



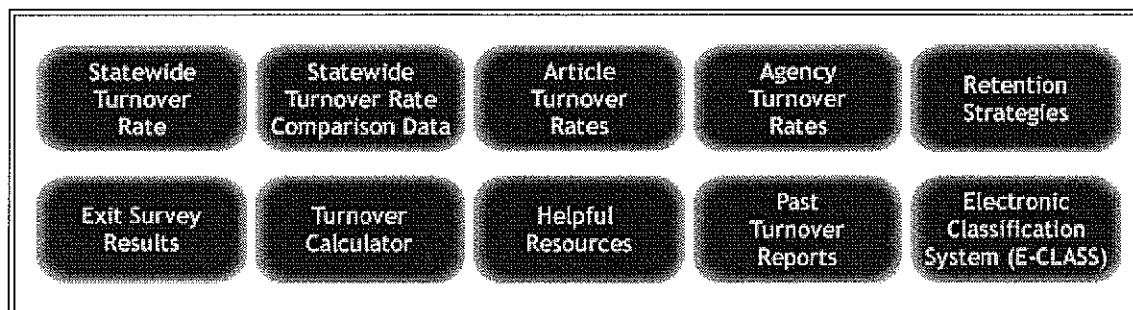
State of Texas  
**STATE**  
CLASSIFICATION

SAO Report No. 04-706  
March 2004

John Keel, CPA

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## FISCAL YEAR 2003 EMPLOYEE TURNOVER STATISTICS



[FY2004 Employee Turnover Statistics](#)



# State of Texas STATE CLASSIFICATION

John Keef, CPA

## Employee Turnover Statistics

### STATEWIDE TURNOVER RATE

#### Overview

The statewide turnover rate for full-time classified employees for fiscal year 2003 was 17.4 percent, based on a total of 24,604 voluntary and involuntary separations. This is a 2.6 percentage point increase from last fiscal year. The increase in turnover is due to a larger number of retirements and reductions in force during fiscal year 2003.

#### Exit Survey Results

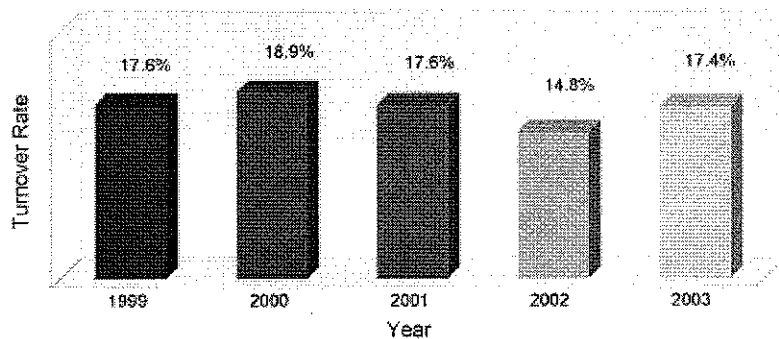
Top two reasons employees left in fiscal year 2003:

- Retirement
- Better pay/benefits

Top two reasons employees left in fiscal year 2002:

- Better pay/benefits
- Retirement

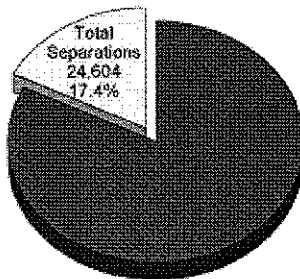
Five-Year Turnover Trend



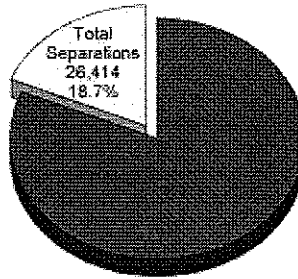
Source: A Report on Full-Time Classified State Employee Turnover for Fiscal Year 2002 (SAO Report No. 03-704, December 2002) and the Comptroller of Public Accounts' Human Resources Information System, Standardized Payroll/Personnel Reporting System, and Uniform Statewide Payroll/Personnel System.

#### Overall Fiscal Year 2003 Turnover Rate

Excluding Interagency Transfers



Including Interagency Transfers



Average Annual Headcount 141,277

Source: Comptroller of Public Accounts' Human Resources Information System, Standardized Payroll/Personnel Reporting System, and Uniform Statewide Payroll/Personnel System.

## **Purpose**

The overall state turnover rate is used to monitor total employee loss to the State. The turnover rate, excluding interagency transfers, is used when comparing the State's turnover rate with those of other states or organizations.

## **Methodology**

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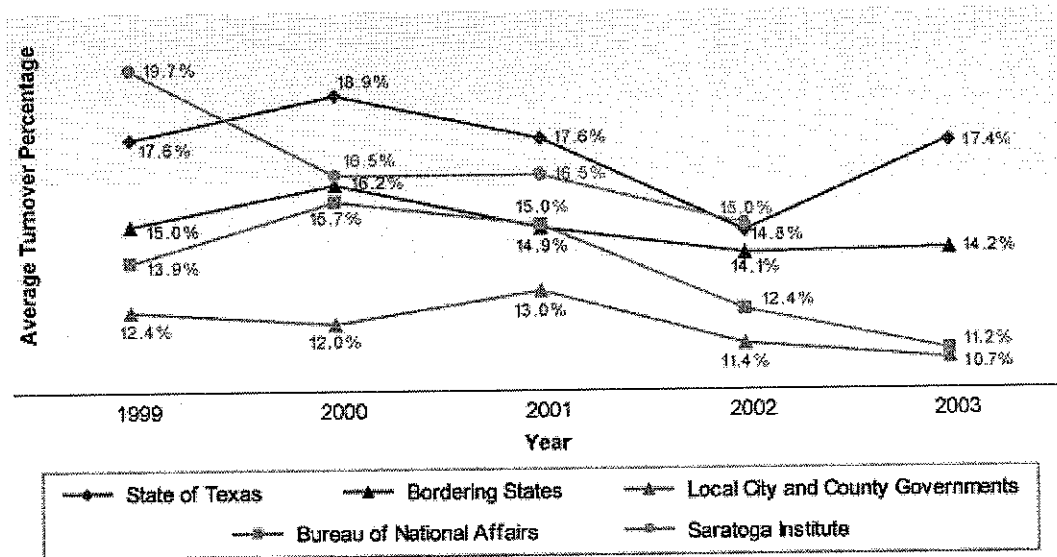
Employee Turnover Statistics

**STATEWIDE TURNOVER RATE COMPARISON DATA**

**Overview**

The State's fiscal year 2003 turnover rate (17.4 percent) is still higher than the average for the Bureau of National Affairs (11.2 percent) and for local city and county governments (10.7 percent). The statewide average is also higher than that of bordering states (14.2 percent).

Overall Comparisons



Sources: Comptroller of Public Accounts' Human Resource Information System, Standardized Payroll/Personnel Reporting System, and Uniform Statewide Payroll/Personnel System; State Classification Office survey; Saratoga Institute and Bureau of National Affairs. The Bureau of National Affairs (BNA) is a leading provider of information regarding legal and regulatory developments for professionals in business and government. Saratoga Institute is recognized as an industry leader in the field of human resource metrics.

**Fiscal Year 2003 Turnover Rates**

Texas and States Bordering Texas		Texas and Local Governments	
State	Turnover Rate	City/County	Turnover Rate
Texas	17.4%	Texas	17.4%
Arkansas	16.3%	Bexar County	17.6%
Louisiana	14.0%	City of Austin	9.4%
New Mexico	14.7%	City of Dallas	8.8%
Oklahoma	12.0%	City of Fort Worth	10.1%
		City of Houston	8.7%

<u>Average Turnover Rate Excluding Texas</u>	<u>14.2%</u>	City of San Antonio	10.4%
		Harris County	9.6%
		Travis County	11.1%
		<u>Average Turnover Rate Excluding Texas</u>	<u>10.7%</u>

