,427.03
	Corrections Sergeant Master	123	\$783,626.92	\$3,134,507.69
	Corrections Cadet	127	\$484,028.76	\$1,936,115.05
	Corrections Lieutenant	28	\$189,097.95	\$756,391.82
	Licensed Nurse/Practical 3	27	\$151,426.01	\$605,704.04
Louisiana Health Care Services Division	Registered Nurse 2	164	\$1,205,764.53	\$4,823,058.12
	Registered Nurse 3	32	\$298,845.56	\$1,195,382.22
	Administrative Coordinator 2	75	\$265,283.06	\$1,061,132.25
	Licensed Nurse/Practical 2	41	\$217,111.39	\$868,445.55
	Administrative Coordinator 3	54	\$203,014.86	\$812,059.46
Department of Children & Family Services	Social Service Analyst 2	148	\$875,610.07	\$3,502,440.27
	Child Welfare Specialist 2	48	\$312,118.30	\$1,248,473.19
	Child Welfare Specialist 4	24	\$247,938.88	\$991,755.50
	Child Welfare Specialist 3	24	\$197,190.12	\$788,760.48
	Administrative Coordinator 3	38	\$196,656.95	\$786,627.81

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.

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