

State of Louisiana Report on Turnover Rates for Non-Temporary Classified Employees Fiscal Year 2017-2018

PREPARED FOR THE JOINT LEGISLATIVE COMMITTEE ON
THE BUDGET

Byron P. Decoteau, Jr., Director
Louisiana State Civil Service



STATECIVILSERVICE

Table of Contents

Summary of Request	2
Explanation of Data	2
Overall Turnover Rates	4
Turnover Rates by Agency	5
Job Titles with Highest Voluntary Turnover Rates	6
Overall Cost Estimates of Voluntary Turnover	6
Estimated Cost of Voluntary Turnover by Major Department	7
Top 5 Departments with Highest Cost Estimates	8
Contact Information	9

Report on Turnover Rates for Non-Temporary Classified Employees

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 2017/2018, 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.

Total Turnover

Voluntary Turnover + Involuntary Turnover

Turnover Rates

Turnover rates shown are calculated by comparing the number of non-temporary classified employees in state service on June 30, 2018 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 (D) and it takes three months to become fully productive (E), 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 (G).

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 17/18. The percentage of pay for benefits used for the calculations in this report is 20.90%. This figure includes retirement (4.00%)ⁱ, Medicare (1.45%)ⁱⁱ, and health insurance (15.45%)ⁱⁱⁱ.

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 Unfunded Accrued Liability (UAL) at 31.8% for FY 17/18.

ⁱ Memo from OPB dated September 12, 2016. FY 17/18 Regular State Retirement Rate of 31.8% (UAL) + 4.0% (Normal). The Mathis/Jackson Turnover Costing Calculation does not include UAL.

ⁱⁱ <http://www.irs.gov/taxtopics/tc751.html>

ⁱⁱⁱ OGB schedule of rates as of January 1, 2018. The annual cost of the Magnolia Local Plus (HMO) plan for the agency is \$6,081.36. The agency cost divided by the average salary of \$39,353.40 yields 15.45%.

Overall Turnover Rates

FISCAL YEAR 2017-2018

TURNOVER RATES FOR NON-TEMPORARY CLASSIFIED EMPLOYEES 17/18				
Number of Non-Temporary Classified Employees as of 6/30/18	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
35,899	6,229	17.35%	4,615	12.86%

Turnover Rates by Agency

FISCAL YEAR 2017-2018

DEPARTMENT	EMPLOYEES	TOTAL TO		VOLUNTARY TO	
		Separations	TO%	Separations	TO %
Executive Department	2103	183	8.70%	161	7.66%
Veterans Affairs	745	303	40.67%	214	28.72%
Economic Development	58	6	10.34%	6	10.34%
CRT	473	107	22.62%	84	17.76%
DOTD	4179	514	12.30%	405	9.69%
DPSC – Corrections	4442	1536	34.58%	1035	23.30%
DPSC – Public Safety	1348	127	9.42%	121	8.98%
Office of Juvenile Justice	722	341	47.23%	189	26.18%
LDH	6564	1158	17.64%	752	11.46%
DCFS	3250	389	11.97%	355	10.92%
DNR	270	28	10.37%	26	9.63%
Revenue	644	57	8.85%	50	7.76%
DEQ	667	48	7.20%	47	7.05%
LWC	760	93	12.24%	78	10.26%
Wildlife and Fisheries	717	47	6.56%	45	6.28%
Civil Service Agencies	159	9	5.66%	6	3.77%
Higher Education	4979	793	15.93%	659	13.24%
Health Care Services	272	63	23.16%	55	20.22%
Education	312	46	14.74%	41	13.14%
Education – Other	335	46	13.73%	30	8.96%
Public Service Commission	64	6	9.38%	6	9.38%
Agriculture	511	38	7.44%	36	7.05%
Insurance	189	11	5.82%	10	5.29%
Lieutenant Governor	2	0	0.00%	0	0.00%
Secretary of State	353	23	6.52%	21	5.95%
Treasury	41	2	4.88%	1	2.44%
Retirement Systems	262	20	7.63%	18	6.87%
Housing Authorities	571	110	19.26%	76	13.31%
Ports and Levee Boards	907	123	13.56%	87	9.59%
Independent	0	0	0.00%	0	0.00%
Separations with No Incumbents ^{iv}	-	31	-	25	-
Totals	35899	6229	17.35%	4615	12.86%

^{iv}This category includes classified separations from state service for personnel areas that had at least one employee that left state service at some point during the fiscal year but has no employees as of the end of the fiscal year. In most cases, this is due to personnel area mergers/employee transfers or agency closures.

Job Titles with Highest Voluntary Turnover Rates

Includes only those job titles with 50 or more incumbents
FISCAL YEAR 2017-2018

Job Title	6/30/18 Non-Temp Classified Employees	# Separations 17/18		Turnover Rates 17/18	
		TOTAL (Vol+Invol)	VOLUNTARY	TOTAL (Vol+Invol)	VOLUNTARY
Corrections Cadet	277	573	277	206.86%	100.00%
Juvenile Justice Specialist 1	128	175	74	136.72%	57.81%
Corrections Guard Trainee/Therapeutic	51	68	23	133.33%	45.10%
Corrections Sergeant	1028	594	426	57.78%	41.44%
Child Welfare Specialist 2	124	46	43	37.10%	34.68%