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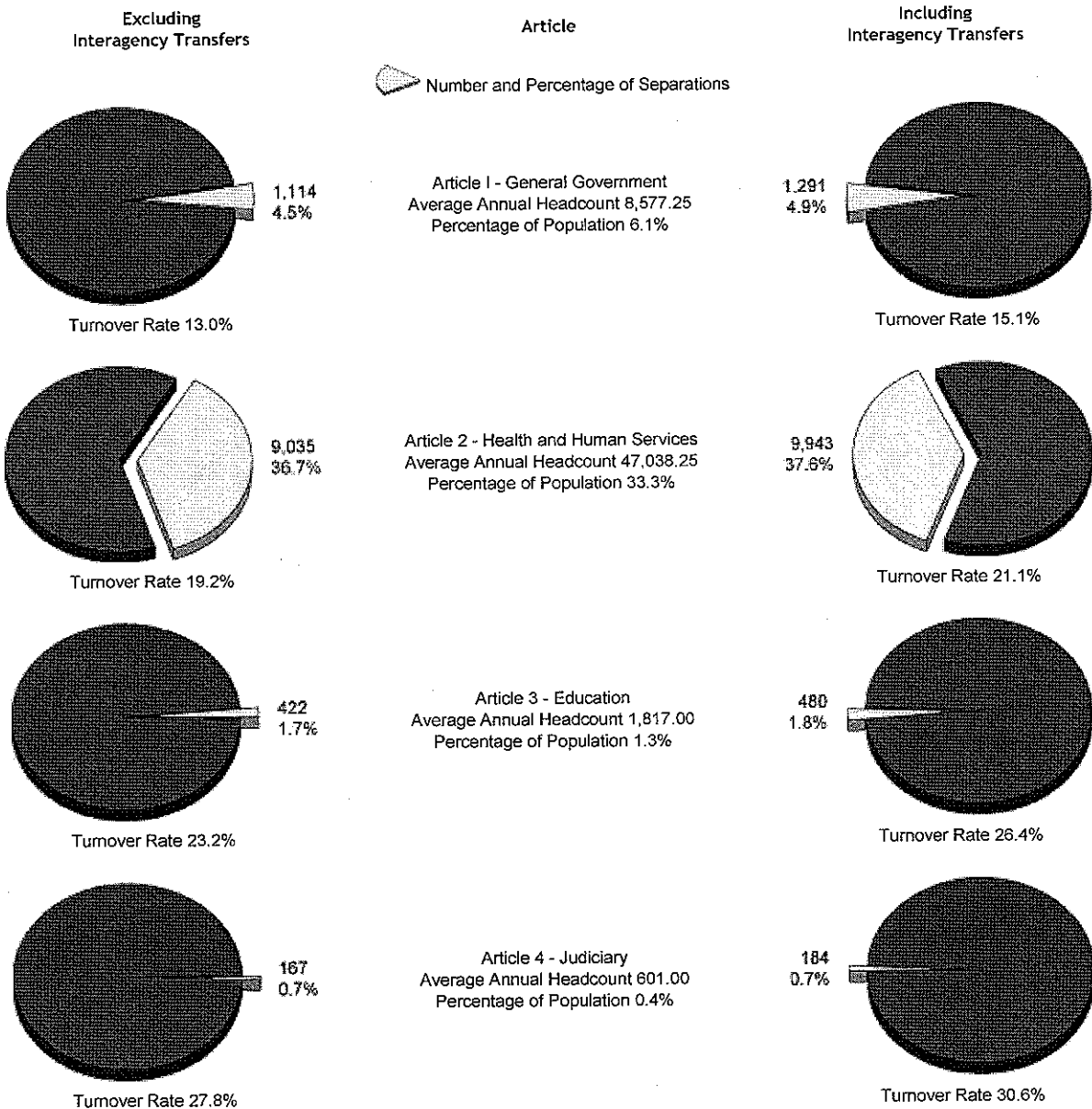
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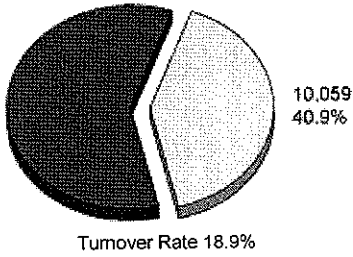
Employee Turnover Statistics

**EMPLOYEE TURNOVER BY ARTICLE**

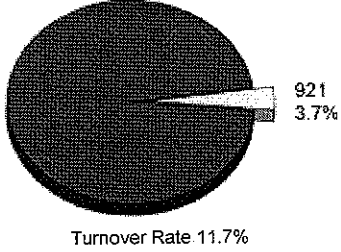
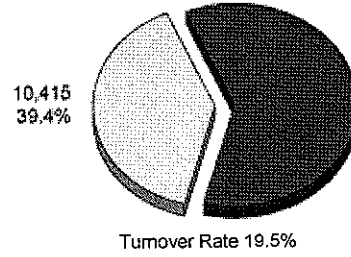
Turnover Rate by Article for Fiscal Year 2003



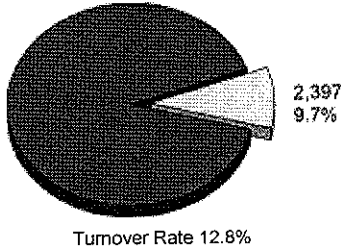
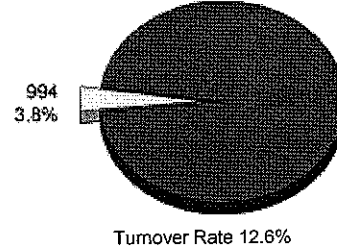
Article 5 - Public Safety and Criminal Justice



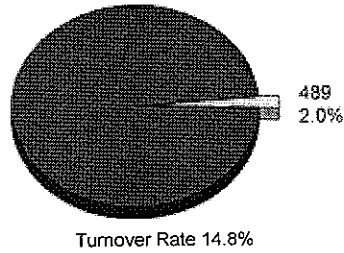
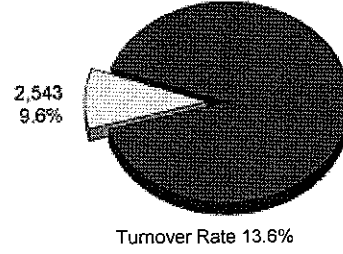
Average Annual Headcount 53,282.50  
Percentage of Population 37.7%



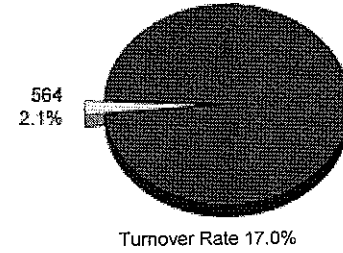
Article 6 - Natural Resources  
Average Annual Headcount 7,886.00  
Percentage of Population 5.6%



Article 7 - Business and Economic Development  
Average Annual Headcount 18,762.50  
Percentage of Population 13.3%



Article 8 - Regulatory  
Average Annual Headcount 3,312.50  
Percentage of Population 2.3%



**Total**  
Separations 24,604  
Turnover Rate 17.4%

**Total Population**  
Average Annual Headcount; 141,277.00

**Total**  
Separations 26,414  
Turnover Rate 18.7%

Source: Comptroller of Public Accounts' Human Resources Information System, Standardized Payroll/Personnel Reporting System, and Uniform Statewide Payroll/Personnel System

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**Fiscal Year 2003 - Voluntary Separations, Involuntary Separations, and Retirements  
by Agency Including Interagency Transfers**

Agency	Involuntary Separations	Involuntary TR	Voluntary Separations	Voluntary TR	Retirements	Retirement TR	Average Annual Headcount	Total Turnover Rate
201 - Supreme Court of Texas	1	1.8%	24	43.0%	3	5.4%	55.75	50.2%
204 - Court Reporters Certification Board	0	0.0%	3	200.0%	0	0.0%	1.50	200.0%
211 - Court of Criminal Appeals	1	1.7%	13	22.3%	5	8.6%	58.25	32.6%
212 - Texas Judicial Council Office of Court Admin	5	3.3%	10	6.5%	3	2.0%	153.00	11.8%
213 - Office of the State Prosecuting Attorney	0	0.0%	0	0.0%	0	0.0%	4.00	0.0%
221 - First Court of Appeals District, Houston	2	5.9%	20	59.3%	0	0.0%	33.75	65.2%
222 - Second Court of Appeals District, Fort Worth	1	3.2%	10	32.0%	0	0.0%	31.25	35.2%
223 - Third Court of Appeals District, Austin	0	0.0%	8	33.7%	2	8.4%	23.75	42.1%
224 - Fourth Court of Appeals District, San Antonio	0	0.0%	7	25.5%	0	0.0%	27.50	25.5%
225 - Fifth Court of Appeals District, Dallas	1	2.8%	8	22.1%	2	5.5%	36.25	30.3%
226 - Sixth Court of Appeals District, Texarkana	0	0.0%	4	28.6%	0	0.0%	14.00	28.6%
227 - Seventh Court of Appeals District, Amarillo	0	0.0%	2	14.0%	0	0.0%	14.25	14.0%
228 - Eighth Court of Appeals District, El Paso	0	0.0%	5	32.3%	0	0.0%	15.50	32.3%
229 - Ninth Court of Appeals District, Beaumont	0	0.0%	0	0.0%	0	0.0%	14.00	0.0%
230 - Tenth Court of Appeals District, Waco	0	0.0%	4	34.8%	1	8.7%	11.50	43.5%
231 - Eleventh Court of Appeals District, Eastland	0	0.0%	4	25.8%	0	0.0%	15.50	25.8%
232 - Twelfth Court of Appeals District, Tyler	0	0.0%	2	16.3%	1	8.2%	12.25	24.5%
233 - Thirteenth Court of Appeals Dist., Corpus Christi	0	0.0%	9	34.3%	0	0.0%	26.25	34.3%
234 - Fourteenth Court of Appeals District, Houston	1	3.1%	15	46.2%	1	3.1%	32.50	52.3%
242 - Commission on Judicial Conduct	1	7.1%	4	28.6%	0	0.0%	14.00	35.7%
243 - State Law Library	0	0.0%	1	16.0%	0	0.0%	6.25	16.0%
301 - Office of the Governor	3	1.7%	59	33.4%	2	1.1%	176.50	36.3%
302 - Office of the Attorney General	58	1.5%	329	8.7%	110	2.9%	3,769.25	13.2%
303 - Building and Procurement Commission	86	18.8%	49	10.7%	49	10.7%	458.00	40.2%
304 - Comptroller of Public Accounts	20	0.8%	92	3.5%	175	6.6%	2,645.75	10.8%
305 - General Land Office and Veterans' Land Board	16	2.8%	59	10.3%	15	2.6%	573.25	15.7%
306 - Library and Archives Commission	5	2.8%	21	11.9%	14	7.9%	176.50	22.7%
307 - Secretary of State	4	1.7%	15	6.6%	10	4.4%	228.75	12.7%
312 - State Securities Board	0	0.0%	6	8.1%	5	6.7%	74.25	14.8%
313 - Department of Information Resources	3	1.6%	5	2.6%	6	3.1%	192.50	7.3%
318 - Commission for the Blind	11	1.9%	43	7.2%	22	3.7%	593.25	12.8%
320 - Texas Workforce Commission	124	3.5%	258	7.3%	310	8.8%	3,520.25	19.7%
323 - Teacher Retirement System and ORP	4	0.9%	15	3.5%	11	2.6%	428.00	7.0%
324 - Department of Human Services	156	1.2%	997	7.7%	871	6.8%	12,899.00	15.7%
325 - Fire Fighters' Pension Commissioner	0	0.0%	1	17.4%	0	0.0%	5.75	17.4%



