



ESSENTIAL DATA

Employee's classification: _____

Employee's hourly pay rate: _____

Employee's supervisor pay rate: _____

Corporate office staff pay rate: _____ (may be an average)

HARD COSTS

Pre- Departure			
Separation processing			
Administrative time	Hours _____	x Wages \$_____	= \$_____
Vacancy Costs			
Coworker burden			
Overtime; Added shifts	Hours _____	x Wages \$_____	= \$_____
Hiring search firm or temp. agency	Hours _____	x Wages \$_____	= \$_____
Developing advertisement(s)			
Administrative time	Hours _____	x Wages \$_____	= \$_____
Placing advertisement			
Cost of advertising space(s)	Hours _____	x Wages \$_____	= \$_____
Selection & Sign- On			
Interviewing	Hours _____	x Wages \$_____	= \$_____
Reference checking	Hours _____	x Wages \$_____	= \$_____
Drug testing/psychological testing	Hours _____	x Wages \$_____	= \$_____
Orientation & on-the-job training	Hours _____	x Wages \$_____	= \$_____
Total Hard Costs of Turnover			= \$_____

This sample worksheet was made available by the U.S. Department of Labor and was created by PAROS Group, Inc.



SOFT COSTS

Pre- Departure			
Lost productivity of departing employee			
Exiting employee performance at 50%-75%	Hours _____	x Wages \$_____	= \$_____
Lost productivity of co-workers	Hours _____	x Wages \$_____	= \$_____
Increased time discussing departure and organizational conditions			
Increased work load for employees	Hours _____	x Wages \$_____	= \$_____
Lost productivity of supervisor	Hours _____	x Wages \$_____	= \$_____
During Vacancy			
Lost productivity of vacant position			
Overtime; Added shifts	Hours _____	x Wages \$_____	= \$_____
Lost productivity of supervisor			
Time spent filling in	Hours _____	x Wages \$_____	= \$_____
Recruiting administration			
Supervisor's time with schedule changes/ overtime	Hours _____	x Wages \$_____	= \$_____
Selection and Sign- On			
Lost productivity during training			
Replacement requires support/direction	Hours _____	x Wages \$_____	= \$_____
Lost productivity of co- workers			
Existing employees distracted	Hours _____	x Wages \$_____	= \$_____
Lost productivity of supervisor	Hours _____	x Wages \$_____	= \$_____
Total Soft Costs of Turnover			= \$_____

TOTAL COST OF TURNING OVER ONE EMPLOYEE

Hard Costs + Soft Costs = \$ _____

FORMULA FOR ANNUAL TURNOVER COST

Number of exiting employees _____ x cost of turnover (hard + soft) = \$ _____