Overall Cost Estimates of Voluntary Turnover

FISCAL YEAR 2017-2018

Estimated Cost of Voluntary Turnover based on 3-month average training time:
 $((3/12)*(\$39,353.40*1.2090)*0.5)*4,615 = \mathbf{\$ 27,446,709.08}$

Estimated Cost of Voluntary Turnover based on 12-month average training time:
 $((12/12)*(\$39,353.40*1.2090)*0.5)*4,615 = \mathbf{\$ 109,786,836.33}$

Estimated Cost of Voluntary Turnover by Major Department^v

FISCAL YEAR 2017-2018

Major Department	Estimated Cost of Voluntary Turnover (3 months)	Estimated Cost of Voluntary Turnover (12 Months)
Executive Department	\$1,452,184.08	\$5,808,736.33
Veterans Affairs	\$945,586.43	\$3,782,345.72
Economic Development	\$50,442.14	\$201,768.56
CRT	\$489,092.29	\$1,956,369.17
DOTD	\$2,739,245.40	\$10,956,981.60
DPSC – Corrections	\$5,372,831.66	\$21,491,326.63
DPSC – Public Safety	\$810,438.34	\$3,241,753.37
Office of Juvenile Justice	\$1,093,006.55	\$4,372,026.18
LDH	\$4,870,628.44	\$19,482,513.75
DCFS	\$2,170,076.52	\$8,680,306.10
DNR	\$249,514.57	\$998,058.26
Revenue	\$310,299.16	\$1,241,196.64
DEQ	\$378,009.88	\$1,512,039.53
LWC	\$585,334.09	\$2,341,336.34
Wildlife and Fisheries	\$401,342.24	\$1,605,368.96
Civil Service Agencies	\$52,381.62	\$209,526.47
Higher Education	\$2,997,500.20	\$11,990,000.79
Health Care Services	\$291,599.60	\$1,166,398.41
Education	\$390,825.21	\$1,563,300.84
Education – Other	\$124,018.37	\$496,073.47
Public Service Commission	\$49,697.15	\$198,788.62
Agriculture	\$235,546.12	\$942,184.48
Insurance	\$93,104.36	\$372,417.46
Secretary of State	\$139,133.17	\$556,532.68
Treasury	\$11,882.05	\$47,528.21
Retirement Systems	\$152,542.92	\$610,171.66
Housing Authorities	\$400,842.44	\$1,603,369.76
Ports and Levee Boards	\$589,603.49	\$2,358,413.96

^v Cost of turnover by major department is calculated using the average salary of separated incumbents at each department vs the average salary of all incumbents and may reflect a total different than the overall cost of turnover reported on Page 6.

Top 5 Departments with Highest 12-Month Cost Estimates

Includes jobs within those Top 5 with Highest Estimated Turnover Costs
FISCAL YEAR 2017-2018

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)
DPSC - Corrections	Corrections Sergeant	426	\$1,826,707.89	\$7,306,831.57
	Corrections Cadet	277	\$1,060,699.47	\$4,242,797.86
	Corrections Sergeant Master	94	\$583,657.08	\$2,334,628.33
	Corrections Lieutenant	43	\$301,980.15	\$1,207,920.60
	Corrections Captain	18	\$163,856.01	\$655,424.05
Louisiana Department of Health	Registered Nurse 3	39	\$357,002.22	\$1,428,008.90
	Med Cert Specialist 2	22	\$233,718.08	\$934,872.31
	Residential Services Specialist 2	62	\$230,742.85	\$922,971.39
	Corrections Guard Therapeutic	51	\$225,209.99	\$900,839.97
	Residential Services Specialist 1	47	\$158,070.58	\$632,282.34
Higher Education	Custodian 2	88	\$253,896.76	\$1,015,587.03
	Administrative Coordinator 3	45	\$200,931.52	\$803,726.08
	Custodian 1	71	\$178,883.66	\$715,534.64
	Administrative Coordinator 4	24	\$129,718.09	\$518,872.36
	Police Officer 2-A	25	\$123,442.44	\$493,769.76
Department of Transportation and Development	Mobile Equipment Operator 1/Heavy	39	\$216,523.48	\$866,093.93
	Engineering Technician 4	28	\$180,861.88	\$723,447.54
	Mobile Equipment Operator 1	43	\$157,668.54	\$630,674.17
	Engineering Technician 5	18	\$151,282.41	\$605,129.65
	Engineer 6 DOTD	8	\$119,329.75	\$477,319.00
Department of Children and Family Services	Social Services Analyst 2	101	\$549,384.28	\$2,197,537.11
	Child Welfare Specialist 2	43	\$261,721.84	\$1,046,887.37
	Social Services Analyst 1	44	\$184,884.96	\$739,539.86
	Child Welfare Specialist 1	30	\$151,379.07	\$605,516.29
	Child Welfare Specialist 3	15	\$114,124.28	\$456,497.12

CONTACT INFORMATION

**BYRON P. DECOTEAU, JR.,
MSHLD
DIRECTOR**

byron.decoteau@la.gov

**CHRIS DEER, CCP
DEPUTY DIRECTOR**

chris.deer@la.gov

**BRANDY MALATESTA,
MPA, CCP, SHRM-CP
COMPENSATION
ADMINISTRATOR**

brandy.malatesta@la.gov

State Civil Service

P.O. Box 94111
Baton Rouge, LA 70804-9111
225.342.8274
www.civilservice.la.gov



STATECIVILSERVICE