



Business Insight Technologies

Retention Success Toolkit

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Employee Satisfaction/Exit Interview Questions

Communication

Did I/Do I know what was/is expected of me at work? Yes No
Details?/Comments _____

Leadership

Did I/Do I have the materials and equipment I needed to do my work right? Yes No
Details?/Comments _____

Did/Does the mission/purpose of my company make me feel my job was important? Yes No
Details?/Comments _____

Were/Are my co-workers committed to doing quality work? Yes No
Details?/Comments _____

At work did I/do I have the opportunity to do what I do best each day? Yes No
Details?/Comments _____

Relationships

At work did/do my opinions seem to count? Yes No
Details?/Comments _____

Did my/does my supervisor, or someone at work, seem to care about me as a person? Yes No
Details?/Comments _____

Did I/Do I have a best friend at work? Yes No
Details?/Comments _____

Development

In the last several days, did I receive recognition, or praise for doing good work? Yes No
Details?/Comments _____

In the last year, did I/do I have opportunities to learn and grow? Yes No
Details?/Comments _____

Development of Others

Was there/Is there someone at work who encouraged my development? Yes No
Details?/Comments _____

In the last six months did someone talk to me about my progress? Yes No
Details?/Comments _____

If you have 5 or more “No’s” from any one individual leadership/management competency gap analysis is a priority.

Adapted from *First Break All The Rules: What The Worlds Greatest Managers Do Differently* (Simon & Schuster, 1999)



Turnover & Turnover Cost Calculation Worksheet

Basic Turnover Calculation: (number of people turned over annually)

# of W2's issued in prior year =	<u>500</u>
- # of employees on payroll on Jan 1, of this year =-	<u>462</u>
= # of people turned over last year =	<u>38</u>
+ # of open (unfilled) FTE's from last year =	<u>5</u>
= Total # of annual turnovers in prior year =	<u>43</u> turnovers in 2001

Calculating the Cost of X Turnover's Per Year (Can be done by company/department/manager)

Total # of annual turnovers in prior year =	<u>43</u>
X cost of turnover/employee =	<u>\$5000</u>
= Annual Turnover Costs =	<u>\$215,000</u>

\$5000/turnover is a VERY conservative number to use when calculating the cost of turnover and will probably **underestimate** the costs for your organization, however it will give you a starting point. For example, the Saratoga Institute, Hay Group, Hewitt Associates & Culpepper Group report the following percentages of salary should be used when calculating cost of turnover:

Hourly skilled employees:	33% annual Wage
Professional staff:	100-150%
Technical Staff:	150-250%
Sales Staff:	120-150% annual Quota

If you're interested in a more accurate/thorough computation of your organizations/departments/managers cost of turnover the following worksheet will walk you through that exercise. Go to www.uwex.edu/ces/cced/publicat/turn.html and complete it there.

THE COST OF EMPLOYEE TURNOVER

Sample Completed by ACE Manufacturing

Separation Costs

cost of exit interviewer's time (15 minutes preparation; 30-minute interview; and 15-minute follow up @ \$18 per hour.....	\$18
+ cost of terminating employee's time (30 minutes @ \$9.50 per hour).....	5
+ cost of administrative functions related to termination (2 hrs @ \$12).....	24
+ separation pay (1 week @ \$320).....	320
+ increase in unemployment tax (marginal rate increase + add tax)	272

Vacancy Costs

cost of additional overtime (20 hours @ \$14.25 per hour for 3 weeks).....	855
+ cost of additional temporary help (20 hours @ \$11 per hour for 2 weeks).....	440
- wages and benefits saved due to vacancy (40 hours @ \$9.50 per hour for 3 weeks)	(1,140)

Replacement Costs

preemployment administrative expenses (3 hours @ \$12).....	36
+ cost of attracting applicants (ads, agencies, and staff time)	162
+ cost of entrance interviews (5 interviews x 1 hour x \$16)	80
+ testing costs (aptitude, skill, drug--1 hour @ \$16 + \$30)	46
+ staff costs (staff meetings -- one 30-minute meeting with 3 people @ \$16 per hr)	24
+ travel and moving expenses (interviewees and new employee)	0
+ postemployment information gathering and dissemination costs (payroll, benefits, policies, and procedures, employee records, 2 hours @ \$14 + 2 hours @ \$9.50)	47
+ cost of postemployment medical exams	75

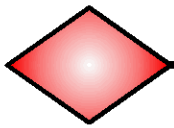
Training Costs

cost of informational literature (<i>manuals, brochures, policies</i>)	10
+ formal training costs	50
+ informal training costs (<i>OJT, mentoring, socializing - 1 day @ \$16 per hour + 1 day @ \$9.50 per hour</i>)	204

Performance Differential

differential in performance costs/benefits (<i>salary differential, vacancy lag, learning curve</i>) ..	760
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TOTAL TURNOVER COSTS PER EMPLOYEE **\$2,288**



Sales Needed To Replace Cost of Turnover

Required Data:

Number of Employees =	100
Average Loaded Employee Salary =	\$50,000
Turnover Cost = 50% of Annual Loaded Wage =	\$25,000
Percentage of Annual Turnover =	5%
Net Profit Margin (before tax)=	3%

Annual Turnover =	5
Annual Cost of Turnover =	\$125,000
Sales Needed to Replace Cost of Turnover =	\$4,166,666.67

TO ENTER YOUR COMPANIES DATA AND CALCULATE YOUR SALES NEEDED TO REPLACE COST OF TURNOVER GO TO WWW.HIRINGRIGHT.COM



Strategic HR Action Plan

	<u>Targeted Completion Date</u>
<input type="checkbox"/> Gather Data	
<input type="checkbox"/> Turnover: By Department/By Manager	_____
<input type="checkbox"/> Turnover Costs	_____
<input type="checkbox"/> Exit Interviews	_____
<input type="checkbox"/> 12 Questions Worksheet	_____
<input type="checkbox"/> Assess - Leader vs. Do'er Competencies	_____
<input type="checkbox"/> Gap Analysis	_____
<input type="checkbox"/> Get Executive "Buy-In"	_____
<input type="checkbox"/> Put Compensation & Reward/ Recognition System In Place	_____
<input type="checkbox"/> "Make" Managers WANT To Do It Differently	_____
<input type="checkbox"/> Present Statistics & Data - Why it needs to be done!	_____
<input type="checkbox"/> Reassure them – help/train/support/recognition/reward	_____
<input type="checkbox"/> Training System Evaluation/Creation	_____
<input type="checkbox"/> Design/Create- Leadership/Manager Career Track – Assess, Train, Mentor Accordingly	_____