



**Report on Turnover Rates  
For  
Non – Temporary Classified Employees  
FISCAL YEAR 2012/13**

*Prepared for the Joint Legislative Committee on the Budget*

## FY 12/13 REPORT ON TURNOVER RATES FOR NON-TEMPORARY CLASSIFIED STATE EMPLOYEES

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**ISSUED: 11/21/2013**

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### **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 15<sup>th</sup> 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 2012/2013, 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, 2013 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,  
10<sup>th</sup> 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 12/13. The percentage of pay for benefits used for the calculations in this report is 20.45%. This figure includes retirement (7.00%), Medicare (1.45%), and health insurance (12.00%).

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 18.91% for FY 12/13.

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**OVERALL TURNOVER RATES & COST ESTIMATES**

The table below reflects the overall FY 12/13 turnover rates for Non-Temporary Classified employees.

<b>TURNOVER RATES FOR NON-TEMPORARY CLASSIFIED EMPLOYEES 12/13</b>				
Number of Non-Temporary Classified Employees as of 6/30/13	Number of Separations from State Service (Voluntary + Involuntary)	Overall Turnover Rate (Voluntary + Involuntary)	Number of Voluntary Separations from State Service	Voluntary Turnover Rate
41,644	13,242	31.80%	7,866	18.89%

Estimated Cost of Voluntary Turnover based on 3-month average training time:     **\$ 48,303,094.34**  
 = ((3/12)\*(\$40,785.35\*1.2045)\*0.5)\*7,866

Estimated Cost of Voluntary Turnover based on 12-month average training time:     **\$ 193,212,377.38**  
 = ((12/12)\*(\$40,785.35\*1.2045)\*0.5)\*7,866

**HIGHEST TURNOVER JOBS**

The five jobs with the highest voluntary turnover rate for Non-Temporary Classified employees in 12/13 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	6/30/13 NON-TEMP CLASSIFIED EMPLOYEES	# SEPARATIONS 12/13		TURNOVER RATES 12/13	
		TOTAL (Vol+Invol)	VOLUNTARY	TOTAL (Vol+Invol)	VOLUNTARY
Nursing Assistant 1	57	103	55	180.70%	96.49%
Juvenile Justice Specialist 1	64	80	52	125.00%	81.25%
Corrections Cadet	237	320	166	135.02%	70.04%
Medical Lab Technician 2	59	94	40	159.32%	67.80%
Food Service Specialist 2	60	92	35	153.33%	58.33%

**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 12/13 by Major Department (descending by estimated costs).

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<b>MATHIS/JACKSON VOLUNTARY TURNOVER COST ESTIMATES BY DEPARTMENT FY 12/12</b>					
<b>Major Department</b>	<b># Non-Temp Classified Employees 6/30/13</b>	<b># Voluntary Separations FY 12/13</b>	<b>Voluntary Turnover Rate</b>	<b>Estimated Cost (3 months)</b>	<b>Estimated Cost (12 Months)</b>
LOUISIANA HEALTH CARE SERVICES DIVISION	672	1,776	264.29%	\$11,886,561.94	\$47,546,247.75
DEPARTMENT OF HEALTH AND HOSPITALS	6,537	1,275	19.50%	\$8,349,119.17	\$33,396,476.67
HIGHER EDUCATION	9,250	1,330	14.38%	\$6,330,914.38	\$25,323,657.54
DEPARTMENT OF CORRECTIONS	4,721	917	19.42%	\$5,041,957.14	\$20,167,828.57
DEPARTMENT OF CHILDREN & FAMILY SERVICES	3,526	519	14.72%	\$3,382,044.26	\$13,528,177.05
DEPT OF TRANSPORTATION AND DEVELOPMENT	4,268	484	11.34%	\$3,058,336.25	\$12,233,344.99
EXECUTIVE DEPARTMENT	1,626	200	12.30%	\$1,629,285.83	\$6,517,143.33
DEPARTMENT OF REVENUE AND TAXATION	636	136	21.38%	\$1,048,273.94	\$4,193,095.76
OFFICE OF JUVENILE JUSTICE	837	154	18.40%	\$885,451.22	\$3,541,804.88
DEPARTMENT OF PUBLIC SAFETY	1,565	122	7.80%	\$776,557.71	\$3,106,230.82
VETERANS AFFAIRS	783	202	25.80%	\$727,095.17	\$2,908,380.67
LOUISIANA WORKFORCE COMMISSION	946	105	11.10%	\$691,904.25	\$2,767,617.01
DEPARTMENT OF ENVIRONMENTAL QUALITY	646	71	10.99%	\$599,823.74	\$2,399,294.96
DEPARTMENT OF WILDLIFE AND FISHERIES	697	67	9.61%	\$563,841.45	\$2,255,365.78
DEPARTMENT OF EDUCATION	345	43	12.46%	\$442,801.36	\$1,771,205.43
DEPARTMENT OF AGRICULTURE	523	61	11.66%	\$417,710.73	\$1,670,842.90
PORTS,LEVEE BOARDS,FRESH WATER DISTRICTS	879	62	7.05%	\$368,865.72	\$1,475,462.87
DEPARTMENT OF CULTURE, RECREATIONS AND TOURISM	604	68	11.26%	\$330,583.82	\$1,322,335.27
DEPARTMENT OF NATURAL RESOURCES	360	33	9.17%	\$291,774.38	\$1,167,097.53
HOUSING AUTHORITIES	616	65	10.55%	\$289,178.09	\$1,156,712.34
RETIREMENT SYSTEMS	291	26	8.93%	\$236,078.51	\$944,314.03
DEPARTMENT OF STATE	361	36	9.97%	\$218,634.23	\$874,536.93
EDUCATION – OTHER	349	52	14.90%	\$217,240.67	\$868,962.66
CIVIL SERVICES AGENCIES	201	21	10.45%	\$208,186.65	\$832,746.59
DEPARTMENT OF INSURANCE	218	22	10.09%	\$157,847.08	\$631,388.30
DEPARTMENT OF ECONOMIC DEVELOPMENT	63	7	11.11%	\$61,317.39	\$245,269.58
DEPARTMENT OF TREASURY	43	5	11.63%	\$50,620.80	\$202,483.20
PUBLIC SERVICE COMMISSION	76	6	7.89%	\$37,177.39	\$148,709.56
OFFICE OF THE LIEUTENANT GOVERNOR	2	1	50.00%	\$3,914.63	\$15,658.50