**Fiscal Year 2003 - Voluntary Separations, Involuntary Separations, and Retirements  
by Agency Including Interagency Transfers**

Agency	Involuntary Separations	Involuntary TR	Voluntary Separations	Voluntary TR	Retirements	Retirement TR	Average Annual Headcount	Total Turnover Rate
327 - Employees Retirement System	7	2.5%	15	5.3%	15	5.3%	285.25	13.0%
329 - Real Estate Commission	8	9.8%	6	7.4%	6	7.4%	81.25	24.6%
330 - Rehabilitation Commission	66	2.7%	215	8.8%	142	5.8%	2,435.50	17.4%
332 - Department of Housing and Community Affairs	23	7.7%	8	2.7%	19	6.4%	299.00	16.7%
333 - Office of State-Federal Relations	3	34.3%	3	34.3%	0	0.0%	8.75	68.6%
335 - Commission for the Deaf and Hard of Hearing	1	6.5%	1	6.5%	0	0.0%	15.50	12.9%
337 - Board of Tax Professional Examiners	1	50.0%	0	0.0%	0	0.0%	2.00	50.0%
338 - State Pension Review Board	0	0.0%	1	30.8%	0	0.0%	3.25	30.8%
340 - Department on Aging	2	6.8%	1	3.4%	2	6.8%	29.25	17.1%
342 - Aircraft Pooling Board	1	4.5%	30	136.4%	1	4.5%	22.00	145.5%
344 - Commission on Human Rights	2	4.8%	5	12.0%	2	4.8%	41.50	21.7%
347 - Texas Public Finance Authority	0	0.0%	0	0.0%	1	8.5%	11.75	8.5%
352 - Bond Review Board	0	0.0%	1	13.8%	2	27.6%	7.25	41.4%
353 - Incentive and Productivity Commission	0	0.0%	1	25.0%	0	0.0%	4.00	25.0%
354 - Texas Aerospace Commission	0	0.0%	3	240.0%	0	0.0%	1.25	240.0%
356 - Ethics Commission	1	3.5%	3	10.5%	1	3.5%	28.50	17.5%
357 - Office of Rural and Community Affairs	6	9.5%	4	6.3%	0	0.0%	63.25	15.8%
359 - Office of Public Insurance Counsel	1	6.7%	1	6.7%	0	0.0%	15.00	13.3%
360 - Office of Administrative Hearings	5	4.7%	4	3.8%	0	0.0%	106.50	8.5%
362 - Lottery Commission	9	2.9%	24	7.7%	13	4.2%	310.50	14.8%
364 - Health Professions Council	0	0.0%	0	0.0%	0	0.0%	3.00	0.0%
367 - Telecommunications Infrastructure Fund Board	1	4.9%	30	148.1%	0	0.0%	20.25	153.1%
401 - Adjutant Generals Department	15	3.3%	48	10.4%	31	6.7%	460.25	20.4%
403 - Veterans Commission	1	1.2%	10	11.9%	5	6.0%	83.75	19.1%
405 - Department of Public Safety	41	0.6%	448	6.1%	389	5.3%	7,372.25	11.9%
406 - Texas Military Facilities Commission	3	8.3%	1	2.8%	2	5.6%	36.00	16.7%
407 - Commission on Law Enforcement Officer Standards and Education	3	7.2%	4	9.6%	4	9.6%	41.50	26.5%
409 - Commission on Jail Standards	0	0.0%	1	5.8%	0	0.0%	17.25	5.8%
410 - Criminal Justice Policy Council	15	92.3%	7	43.1%	3	18.5%	16.25	153.8%
411 - Commission on Fire Protection	0	0.0%	5	16.7%	1	3.3%	30.00	20.0%
450 - Savings and Loan Department	0	0.0%	4	13.0%	1	3.3%	30.75	16.3%
451 - Department of Banking	4	2.7%	6	4.1%	5	3.4%	146.50	10.2%
452 - Department of Licensing and Regulation	3	2.1%	3	2.1%	4	2.8%	144.25	6.9%
453 - Workers Compensation Commission	18	1.9%	82	8.5%	43	4.5%	964.25	14.8%

**Fiscal Year 2003 - Voluntary Separations, Involuntary Separations, and Retirements  
by Agency Including Interagency Transfers**

Agency	Involuntary Separations	Involuntary TR	Voluntary Separations	Voluntary TR	Retirements	Retirement TR	Average Annual Headcount	Total Turnover Rate
454 - Department of Insurance	46	5.2%	46	5.2%	54	6.1%	880.50	16.6%
455 - Railroad Commission of Texas	10	1.3%	56	7.5%	49	6.6%	742.75	15.5%
456 - Board of Plumbing Examiners	2	8.7%	0	0.0%	1	4.3%	23.00	13.0%
457 - Board of Public Accountancy	0	0.0%	5	12.0%	0	0.0%	41.50	12.0%
458 - Alcoholic Beverage Commission	7	1.4%	21	4.2%	29	5.8%	502.50	11.3%
459 - Board of Architectural Examiners	0	0.0%	3	17.4%	1	5.8%	17.25	23.2%
460 - Board of Registration for Professional Engineers	2	8.5%	1	4.3%	0	0.0%	23.50	12.8%
464 - Board of Professional Land Surveying	0	0.0%	0	0.0%	0	0.0%	3.00	0.0%
466 - Office of the Consumer Credit Commissioner	2	4.4%	2	4.4%	1	2.2%	45.00	11.1%
467 - Board of Private Investigator and Private Security Agencies	6	55.8%	24	223.3%	0	0.0%	10.75	279.1%
469 - Credit Union Department	1	4.2%	1	4.2%	2	8.4%	23.75	16.8%
472 - Structural Pest Control Board	4	12.1%	5	15.2%	2	6.1%	33.00	33.3%
473 - Public Utility Commission	28	14.0%	27	13.5%	7	3.5%	199.50	31.1%
475 - Office of the Public Utility Counsel	1	5.6%	0	0.0%	0	0.0%	18.00	5.6%
476 - Racing Commission	6	8.5%	6	8.5%	6	8.5%	70.75	25.4%
477 - Advisory Commission on State Emergency Communications	0	0.0%	0	0.0%	0	0.0%	23.75	0.0%
478 - Research and Oversight Council on Workers Compensation	1	12.1%	10	121.2%	0	0.0%	8.25	133.3%
479 - State Office of Risk Management	5	4.5%	9	8.0%	2	1.8%	112.00	14.3%
480 - Texas Department of Economic Development	47	57.0%	73	88.5%	7	8.5%	82.50	153.9%
481 - Texas Board of Professional Geoscientists	0	0.0%	3	66.7%	0	0.0%	4.50	66.7%
501 - Department of Health	95	2.1%	390	8.6%	309	6.8%	4,547.25	17.5%
502 - Board of Barber Examiners	0	0.0%	2	17.4%	0	0.0%	11.50	17.4%
503 - Board of Medical Examiners	2	1.9%	6	5.8%	3	2.9%	104.25	10.6%
504 - Board of Dental Examiners	4	16.8%	8	33.7%	2	8.4%	23.75	58.9%
505 - Cosmetology Commission	2	4.9%	5	12.3%	2	4.9%	40.75	22.1%
507 - Board of Nurse Examiners	1	2.0%	11	21.9%	0	0.0%	50.25	23.9%
508 - Board of Chiropractic Examiners	4	80.0%	1	20.0%	0	0.0%	5.00	100.0%
511 - Board of Vocational Nurse Examiners	0	0.0%	4	18.8%	2	9.4%	21.25	28.2%
512 - State Board of Podiatric Medical Examiners	2	66.7%	0	0.0%	0	0.0%	3.00	66.7%
513 - Funeral Service Commission	2	18.2%	2	18.2%	0	0.0%	11.00	36.4%
514 - Optometry Board	0	0.0%	1	18.2%	0	0.0%	5.50	18.2%
515 - Board of Pharmacy	2	4.7%	5	11.7%	1	2.3%	42.75	18.7%

