

State of Louisiana Report on Turnover Rates for Non-Temporary Classified Employees Fiscal Year 2018-2019

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	7
Overall Cost Estimates of Voluntary Turnover	7
Estimated Cost of Voluntary Turnover by Major Department	8
Top 5 Departments with Highest Cost Estimates	10

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 2018/2019, 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, 2019 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 18/19. The percentage of pay for benefits used for the calculations in this report is 20.38%. This figure includes retirement (4.00%)ⁱ, Medicare (1.45%)ⁱⁱ, and health insurance (14.93%)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 33.8% for FY 18/19.

ⁱ Memo from OPB dated August 24, 2017. FY 18/19 Regular State Retirement Rate of 33.8% (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, 2019. 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 \$40,728.08 yields 14.93%.

Overall Turnover Rates

FISCAL YEAR 2018-2019

TURNOVER RATES FOR NON-TEMPORARY CLASSIFIED EMPLOYEES 18/19				
Number of Non-Temporary Classified Employees as of 6/30/19	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
36,262	6126	16.89%	4,567	12.59%

Turnover Rates by Agency

FISCAL YEAR 2018-2019

DEPARTMENT	EMPLOYEES	TOTAL TO		VOLUNTARY TO	
		Separations	TO%	Separations	TO %
Executive Department	2131	210	9.85%	195	9.15%
Veterans Affairs	744	363	48.79%	247	33.20%
Economic Development	57	6	10.53%	6	10.53%
CRT	513	59	11.50%	50	9.75%
DOTD	4187	499	11.92%	414	9.89%
DPSC – Corrections	4604	1402	30.45%	901	19.57%
DPSC – Public Safety	1353	135	9.98%	124	9.16%
Office of Juvenile Justice	762	402	52.76%	241	31.63%
LDH	6773	1043	15.40%	695	10.26%
DCFS	3267	398	12.18%	370	11.33%
DNR	271	23	8.49%	22	8.12%
Revenue	649	54	8.32%	46	7.09%
DEQ	665	44	6.62%	42	6.32%
LWC	784	87	11.10%	80	10.20%
Wildlife and Fisheries	735	55	7.48%	54	7.35%
Civil Service Agencies	159	19	11.95%	17	10.62%
Higher Education	4849	821	16.93%	688	14.19%
Health Care Services	277	51	18.41%	37	13.36%
Education	312	43	13.78%	36	11.54%
Education – Other	321	57	17.76%	38	11.84%
Public Service Commission	64	4	6.25%	3	4.69%
Agriculture	506	43	8.50%	39	7.71%
Insurance	188	9	4.79%	8	4.26%
Lieutenant Governor	2	0	0.00%	0	0.00%
Secretary of State	356	23	6.46%	19	5.34%
Treasury	40	6	15.00%	6	15.00%
Retirement Systems	263	26	9.89%	21	7.98%
Housing Authorities	514	83	16.15%	55	10.70%
Ports and Levee Boards	916	157	17.14%	109	11.90%

Independent	0	0	0.00%	0	0.00%
Separations with No Incumbents^{iv}	-	4	-	4	-
Totals	36262 ^v	6126	16.89%	4567	12.59%

^{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.

^v 36,262 is the total number of classified employees as reported by state agencies.

Job Titles with Highest Voluntary Turnover Rates

Includes only those job titles with 50 or more incumbents
FISCAL YEAR 2018-2019

Job Title	6/30/19 Non-Temp Classified Employees	# Separations 18/19		Turnover Rates 18/19	
		TOTAL (Vol+Invol)	VOLUNTARY	TOTAL (Vol+Invol)	VOLUNTARY
Corrections Cadet	252	488	237	193.65%	94.05%
Juvenile Justice Specialist 1	112	175	93	156.25%	83.04%
Juvenile Justice Specialist 3	129	84	56	65.12%	43.41%
Juvenile Justice Specialist 2	59	41	24	69.49%	40.68%
Nursing Assistant 2	204	130	78	63.73%	38.24%

