Retention Success Toolkit
# Employee Satisfaction/Exit Interview Questions

**Communication**

Did I/Do I know what was/is expected of me at work?  
Details/?Comments 

<table>
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<tr>
<th>Yes</th>
<th>No</th>
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**Leadership**

Did I/Do I have the materials and equipment I needed to do my work right?  
Details/?Comments 

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

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<tr>
<th>Yes</th>
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Were/Are my co-workers committed to doing quality work?  
Details/?Comments  

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<tr>
<th>Yes</th>
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At work did I/do I have the opportunity to do what I do best each day?  
Details/?Comments  

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<th>Yes</th>
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**Relationships**

At work did/do my opinions seem to count?  
Details/?Comments  

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

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<th>Yes</th>
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Did I/Do I have a best friend at work?  
Details/?Comments  

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<tr>
<th>Yes</th>
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**Development**

In the last several days, did I receive recognition, or praise for doing good work?  
Details/?Comments  

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<th>Yes</th>
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In the last year, did I/do I have opportunities to learn and grow?  
Details/?Comments  

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<th>Yes</th>
<th>No</th>
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**Development of Others**

Was there/Is there someone at work who encouraged my development?  
Details/?Comments  

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

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<th>Yes</th>
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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)

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Turnover & Turnover Cost Calculation Worksheet

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

# of W2’s issued in prior year = 500
- # of employees on payroll on Jan 1, of this year = 462
= # of people turned over last year = 38
+ # of open (unfilled) FTE’s from last year = 5
= Total # of annual turnovers in prior year = 43 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 = 43
X cost of turnover/employee = 8,500
= Annual Turnover Costs = 215,000

$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 (*manuals, brochures, policies*) ........................................10

+ formal training costs ..............................................................................................................50

+ informal training costs (*OJT, mentoring, socializing - 1 day @ $16 per hour + 1 day @ $9.50 per hour*) .................................................................204

Performance Differential

differential in performance costs/benefits (*salary differential, vacancy lag, learning curve*) .760

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

- Gather Data
  - Turnover: By Department/By Manager
  - Turnover Costs
  - Exit Interviews
  - 12 Questions Worksheet
  - Assess - Leader vs. Do’er Competencies
  - Gap Analysis

- Targeted Completion Date

- Get Executive “Buy-In”
- Put Compensation & Reward/Recognition System In Place
- “Make” Managers WANT To Do It Differently
  - Present Statistics & Data - Why it needs to be done!
  - Reassure them – help/train/support/recognition/reward

- Training System Evaluation/Creation
- Design/Create - Leadership/Manager Career Track – Assess, Train, Mentor Accordingly