**Fiscal Year 2003 - Voluntary Separations, Involuntary Separations, and Retirements  
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Agency	Involuntary Separations	Involuntary TR	Voluntary Separations	Voluntary TR	Retirements	Retirement TR	Average Annual Headcount	Total Turnover Rate
517 - Commission on Alcohol and Drug Abuse	1	0.6%	22	12.7%	4	2.3%	172.75	15.6%
520 - Board of Examiners of Psychologists	0	0.0%	0	0.0%	0	0.0%	13.00	0.0%
527 - Cancer Council	0	0.0%	3	48.0%	0	0.0%	6.25	48.0%
529 - Health and Human Services Commission	6	0.9%	71	10.9%	61	9.3%	653.50	21.1%
530 - Dept. of Protective and Regulatory Services	175	2.6%	905	13.7%	285	4.3%	6,607.00	20.7%
532 - Interagency Council on Early Childhood Intervention	1	1.9%	7	13.3%	3	5.7%	52.75	20.9%
533 - Executive Council of Physical Therapy and Occupational Therapy Examiners	0	0.0%	0	0.0%	0	0.0%	17.00	0.0%
551 - Department of Agriculture	14	3.0%	43	9.2%	36	7.7%	465.75	20.0%
554 - Animal Health Commission	9	4.7%	9	4.7%	16	8.4%	189.75	17.9%
578 - Board of Veterinary Medical Examiners	0	0.0%	0	0.0%	1	11.4%	8.75	11.4%
579 - Rio Grande Compact Commission	0	0.0%	0	0.0%	0	0.0%	1.00	0.0%
580 - Water Development Board	1	0.4%	19	6.8%	22	7.9%	277.50	15.1%
582 - Texas Commission on Environmental Quality	16	0.6%	146	5.1%	102	3.6%	2,850.00	9.3%
592 - Soil and Water Conservation Board	10	16.9%	6	10.2%	1	1.7%	59.00	28.8%
601 - Texas Department of Transportation	204	1.4%	514	3.5%	897	6.2%	14,485.75	11.1%
655 - Dept. of Mental Health Mental Retardation	1,400	7.4%	2,765	14.5%	910	4.8%	19,026.25	26.7%
665 - Juvenile Probation Commission	0	0.0%	3	5.3%	4	7.1%	56.25	12.4%
694 - Texas Youth Commission	362	8.2%	962	21.7%	84	1.9%	4,431.50	31.8%
696 - Department of Criminal Justice	2,317	5.7%	4,341	10.8%	1,234	3.1%	40,308.00	19.6%
701 - Texas Education Agency	127	16.7%	64	8.4%	109	14.3%	762.25	39.4%
705 - State Board of Educator Certification	8	17.2%	6	12.9%	5	10.8%	46.50	40.9%
771 - School for the Blind and Visually Impaired	3	1.3%	18	7.7%	10	4.3%	235.25	13.2%
772 - School for the Deaf	17	5.2%	41	12.6%	11	3.4%	324.75	21.2%
802 - Parks and Wildlife Department	38	1.4%	122	4.5%	179	6.6%	2,727.00	12.4%
808 - Historical Commission	2	2.2%	10	11.1%	5	5.5%	90.25	18.8%
809 - Preservation Board	10	6.3%	13	8.1%	4	2.5%	159.75	16.9%
813 - Commission on the Arts	0	0.0%	0	0.0%	0	0.0%	18.00	0.0%
907 - CPA - State Energy Conservation Office	0	0.0%	0	0.0%	1	5.0%	20.00	5.0%
<b>Total</b>	<b>5,746</b>	<b>4.1%</b>	<b>13,894</b>	<b>9.8%</b>	<b>6,774</b>	<b>4.8%</b>	<b>141,277.00</b>	<b>18.7%</b>

Source: Comptroller of Public Accounts' Human Resources Information System, Standardized Payroll/Personnel Reporting System, and Uniform Statewide Payroll/Personnel System



*State of Texas*  
**STATE**  
**CLASSIFICATION**

John Keel, CPA

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Employee Turnover Statistics

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## RETENTION STRATEGIES

### Overview

It has been widely published that excessive turnover, especially in critical positions, can affect an organization's ability to meet its mission. That is why turnover should be closely monitored by agencies, and retention strategies should be in place to address unwanted turnover.

Retention strategies are an important aspect of workforce planning. There are many types of retention strategies to address unwanted turnover. Given the unique characteristics of the State and each agency within it, a combined approach is needed.

In November 2003, a survey was sent to all state agencies asking them to list the types of strategies they use for retention purposes and to rate those strategies' effectiveness. Ninety agencies responded. Tables 1 and 2 below list various types of retention strategies, the number of agencies that use those strategies, and the usefulness of those strategies on the agencies' ability to retain employees.

**Table 1 –Retention Strategies in Order of Usefulness**

**Table 2 – Retention Strategies in Order of Predominance**

**Retention Survey Tool Definitions**

**[Return to Main Page](#)**

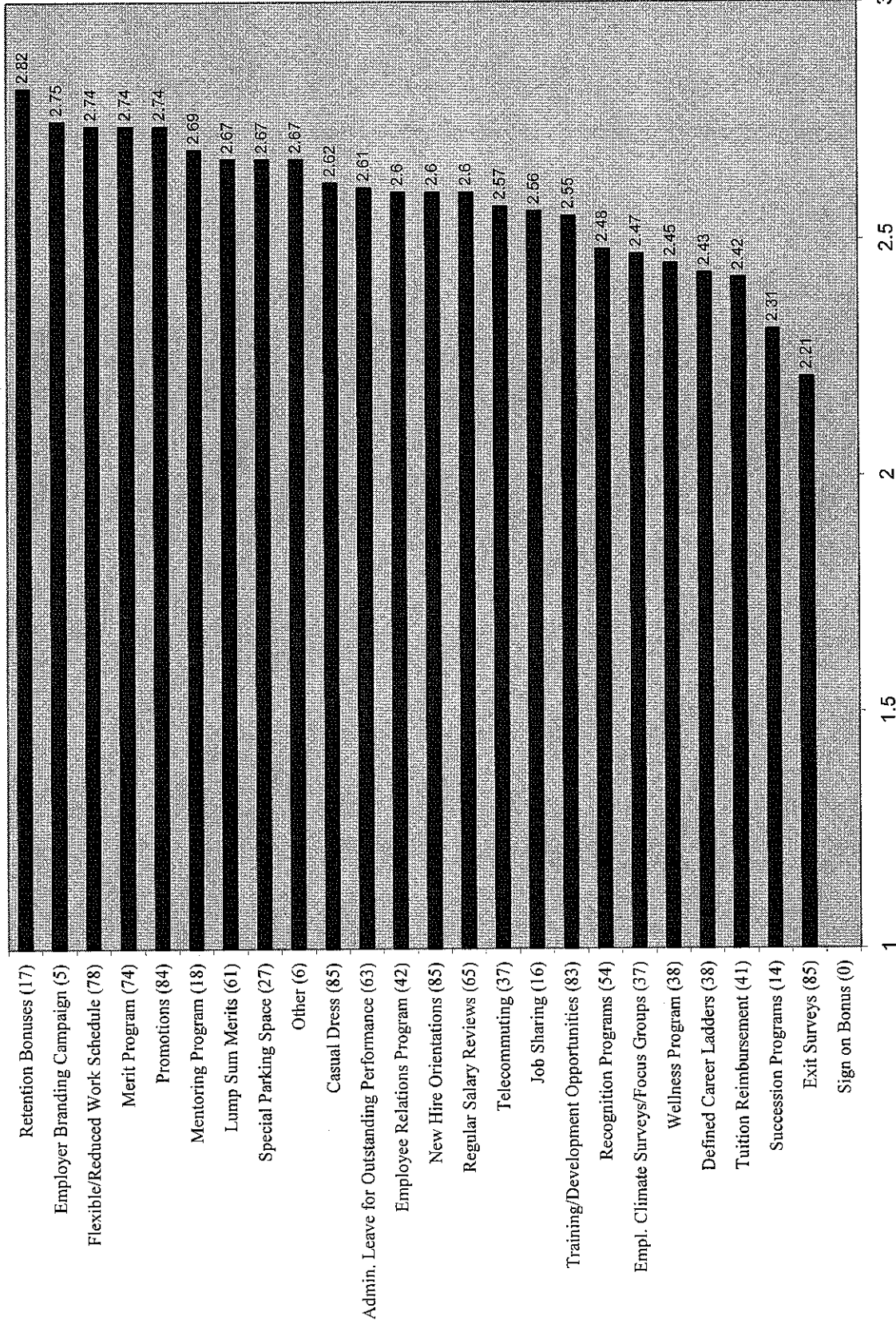
### **What are retention strategies?**

Generally, retention strategies are plans and tools that are developed and used by organizations to help retain and keep valued employees.