Overall Cost Estimates of Voluntary Turnover

FISCAL YEAR 2018-2019

Estimated Cost of Voluntary Turnover based on 3-month average training time:

$$((3/12)*(\$40,728.08*1.2038)*0.5)*4,567 = \$ \mathbf{27,989,123.65}$$

Estimated Cost of Voluntary Turnover based on 12-month average training time:

$$((12/12)*(\$40,728.08*1.2038)*0.5)*4,567 = \$ \mathbf{111,956,494.58}$$

Estimated Cost of Voluntary Turnover by Major Department^{vi}

FISCAL YEAR 2018-2019

Major Department	Estimated Cost of Voluntary Turnover (3 months)	Estimated Cost of Voluntary Turnover (12 Months)
Executive Department	\$1,813,264.64	\$7,253,058.56
Veterans Affairs	\$1,075,808.61	\$4,303,234.45
Economic Development	\$49,846.47	\$199,385.88
CRT	\$282,598.43	\$1,130,393.72
DOTD	\$2,656,481.82	\$10,625,927.26
DPSC – Corrections	\$5,035,539.44	\$20,142,157.76
DPSC – Public Safety	\$797,547.49	\$3,190,189.97
Office of Juvenile Justice	\$1,426,093.59	\$5,704,374.37
LDH	\$4,793,869.83	\$19,175,479.30
DCFS	\$2,257,444.26	\$9,029,777.04
DNR	\$199,473.51	\$797,894.05
Revenue	\$344,868.96	\$1,379,475.83
DEQ	\$371,243.67	\$1,484,974.70
LWC	\$618,850.75	\$2,475,403.00
Wildlife and Fisheries	\$484,884.14	\$1,939,536.56
Civil Service Agencies	\$130,988.61	\$523,954.43
Higher Education	\$3,080,689.85	\$12,322,759.40
Health Care Services	\$186,723.71	\$746,894.85
Education	\$355,219.24	\$1,420,876.94
Education – Other	\$186,433.53	\$745,734.13
Public Service Commission	\$16,110.71	\$64,442.82
Agriculture	\$311,313.51	\$1,245,254.06
Insurance	\$68,362.84	\$273,451.36
Secretary of State	\$142,540.99	\$570,163.98
Treasury	\$54,143.79	\$216,575.18

^{vi} 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 7.

Retirement Systems	\$202,353.00	\$809,412.01
Housing Authorities	\$349,020.43	\$1,396,081.72
Ports and Levee Boards	\$697,409.25	\$2,789,637.00

Top 5 Departments with Highest 12-Month Cost Estimates

Includes jobs within those Top 5 with Highest Estimated Turnover Costs
FISCAL YEAR 2018-2019

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	375	\$1,806,106.64	\$7,224,426.57
	Corrections Cadet	237	\$1,031,905.79	\$4,127,623.15
	Corrections Sergeant Master	84	\$539,166.35	\$2,156,665.41
	Corrections Lieutenant	27	\$198,061.94	\$792,247.75
	Corrections Captain	14	\$125,623.99	\$502,495.97
Louisiana Department of Health	Residential Services Specialist 2	77	\$329,063.06	\$1,316,252.25
	Registered Nurse 3	35	\$323,920.67	\$1,295,682.68
	Med Cert Specialist 2	21	\$229,608.00	\$918,431.99
	Social Worker 4	25	\$211,782.74	\$847,130.97
	Corrections Guard Therapeutic	37	\$179,961.84	\$719,847.36
Higher Education	Custodian 2	101	\$298,304.08	\$1,193,216.32
	Administrative Coordinator 3	47	\$216,333.32	\$865,333.28
	Custodian 1	67	\$168,753.22	\$675,012.89
	Police Officer 2-A	28	\$147,421.02	\$589,684.08
	Administrative Assistant 3	29	\$128,366.48	\$513,465.90
Department of Transportation and Development	Mobile Equipment Operator 1/Heavy	57	\$326,562.29	\$1,306,249.16
	Mobile Equipment Operator 1	61	\$235,523.47	\$942,093.88
	Engineering Technician 4	26	\$168,318.69	\$673,274.75
	Mobile Equipment Operator 2	27	\$118,813.37	\$475,253.50
	Engineer Intern 2	12	\$97,038.80	\$388,155.20
Department of Children and Family Services	Social Services Analyst 2	87	\$472,533.63	\$1,890,134.53
	Child Welfare Specialist 3	47	\$341,519.99	\$1,366,079.94
	Social Services Analyst 1	43	\$181,504.87	\$726,019.48
	Administrative Coordinator 3	36	\$159,642.66	\$638,570.64
	Child Welfare Specialist 2	24	\$147,970.55	\$591,882.22

CONTACT INFORMATION

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

byron.decoteau@la.gov

**CHRIS DEER, CCP
DEPUTY DIRECTOR**

chris.deer@la.gov

**TOBY COMEAU, MPA
CHIEF ADMINISTRATIVE
OFFICER**

toby.comeaux@la.gov

State Civil Service

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



STATECIVILSERVICE