

TURNOVER REPORTING

Objective:

Create a series of reports to obtain turnover percentages for various time periods on various data elements.

Current Method:

- Run headcount for beginning period of time.
- Run headcount for ending period of time.
- Run termination report for count of terms.
- Plug figures into an excel spreadsheet to perform turnover % calculation (or calculate manually).

Turnover Definition:

of Terms / Average Headcount = Turnover

Average Headcount = (Headcount at beginning of period + Headcount at end of period) / 2

Annualized Turnover = (Turnover / # Days in period) X 365

Monthly Turnover Example:

Team M1A-1 Global Services for the month of June.

Beginning Headcount as of 6/1/99 = 879
Ending Headcount as of 6/30/99 = 875
Average Headcount for June = 877
Voluntary terms for June = 4

Monthly turnover = $4 / 877 = 0.46 \%$

Annualized turnover = $(0.0046 / 30) \times 365 = 5.55 \%$

Year-to-date Turnover Example:

Team M1A-1 Global Services from May 1st through June 30th.

Beginning Headcount as of 5/1/99 = 893
Ending Headcount as of 6/30/99 = 875
Average Headcount YTD = 884
Voluntary terms YTD = 24

YTD turnover = $24 / 884 = 2.71 \%$

Annualized turnover = $(0.0271 / 61) \times 365 = 16.24\%$

The same calculation should apply using any data element selected (i.e., race, gender, performance rating, year of service, job code, department.....).

Turnover calculation from IHRIM Members (per HRIM List Serve)

- We do quarterly turnover reports based mainly on office location, job group and level. We measure by taking the average counts of two snapshots of data from the beginning and end of quarter and then dividing the number of terminations (not including retirements) into those averages.
- We run headcount and turnover reports each month, and provide both "monthly" and a "rolling year" views of the data.

We sum the monthly headcount for the previous 12 months then divide by 12 to get the "average monthly headcount", and then sum the total of terms for the same 12 months. Divide the #of Terms by "Average Monthly Headcount" to get the Rolling 12 month Turnover rate.

We actually break it down by Voluntary and Involuntary, and by division, but that is the basic formula that we use.

- After determining a starting point (Headcount as of 10/1) we divide the number of terms by the headcount # as of our starting point. We also prorate the data to finally get a Projected Annualized Turnover %. For example, starting headcount as of 10/1/04 is 100 employees. Terms this year equal 15. You are currently preparing Turnover data as of 3/31/2004. Formula should read: $15/6 * 12/100 = 30\%$. These calculations are done monthly by department, company, and job levels.
- We run annualized turnover reports monthly, by division and by job family. We do total, voluntary and involuntary. The reports are run on the last day of each month, and never re-run for a reporting period. The statistics are what they are at that point in time.
Turnover % Annual - calculated as number of Terminations divided by average of Begin and End Count divided by the number of months in the reporting period multiplied by 12. This result is multiplied by 100%.
- We run headcounts on the 15th of every month and average that headcount based on the fiscal year for which we're reporting. We calculate turnover based on voluntary, involuntary and 'unavoidable' terms as well as overall turnover. Retirement and death are our 'unavoidable' terms. Our monthly turnover reports are annualized. We reconcile the reported terms on a quarterly basis and at the end of the fiscal year, reconcile the entire year to catch those terms that managers 'forgot' to do paperwork on or put off for one reason or another. We do not count reductions in force, end of temporary assignments, or terms from our clerical float pool.
- The definition from BNA for turnover is "Turnover figures cover permanent separations, whether voluntary or involuntary. They do not include job eliminations, reductions-in-force, long-term leaves of absence, layoffs, or departures of temporary staff." I'm sure definitions vary from company to company but we use the BNA definition because we benchmark against their turnover figures for healthcare.

Quarterly we provide managers with graphs showing terms by type (voluntary, involuntary, unavoidable) and employee category (full-time, part-time, on-call) as well as turnover for targeted jobs that either have high turnover or are hard-to-fill positions (RNs, CNAs, Imaging Techs, Food Service Workers, Environmental Service Workers, Patient Registration Reps). In addition we send the managers printouts showing the annualized turnover for each of their departments along with a fiscal year to date list of the terms in their departments with the reasons.

- Typically we look at turnover on a monthly basis. We divide the number of terms within a business unit or department by the actual headcount from the month prior (not the current month)...for example:

Headcount (1/31/2004):	300
February Terms (2/1 - 2/29):	12
Turnover:	4%

- Fairly simple but it gets the job done. Looking at annualized turnover is pretty much the same but using data from a rolling 12 month period. YTD turnover looks at the 12/31 headcount from the year prior and the total terms YTD and uses the same calculation above. Be careful though - Usually turnover is looked at to determine how many people we are losing due to satisfaction, other job opportunities, etc. If you include RIF/Layoffs, your turnover might look a bit bleaker than it needs to.