**Table 1 - Retention Strategies in Order of Perceived Usefulness**

Average score for the usefulness of the strategy on a scale of 1 to 3

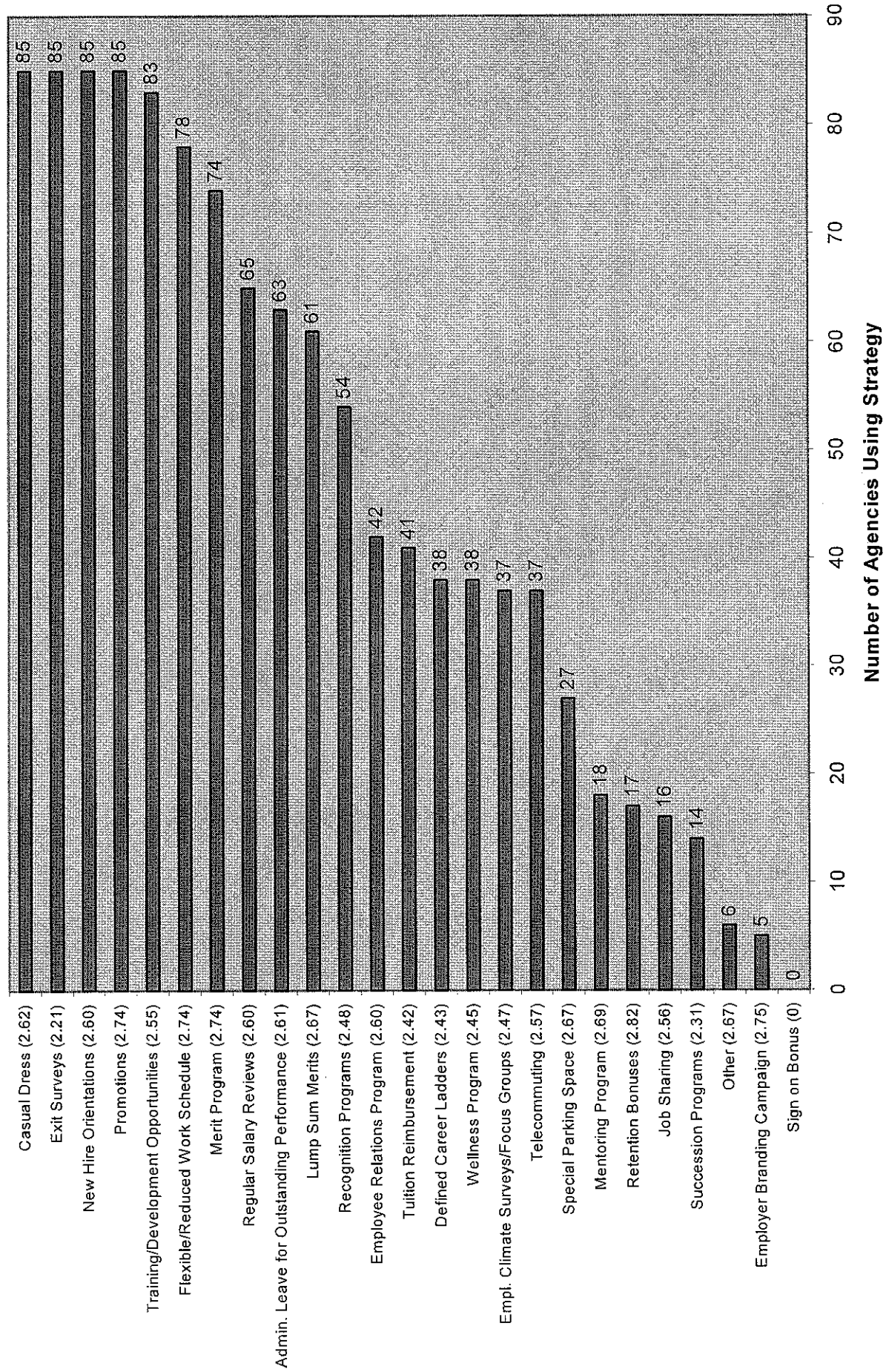
Useful = 3, Somewhat Useful = 2, Not Useful = 1



Usefulness (as reported by agency)

Number in parentheses equates to the responding agencies that use each retention strategy.

**Table 2 - Retention Strategies in Order of Predominance**



Number in parentheses equates to the average score for the usefulness of the strategy on a scale of 1 to 3, with 3 being the most useful.



State of Texas  
**STATE**  
CLASSIFICATION

John Keel, CPA

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Employee Turnover Statistics

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## RETENTION SURVEY TOOL DEFINITIONS

**Administrative Leave for Outstanding Performance** – paid time off for outstanding performance as documented by employee performance appraisals.

**Casual Dress** – attire that is more casual than traditional business attire (such as a suit and tie) that is acceptable in the work environment.

**Defined Career Ladders** – occupational paths that illustrate possible promotional opportunities to achieve career goals.

**Employee Relations Program** – guidance and assistance that enhances productivity and job satisfaction by improving interpersonal relationships and resolving employee disputes.

**Employee Climate Surveys/Focus Groups** – mechanisms to gather information and measure employee satisfaction on workforce issues.

**Employer Branding Campaign** – strategies that establish the identity of the organization as an employer and an employer of choice for potential and existing employees.

**Exit Surveys** – a process used to gather work-related information from separating employees.

**Flexible/Reduced Work Schedule** – a work schedule that allows employees to work hours that are not within the standard working hours of 8:00 a.m. to 5:00 p.m., Monday through Friday.

**Job Sharing** – an arrangement in which two employees share one position.

**Lump Sum Merits** – an incentive award in a single cash payment for job performance and productivity that are consistently above what is normally expected or required.

**New Hire Orientations** – a process that introduces new employees to the organization and provides employees with policy, procedure, and resource information.

**Mentoring Program** – an active developmental relationship in which experienced employees share their knowledge and experience with newer employees.

**Merit Program** – an incentive award for job performance and productivity that are consistently above what is normally expected or required.

**Promotion** – a change-in-duty assignment to a position in a higher salary group requiring higher qualifications

and a higher level of responsibility.

**Recognition Programs** – award and incentive programs that recognize employee performance and accomplishments.

**Regular Salary Reviews** – assessments to determine whether employees' salaries are appropriate for the work they are performing.

**Retention Bonus** – a monetary award that is promised on a fixed date provided that the employee stays with the organization until that date.

**Sign on Bonus** – a monetary award that is paid in a lump sum to attract key talent for employment.

**Special Parking Space** – a designated, desirable parking location in recognition of employee performance, service, etc.

**Succession Programs** – strategies for identifying the organization's future organizational needs in terms of the skills, knowledge, and abilities of its employees.

**Telecommuting** – working at an alternative work site (for example, home or a satellite office) instead of the main office or place of business.

**Training and Development Opportunities** – offering of various courses, resources, training, and educational opportunities that increases employees' knowledge, skills and abilities.

**Tuition Reimbursement** – monetary reimbursement for tuition for undergraduate or graduate courses that are applicable to current or prospective duty assignments.

**Wellness Program** – strategies designed to improve the health and well-being of employees.

**Other** – any other retention strategy that is implemented to retain employees.





State of Texas  
**STATE**  
CLASSIFICATION

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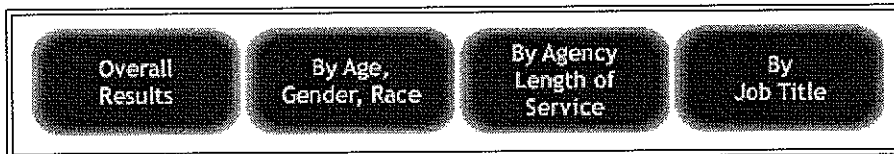
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Employee Turnover Statistics

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## EXIT SURVEY RESULTS

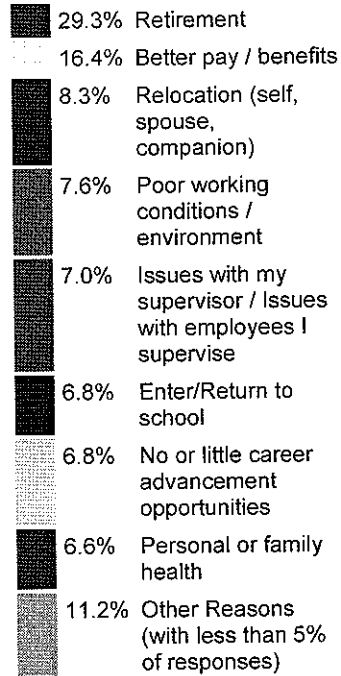
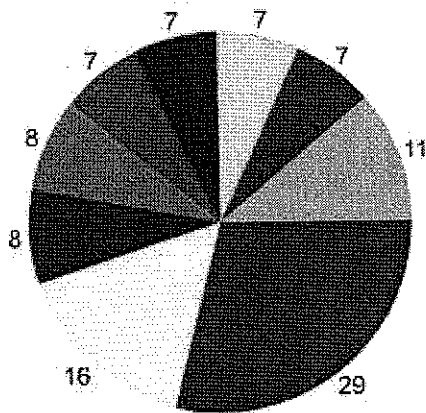
In 2001, State Legislators added Section 651.007 to the Texas Government Code. The statute required the State Auditor (SAO) to develop an employee on-line exit survey. The Exit Survey is a on-line system available to provide employees that separate voluntarily an opportunity to provide feedback. During fiscal year 2003, 4,852 employees completed the survey. This number includes all employee type (i.e, classified full-time, classified part-time, non-classified full-time and part-time). By studying this valuable information, the State hopes that the results allow agencies to identify and plan strategies that will lead to a decrease in the State's turnover rate.



