

Cost of Employee Turnover Worksheet

Use this form to calculate the cost of losing an employee.	
Position lost:	Salary level:
Hiring Costs	
Direct costs to hire 1 new employee	
Advertising	
Average fee to employment agencies, placement firm	
Sign-on bonus	
Referral bonuses to other employees	
Travel and expenses (include yours and money you reimburse to prospective candidate)	
Other direct costs	
Total Direct Costs to Hire	
Indirect costs to hire 1 new employee	
Estimate the costs incurred by having all current employees perform the following activities related to a new hire:	
Interviewing (costs of current employees at all levels of interviewing, from initial phone call through final interviews)	
Checking references	
Lost revenue (include costs of time spent away from actual jobs)	
Miscellaneous indirect costs (phone, copy, fax)	
Cost for employees "filling in" for vacant position (calculate number of days x 30%)	
Total Indirect Costs to Hire	
Training Costs	
Direct costs to train 1 new employee	
Time spent by person/people directly responsible for training new hire. Cost per hour times number of hours.	
Cost per participant of general orientation and training programs: training materials, new employee time; trainer's time/# of new employees	
Travel and expenses per participant for above	
Other direct costs	
Total Direct Costs to Train	
Indirect costs to train 1 new employee	
Estimate the time spent by all current employees who are involved in training a new candidate:	
General training in company technology and procedures, processes, etc.	
On-the-job training costs before employee becomes fully productive	
Total Indirect Costs to Train	
Estimated Revenue Lost by Vacant Position	
TOTAL COSTS: SAMPLE EMPLOYEE	
Annual Cost of Employee Turnover	
To estimate the annual cost of employee turnover, multiply the cost of replacing 1 employee times the number of replacements each year.	