*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:

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

<b>MAJOR DEPARTMENT</b>	<b>JOB TITLE</b>	<b>ESTIMATED COST (3 Months)</b>	<b>ESTIMATED COST (12 Months)</b>
Louisiana Health Care Services Division	Registered Nurse 2	\$1,828,498.06	\$7,313,992.24
Department of Health and Hospitals	Registered Nurse 3	\$449,700.22	\$1,798,800.88
Higher Education	Registered Nurse 2	\$790,378.87	\$3,161,515.47
Department of Corrections	Corrections Sergeant	\$1,313,008.25	\$5,252,032.99
Department of Children & Family Services	Social Services Analyst 2	\$857,229.28	\$3,428,917.12

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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<b>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)</b>				
MAJOR DEPARTMENT	JOB TITLE	VOLUNTARY SEPARATIONS	ESTIMATED COST (3 Months)	ESTIMATED COST (12 Months)
Louisiana Health Care Services Division	Registered Nurse 2	222	\$1,828,498.06	\$7,313,992.24
	Registered Nurse 3	117	\$1,166,962.81	\$4,667,851.25
	Registered Nurse Supervisor A	69	\$804,026.94	\$3,216,107.75
	Practical Nurse/Licensed 2	79	\$442,456.21	\$1,769,824.85
	Administrative Coordinator 3	97	\$418,062.53	\$1,672,250.11
Department of Health and Hospitals	Registered Nurse 3	49	\$449,700.22	\$1,798,800.88
	Residential Services Specialist 2	95	\$329,841.10	\$1,319,364.38
	Registered Nurse Supervisor A	30	\$316,152.94	\$1,264,611.78
	Administrative Coordinator 3	63	\$296,823.11	\$1,187,292.45
	Corrections Guard Therapeutic	49	\$254,936.00	\$1,012,936.62
Higher Education	Registered Nurse 2	119	\$790,378.87	\$3,161,515.47
	Administrative Coordinator 2	77	\$277,519.10	\$1,110,076.40
	Administrative Coordinator 3	59	\$249,158.58	\$996,634.33
	Registered Nurse 3	28	\$229,174.19	\$916,696.77
	Custodian 1	93	\$220,347.45	\$881,389.80
Department of Corrections	Corrections Sergeant	308	\$1,313,008.25	\$5,252,032.99
	Corrections Sergeant Master	138	\$875,820.62	\$3,503,282.47
	Corrections Cadet	166	\$628,826.57	\$2,515,306.28
	Corrections Lieutenant	33	\$226,024.18	\$904,096.74
	Corrections Major	19	\$163,412.11	\$653,648.42
Department of Children & Family Services	Social Services Analyst 2	147	\$857,229.28	\$3,428,917.12
	Child Welfare Specialist 2	50	\$313,074.48	\$1,252,297.93
	Child Welfare Specialist 1	42	\$215,802.32	\$863,209.26
	Administrative Coordinator 3	42	\$194,962.81	\$779,851.24
	Social Services Analyst 1	47	\$194,603.84	\$778,415.35

*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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