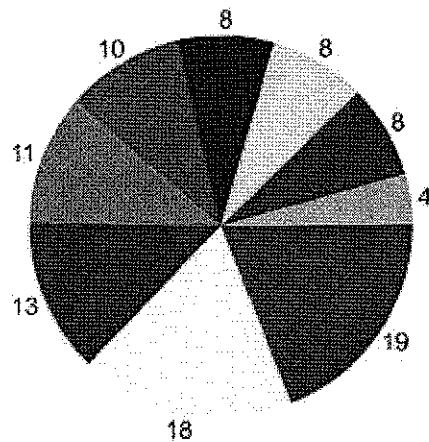
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## State of Texas Employee Exit Survey Aggregate Results - Fiscal Year 2003

1. Why are you leaving? Sorted by frequency, descending	Number of Responses	Percentage of Responses
Retirement	1,424	29.3
Better pay / benefits	794	16.4
Relocation (self, spouse, companion)	401	8.3
Poor working conditions / environment	370	7.6
Issues with my supervisor / Issues with employees I supervise	341	7.0
Enter/Return to school	329	6.8
No or little career advancement opportunities	329	6.8
Personal or family health	321	6.6
Child care/Elder care issues	140	2.9
Other	123	2.5
Location/transportation issues	90	1.9
Self-employment	70	1.4
Relationship with co-workers	58	1.2
Inadequate training	38	0.8
Inadequate work resources	24	0.5
<b>Total Responding</b>	<b>4,852</b>	<b>100%</b>



<b>2. Where are you going? Sorted by frequency, descending</b>	<b>Number of Responses</b>	<b>Percentage of Responses</b>
Leaving the agency and seeking other employment	913	18.8
Taking a job with the private sector	893	18.4
Retiring, and I do not plan to return to work	630	13.0
Leaving and not planning to work	522	10.8
Retiring, but I plan to return to work outside state government	504	10.4
Transferring to another Texas state agency	412	8.5
Taking a job with another governmental organization	403	8.3
Retiring, but I plan to return to work at the same agency	370	7.6
Becoming self-employed	151	3.1
Retiring, but I plan to return to work with another state agency	54	1.1
<b>Total Responding</b>	<b>4,852</b>	<b>100%</b>

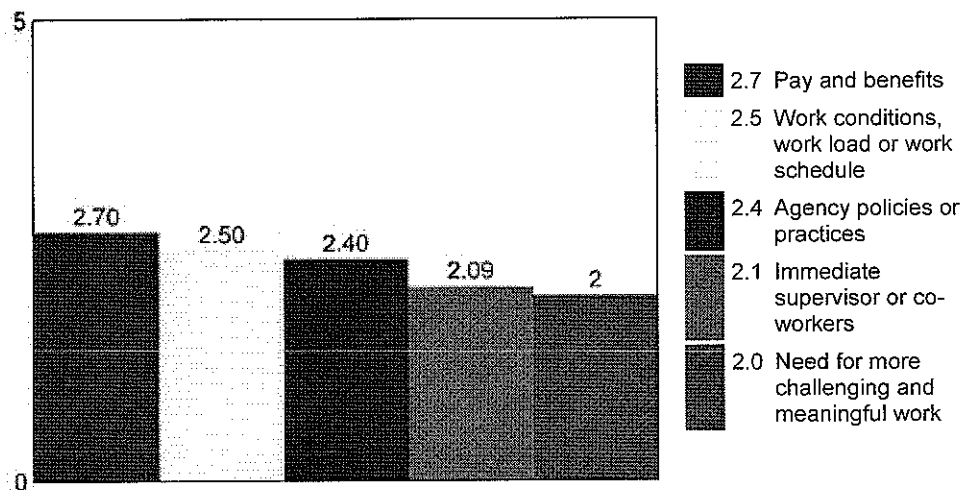


- 18.8% Leaving the agency and seeking other employment
- 18.4% Taking a job with the private sector
- 13.0% Retiring, and I do not plan to return to work
- 10.8% Leaving and not planning to work
- 10.4% Retiring, but I plan to return to work outside state government
- 8.5% Transferring to another Texas state agency
- 8.3% Taking a job with another governmental organization
- 7.6% Retiring, but I plan to return to work at the same agency
- 4.2% Other Responses (with less than 5% of responses)
- 3.1% Becoming self-employed
- 1.1% Retiring, but I plan to return to work with another state agency

### 3. To what extent did each item below influence your decision to leave the agency?

Sorted by average, descending

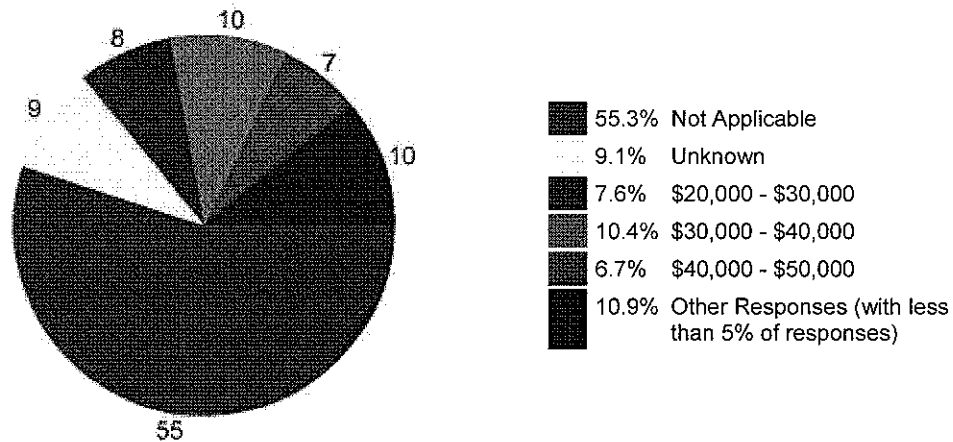
Averages are computed on a 5-point scale: 1- Very Little Extent, 2- Little Extent, 3- Some Extent, 4- Great Extent, 5- Very Great Extent.		
	Average	Number of Responses
Pay and benefits	2.7	4,510
Work conditions, work load or work schedule	2.5	4,475
Agency policies or practices	2.4	4,511
Immediate supervisor or co-workers	2.1	4,470
Need for more challenging and meaningful work	2.0	4,415



## Salary Information

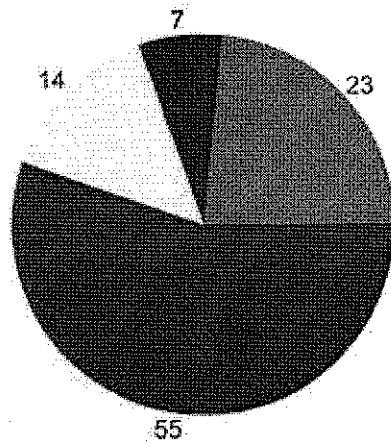
**Note:** Percentages given refer to the percentage of responses in that salary range **where a salary figure was given**. Respondents could answer "Not applicable" only if they answered that they were "retiring and not returning to work," or "leaving and not planning to work", or "leaving the agency and seeking other employment."

4. What will your new salary be?	Number of Responses	Percent of Responses
Not applicable	2,551	55.3
Unknown	421	9.1
Less than \$20,000	129	2.8
\$20,000 - \$30,000	351	7.6
\$30,000 - \$40,000	480	10.4
\$40,000 - \$50,000	307	6.7
\$50,000 - \$60,000	142	3.1
\$60,000 - \$70,000	96	2.1
\$70,000 - \$80,000	40	0.9
More than \$80,000	94	2.0
<b>Total Responding</b>	<b>4,610</b>	<b>100%</b>



**Note:** Percentages given were calculated based on the number of responses for the various ranges **where this question was answered**. Respondents could answer "Not applicable" only if they answered that they were "retiring and not returning to work," or "leaving and not planning to work", or "leaving the agency and seeking other employment."

<b>5. Compared to your current annual salary, what is the annual salary of your new job? Sorted by frequency, descending</b>	<b>Number of Responses</b>	<b>Percent of Responses</b>
Not applicable	2,586	55.4
At least \$5,001 more	653	14.0
Unknown	344	7.4
\$3,001 to \$5,000 more	211	4.5
\$1,001 to \$3,000 more	205	4.4
Same as my current annual salary	157	3.4
\$1 to \$1,000 more	132	2.8
At least \$5,000 less	130	2.8
\$1,000 to \$2,999 less	105	2.2
\$3,000 to \$4,999 less	73	1.6
\$1 to \$999 less	71	1.5
<b>Total Responding</b>	<b>4,667</b>	<b>100%</b>

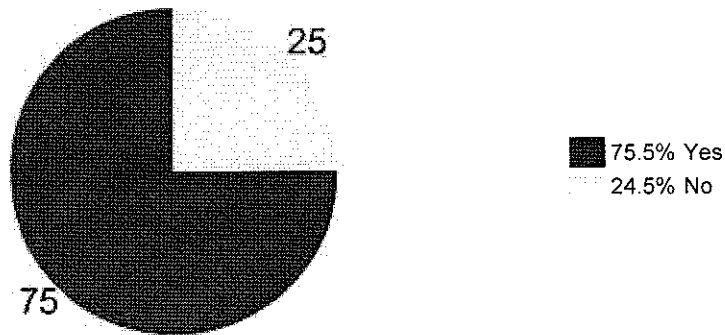


- 55.4% Not Applicable
- 14.0% At least \$5,001 more
- 7.4% Unknown
- 23.2% Other Ranges (with less than 5% of responses)

## Agency Feedback

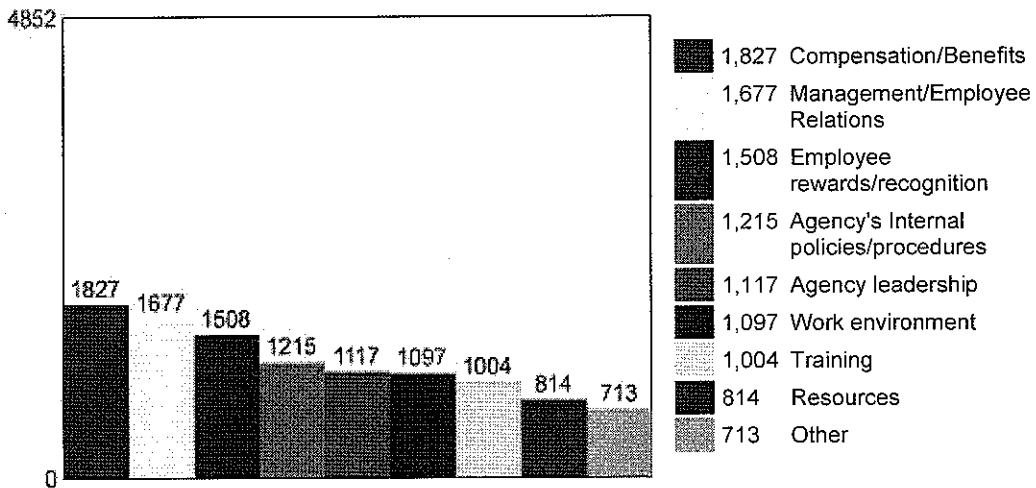
**Note:** Percentages given in the following table refer to the percentage of responses where agency feedback was given.

6. Would you want to work for this agency again in the future?	Number of Responses	Percent of Responses
Yes	3,553	75.5
No	1,154	24.5
<b>Total Responding</b>	<b>4,707</b>	<b>100%</b>



**Note:** Respondents could check more than one answer for the following question. Thus, the percentages given in the following table refer to the **percentage of survey respondents who checked those options**. Because the percentages listed are based on the number of **respondents**, not **responses** to the question, the figures in this chart's percentage column do not total 100%.

7. What areas would you like to change in your agency?	Number of Responses	Percent of Responses
Compensation/Benefits	1,827	37.7
Management/employee relations	1,677	34.6
Employee rewards/recognition	1,508	31.1
Agency's internal policies/procedures	1,215	25.0
Agency leadership	1,117	23.0
Work environment	1,097	22.6
Training	1,004	20.7
Resources	814	16.8
Other	713	14.7



**Note:** The blocks and figures along the X axis illustrate the number of respondents who checked that option for this question. The scale is based upon the total number of respondents.



# Exit Survey Results -- Fiscal Year 2003

## Reasons for Leaving -- By Age

### Why are you leaving? - Sorted by frequency, descending

N: Number of individuals in the corresponding age group who checked that reason as their most important reason for leaving.

%. Percentage of respondents in the corresponding age group who selected that reason, where age is known.

Response	Age												All Ages N	All Ages %		
	<25		25-29		30-39		40-49		50-59		60-69				70+	
	N	%	N	%	N	%	N	%	N	%	N	%	N	%	N	%
Retirement	1	0.2	0	0.0	4	0.4	45	6.8	762	63.0	547	86.0	18	85.7	1,377	29.2
Better pay/benefits	79	15.5	140	22.9	288	27.2	155	23.3	96	7.9	15	2.4	0	0	773	16.4
Relocation (self, spouse, companion)	60	11.7	96	15.7	133	12.6	62	9.3	34	2.8	7	1.1	0	0	392	8.3
Poor working conditions/environment	29	5.7	72	11.8	103	9.7	80	12.0	62	5.1	14	2.2	0	0	360	7.6
Issues with my supervisor/supervisee	40	7.8	53	8.7	86	8.1	72	10.8	61	5.0	11	1.7	0	0	323	6.9
Enter/Return to school	163	31.9	64	10.5	69	6.5	21	3.2	1	0.1	0	0.0	0	0	318	6.8
No or little career advancement opportunities	36	7.0	64	10.5	114	10.8	52	7.8	50	4.1	7	1.1	1	4.8	324	6.9
Personal or family health	32	6.3	38	6.2	87	8.2	70	10.5	66	5.5	18	2.8	2	9.5	313	6.6
Child care/Elder care issues	11	2.2	38	6.2	62	5.9	20	3.0	2	0.2	2	0.3	0	0.0	135	2.9
Other	19	3.7	11	1.8	32	3.0	24	3.6	29	2.4	6	0.9	0	0.0	121	2.6
Location/Transportation issues	16	3.1	14	2.3	21	2.0	18	2.7	17	1.4	2	0.3	0	0.0	88	1.9
Self-employment	3	0.6	9	1.5	28	2.6	19	2.9	8	0.7	3	0.5	0	0.0	70	1.5
Relationship with co-workers	13	2.5	6	1.0	19	1.8	9	1.4	7	0.6	2	0.3	0	0.0	56	1.2
Inadequate training	2	0.4	2	0.3	10	0.9	13	2.0	9	0.7	1	0.2	0	0.0	37	0.8
Inadequate work resources	7	1.4	5	0.8	2	0.2	4	0.6	5	0.4	1	0.2	0	0.0	24	0.5
<b>Total</b>	<b>511</b>	<b>100%</b>	<b>612</b>	<b>100%</b>	<b>1,058</b>	<b>100%</b>	<b>564</b>	<b>100%</b>	<b>1,209</b>	<b>100%</b>	<b>636</b>	<b>100%</b>	<b>21</b>	<b>100%</b>	<b>4,711</b>	<b>100%</b>

## Reasons for Leaving – By Gender

### Why are you leaving?

Sorted by frequency, descending

N: Number of individuals of the corresponding gender who checked that reason as their most important reason for leaving.

%: Percentage of respondents of the corresponding gender who made that response, where gender is known.

Response	Gender					
	Male		Female		Both Genders	
	N	%	N	%	N	%
Retirement	588	32.2	789	27.3	1,377	29.2
Better pay/benefits	394	21.6	379	13.1	773	16.4
Relocation (self, spouse, companion)	105	5.8	287	9.9	392	8.3
Poor working conditions/environment	123	6.7	237	8.2	360	7.6
Issues with my supervisor/issues with employees I supervise	108	5.9	215	7.4	323	6.9
Enter/Return to school	117	6.4	201	7.0	318	6.8
No or little career advancement opportunities	105	5.8	219	7.6	324	6.9
Personal or family health	111	6.1	202	7.0	313	6.6
Child care/Elder care issues	5	0.3	130	4.5	135	2.9
Other	39	2.1	82	2.8	121	2.6
Location/Transportation issues	43	2.4	45	1.6	88	1.9
Self-employment	42	2.3	28	1.0	70	1.5
Relationship with co-workers	18	1.0	38	1.3	56	1.2
Inadequate training	18	1.0	19	0.7	37	0.8
Inadequate work resources	8	0.4	16	0.6	24	0.5
<b>Total</b>	<b>1,824</b>	<b>100%</b>	<b>2,887</b>	<b>100%</b>	<b>4,711</b>	<b>100%</b>

## Reasons for Leaving -- By Race

### Why are you leaving?

Sorted by frequency, descending

N: Number of respondents of the corresponding ethnicity who selected that reason for leaving as most important.

#: Percentage of respondents of the corresponding ethnicity who made that response, where race is known.

Response	Race											
	Asian		American Indian		Black		White		Hispanic		All Races	
	N	%	N	%	N	%	N	%	N	%	N	%
Retirement	11	15.3	8	36.4	116	18.0	1,017	32.7	225	26.2	1,377	29.2
Better pay/benefits	11	15.3	5	22.7	127	19.7	474	15.2	156	18.2	773	16.4
Relocation (self, spouse, companion)	11	15.3	3	13.6	56	8.7	254	8.2	68	7.9	392	8.3
Poor working conditions/environment	2	2.8	0	0.0	42	6.5	257	8.3	59	6.9	360	7.6
Issues with my supervisor/issues with employees I supervise	0	0.0	0	0.0	59	9.2	216	6.9	48	5.6	323	6.9
Enter/Return to school	13	18.1	0	0.0	57	8.9	187	6.0	61	7.1	318	6.8
No or little career advancement opportunities	12	16.7	3	13.6	29	4.5	193	6.2	87	10.1	324	6.9
Personal or family health	4	5.6	1	4.5	76	11.8	179	5.7	53	6.2	313	6.6
Child care/Elder care issues	2	2.8	2	9.1	22	3.4	82	2.6	27	3.1	135	2.9
Other	1	1.4	0	0.0	27	4.2	70	2.2	23	2.7	121	2.6
Location/Transportation issues	1	1.4	0	0.0	12	1.9	57	1.8	18	2.1	88	1.9
Self-employment	3	4.2	0	0.0	7	1.1	51	1.6	9	1.0	70	1.5
Relationship with co-workers	1	1.4	0	0.0	5	0.8	37	1.2	13	1.5	56	1.2
Inadequate training	0	0.0	0	0.0	7	1.1	24	0.8	6	0.7	37	0.8
Inadequate work resources	0	0.0	0	0.0	2	0.3	16	0.5	6	0.7	24	0.5
<b>Total</b>	<b>72</b>	<b>100%</b>	<b>22</b>	<b>100%</b>	<b>644</b>	<b>100%</b>	<b>3,114</b>	<b>100%</b>	<b>859</b>	<b>100%</b>	<b>4,711</b>	<b>100%</b>

## Exit Survey Results – Fiscal Year 2003

### Reasons for Leaving – By Length of Agency Service

Why are you leaving? Sorted by frequency, descending		Length of Agency Service (years)														All Ranges							
		<1	1-2	2-4	5-9	10-14	15-19	20-24	25-29	30-34	35+	N	%	N	%								
<b>Response</b>		N	%	N	%	N	%	N	%	N	%	N	%	N	%	N	%						
Retirement		11	1.2	12	2.0	49	5.3	155	22.0	242	51.6	175	71.1	195	82.3	307	92.5	188	94.9	43	91.5	1,377	29.2
Better pay / benefits		207	21.9	139	23.1	209	22.5	144	20.5	50	10.7	12	4.9	7	3.0	3	0.9	2	1.0	0	0	773	16.4
Relocation (self, spouse, companion)		108	11.4	71	11.8	119	12.8	65	9.2	21	4.5	4	1.6	2	0.8	1	0.3	0	0	1	2.1	392	8.3
Poor working conditions / environment		85	9.0	65	10.8	98	10.5	56	8.0	31	6.6	13	5.3	4	1.7	5	1.5	1	0.5	2	4.3	360	7.6
Issues with my supervisor / Issues with employees I supervise		82	8.7	44	7.3	94	10.1	54	7.7	27	5.8	10	4.1	8	3.4	3	0.9	1	0.5	0	0.0	323	6.9
Enter/Return to school		152	16.1	66	10.9	65	7.0	24	3.4	7	1.5	1	0.4	3	1.3	0	0.0	0	0.0	0	0.0	318	6.8
No or little career advancement opportunities		50	5.3	59	9.8	99	10.6	66	9.4	31	6.6	9	3.7	5	2.1	4	1.2	1	0.5	0	0.0	324	6.9
Personal or family health		75	7.9	55	9.1	70	7.5	68	9.7	23	4.9	11	4.5	4	1.7	4	1.2	2	1.0	0	0.0	312	6.6
Child care/Elder care issues		29	3.1	25	4.1	41	4.4	27	3.8	9	1.9	2	0.8	0	0	0	0.0	1	0.5	1	2.1	135	2.9
Other		41	4.3	18	3.0	29	3.1	16	2.3	8	1.7	5	2.0	3	1.3	0	0.0	1	0.5	0	0.0	121	2.6
Location/transportation issues		35	3.7	23	3.8	14	1.5	5	0.7	6	1.3	1	0.4	2	0.8	2	0.6	0	0.0	0	0.0	88	1.9
Self-employment		11	1.2	9	1.5	21	2.3	16	2.3	8	1.7	2	0.8	2	0.8	1	0.3	0	0.0	0	0.0	70	1.5

N: Number of individuals with the corresponding length of agency service who checked that reason as most important.  
 %: Percentage of respondents with the corresponding length of agency service who gave that response, where the length of agency service is known.

Relationship with co-workers	25	2.6	8	1.3	13	1.4	5	0.7	2	0.4	1	0.4	0	0	2	0.6	0	0.0	0	0.0	0	0.0	56	1.2
Inadequate training	26	2.8	3	0.5	4	0.4	2	0.3	2	0.4	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	37	0.8
Inadequate work resources	7	0.7	6	1.0	5	0.5	1	0.1	2	0.4	0	0.0	2	0.8	0	0.0	1	0.5	0	0.0	0	0.0	24	0.5
<b>Total</b>	<b>944</b>	<b>100%</b>	<b>603</b>	<b>100%</b>	<b>930</b>	<b>100%</b>	<b>704</b>	<b>100%</b>	<b>469</b>	<b>100%</b>	<b>246</b>	<b>100%</b>	<b>237</b>	<b>100%</b>	<b>332</b>	<b>100%</b>	<b>198</b>	<b>100%</b>	<b>47</b>	<b>100%</b>	<b>47</b>	<b>100%</b>	<b>4,710</b>	<b>100%</b>

## Exit Survey Results – Fiscal Year 2003

### Reasons for Leaving – by Job Title

Response	Job Title											
	IH-MMR Services Assistant I (189)		Administrative Technician II (172)		Correctional Officer III (172)		Protective Services Specialist II (142)		Correctional Officer II (128)		All Titles	
	N	%	N	%	N	%	N	%	N	%	N	%
Retirement	9	4.8	59	34.3	4	2.3	0	0.0	1	0.8	1,424	29.3
Better pay/benefits	34	18.0	22	12.8	30	17.4	16	11.3	25	19.5	794	16.4
Relocation (self, spouse, companion)	28	14.8	15	8.7	23	13.4	16	11.3	12	9.4	401	8.3
Poor working conditions/environment	11	5.8	9	5.2	19	11.0	39	27.5	14	10.9	370	7.6
Issues with my supervisor/issues with employees I supervise	19	10.1	15	8.7	15	8.7	18	12.7	6	4.7	341	7.0
Enter/Return to school	23	12.2	10	5.8	12	7.0	11	7.7	16	12.5	329	6.8
No or little career advancement opportunities	9	4.8	16	9.3	2	1.2	5	3.5	1	0.8	329	6.8
Personal or family health	31	16.4	8	4.7	36	20.9	11	7.7	24	18.8	321	6.6
Child care/Elder care issues	10	5.3	6	3.5	7	4.1	7	4.9	5	3.9	140	2.9
Other	4	2.1	5	2.9	3	1.7	3	2.1	3	2.3	123	2.5
Location/Transportation issues	2	1.1	3	1.7	13	7.6	6	4.2	13	10.2	90	1.9
Self-employment	3	1.6	0	0.0	3	1.7	0	0.0	1	0.8	70	1.4
Relationship with co-workers	6	3.2	1	0.6	4	2.3	1	0.7	5	3.9	58	1.2
Inadequate training	0	0.0	3	1.7	1	0.6	5	3.5	2	1.6	38	0.8
Inadequate work resources	0	0.0	0.0	0.0	0	0.0	4	2.8	0	0.0	24	0.5
<b>Total</b>	<b>189</b>	<b>100%</b>	<b>172</b>	<b>100%</b>	<b>172</b>	<b>100%</b>	<b>142</b>	<b>100%</b>	<b>128</b>	<b>100%</b>	<b>4,852</b>	<b>100%</b>

### Why are you leaving? - Sorted by frequency, descending

N: Number of individuals holding the corresponding job title who checked that reason for leaving as most important.

%: Percentage of respondents holding the corresponding job title who made that response.



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Employee Turnover Statistics

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## **TURNOVER CALCULATOR**

### **Overview**

In previous turnover reports, we have estimated that turnover can cost the State between 0.33 to 1.5 times a worker's annual salary. This very conservative estimate means that turnover cost the State approximately \$267 million last fiscal year. That is \$40 million more than the previous year due to a 2.6 percentage point increase in turnover.

### **Sample Employee Turnover Calculators**

The cost of turnover can vary widely depending on the type and level of job and the type of organization. We encourage agencies to measure their turnover costs based on factors relevant to them.

The following is a list of links to on-line turnover calculators that illustrate a variety of ways organizations can track and measure turnover costs. The list below does not constitute any official recommendation for or endorsement by the State Auditor's Office. Agencies are encouraged to use a methodology that appropriately reflects the cost of their employee turnover within their agencies.

#### **The Cost of Employee Turnover**

##### **Turnover Cost Calculator**

##### **Calculate the Cost of Early Employee Turnover**

##### **Estimating Turnover Costs**

##### **Employee Turnover Cost Calculator**

##### **The Cost of Turnover**

**Things to consider before calculating the cost of turnover:**

1. Salary of employee who left
2. Time co-workers spent covering for open position (may include overtime costs)
3. Cost of temporary workers to cover for open position
4. Training costs

5. Recruitment and selection costs
6. Time involved in interviewing
7. Time involved in hiring

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Employee Turnover Statistics

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## HELPFUL RESOURCES

We are providing other resources with useful information related to recruitment and retention strategies. This listing does not constitute any official recommendation for or endorsement by the Texas State Auditor's Office.

### On-line Resources

[Achieving a Balance: Meeting Work and Family Obligations](#)

[Best Practices, Employee Retention](#)

[Employee Retention](#)

[Employee Turnover – A Critical Human Resource Benchmark](#)

[How to Keep Good Staff Longer](#)

[Mastering Retention](#)

[Retention: Myths and Realities](#)

[Retention Strategies Focus on Education](#)

[Winning Strategies for Recruiting and Retaining Quality Employees](#)

### Books

Ahlich, Nancy S., *Competing for Talent: Key Recruitment and Retention Strategies for Becoming an Employer of Choice*, Davies-Black Publishing, 2000.

Arthur, Diane, *The Employee Recruitment & Retention Handbook*, AMACOM, 2001.

Branham, F. Leigh, *Keeping the People Who Keep You in Business: 24 Ways to Hang on to Your Most Valuable Talent*, AMACOM, 2000.

Cappelli, Peter and Ibarra, Herminia, *Harvard Business Review on Finding & Keeping the Best People*, Harvard Business School Press, 2001.

Crandall, N. Fredric and Wallace, Marc J., *The Headcount Solution: How to Cut Compensation Costs and Keep Your Best People*, McGraw-Hill, 2003.

Dibble, Suzanne, *Keeping Your Valuable Employees: Retention Strategies for Your Organization's Most Important Resource*, John Wiley & Sons, 1999.

Glanz, Barbara, *Handle with Care: Motivating and Retaining Employees*, McGraw-Hill, 2002.

Herman, Roger E., *Keeping Good People: Strategies for Solving the #1 Problem Facing Business Today*, Oakhill Press, 1999.

Herman, Roger E. and Gioia, Joyce L., *How to Become an Employer of Choice*, Oak Hill Publishing, 2000.

"HR How-To: Employee Retention," CCH Inc., 2002.

Kaye, Beverly L. and Jordan-Evans, Sharon, *Love 'Em or Lose 'Em: Getting Good People to Stay*, Berrett-Koehler Publishers, Inc., 2002.

Phillips, Jack J. and Connell, Adele O., *Managing Employee Retention: A Strategic Accountability Approach*, Butterworth-Heinemann, 2003.

Retention Practices Survey, Society for Human Resources Management Survey Program, Society for Human Resource Management, 2000.

Smith, Gregory P., *Here Today, Here Tomorrow: Transforming Your Workforce from High-Turnover to High-Retention*, Dearborn Trade Publishing, 2001.

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