

AB 2561 - Required and Recommended Metrics

Required by law

Metrics	Definition	Formula	Example
FTE (Full Time Equivalent)	Organization's total number of approved positions. Some Full Time positions may be comprised from smaller percentages of FTE approved.	sum of total number of positions identified as FTE	Total # of positions: 500 # of posiitions idenfitied as FTE: 450 # of FTE: 450
Average time to Hire	Measures the average number of days it takes to fill a job vacancies.	sum of (days to fill each position)/ total number of positions filled	Position 1: 60 days Posiiton 2: 90 days Position 3: 50 Days Total # of positions filled: 3
			Avg. Time to Hire = (60+90+50)/3 = 200/3 = 66.7 days
Vacancy Rate	Measures the percentage of unfilled posiitons within an	(# of vacant positions/total # of positions) x 100	Total budgeting positions: 200 Number of vacant positions: 15
	organization.		Vacancy Rate: (15/200) x 100 = 7.5%
Vacancy Rate (Bargaining Unit)	Measure the percentage of unfilled positions within a specific bargaining unit.	(# of vacant positions in BU/ total # of positions in BU) x 100	Total budgeting positions in BU:200 Number of vacant positions in BU: 15
			Vacancy Rate in BU: (15/200) x 100 = 7.5%
Retention Rate	Measures the percentage of employees who remain with an organization over a given period of time.	(# of employees at end of period/ # of employees at start of period) x 100	Employees at start of the year: 500 Employees at the end of the year: 450
		** Note This metric can be grouped by Department, BU, Supervisor, etc.	Retention Rate: (450/500) x 100 = 90%
			**rule of thumb: high retention >90%; low retention rate <80%
Average Turnover Rate	Measures the percentage of employees who leave an organization over a given period.	(# of employees who separate during the period/ average # of employees during period) x 100	Employees at the start of the year: 500 Employees at the end of the year: 450 Total separations during the year: 60
		** Note This metric can be grouped by Department, BU, Supervisor, etc.	1) avg # of employees = (500+450)/2 = 475
			2) Turnover Rate = (60/475) x 100 = 12.6%
	Measures the percentage of employees who leave an organization over a given period.	(# of employees who separate during the period/ average # of employees during period) x 100 ** Note This metric can be grouped by Department, BU, Supervisor, etc.	Employees at the start of the year: Employees at the end of the year: Total separations during the year: 1) avg # of employees = (500+450) 2) Turnover Rate = (60/475) x 100



Recommended Measures

Metrics	Definition	Formula	Example
Average Tenure	Measures the average length of time employees stay with an organization.	total years of service of all employees/total # of employees ** Note This metric can be grouped by Department, BU, Supervisor, etc.	# of employees: 5 Individual tenure of each employee (years): 3,5,8,2,4 Total years of service: 3+5+8+2+4 = 22 Average Tenure = 22/5 = 4.4 years
Average Time to Recruit	Measures the length of time from when the recruitment opens TO creation of the list created of qualified candidates	sum of (recruitment open TO list created in days)/ total# of positions recruited	Position 1: 30 days Position 2: 45 days Position 3: 25 Days Sum of recruitment open to list created: 30+45+25 = 100 Total # of positions filled: 3
			Avg. Time to Recruit = 100/3 = 33.3 days
Acceptance Rate	Measures the percentage of job offers that candidates accept relative the the number of offers made.	(# of offers accepted/total # of offers made) x 100	# of offers accepted: 17 total # of offers made: 50 Acceptance Rate: (17/50) x 100 = 34%
Cost per hire	Measures the expenses assocaited with hiring an employee.	total recruitment costs/total number of hires	Total recruitment costs: \$50,000 Total # of hires: 10 Cost per hire = \$50,000/10 = \$5,000 Internal Recruitment Costs can include: Recruiter salaries: HR team time spent
			hiring; Hiring manager time External Recruitment Costs can include: job postings/ads; consultant fees; background checks, assessments
Early Turnover	Measures the percentage of employees who leave within their first year of employment.	(# of employees who separate within their first year/ total # of new hires in the year) x 100	Total new hires in a year: 100 # of employees separated within their first year: 15
			Early Turnover Rate = (15/100) x 100 = 155
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Involuntary Turnover Rate Measures the percentage of employees win involuntarily separate during a given time period. (# of involuntary separations during a period / average # of employees at the start of the year: 450 Total Involuntary separations during a period / average # of employees win have been identified as high-perofming, high-potential, or critical. Employees at the start of the year: 450 Total Involuntary separations of employees win have been identified as high-perofming, high-potential, or critical. I) avg employees = (500+450)/2 = 475 2) [horduntary turnover Rate = (30/475) × 100 - 6.3% Ave rate Overtime Rate per employee Measures the percentation of voluntary separations of employees win have been identified as high-perofming, high-potential, or critical. (# of regrettable separations during a period / average # of employees (starting headcount / 2 Employees at the start of the year: 500 Employees = (500+450)/2 = 475 2) Regrettable Turnover Rate = (20/475) x 100 = 4.2% Ave rate Overtime Rate per employee Measures the average number of overtime hours worked by employees within a specific timeram/# of employees from start of year to end of time period. Total # of overtime hours worked by employees from start of year to end of year = 300 Absence Rate Measures the absence rate for time period. (Total Unplanned Absences turing a specific time period / total Scheduled Workdays 100 Total Unplanned Absences = 23 Total Scheduled Workdays = 250 Absence Rate = (23/250) x 100 = 9.2% Absence Rate = (23/250) x 100 = 9.2% Absence Rate = (23/250) x 100 = 9.2%	Voluntary Turnover Rate	Measures the percentage of employees who voluntarily separate during a given time period.	(# of voluntary separations during a period / average # of employees during the period) x 100 Avg. # of employees = (starting headcount + ending headcount)/2	Employees at the start of the year: 500 Employees at the end of the year: 450 Total voluntary separations during the year: 6 1) avg # of employees = (500+450)/2 = 475 2) Voluntary Turnover Rate = (60/475) x 100
Regrettable Turnover Rate Measures the percentation of voluntary separations of employees during the period/ average # of moloyees during the period/ average # of moloyees at the end of the year: 500 Employees at the end of the year: 20 10 Employees at the start of the year: 500 Employees at the end of the year: 20 10 average # of moloyees at the end of the year: 20 10 Ave rate Overtime Rate per employee Measures the average number of overtime hours worked by employees within a specific time period. Total # of overtime hours worked by employees within a specific timeframe/ # of employees during the time period. Total # of overtime hours worked by employees within a specific timeframe/ # of employees during the time period. Total # of overtime hours worked by employees within a specific timeframe/ # of employees during the time period. Total # of overtime hours worked by employees within a specific timeframe/ # of employees during the time period. Total # of overtime hours worked by employees within a specific timeframe/ # of employees during the time period. Total # of overtime hours worked by employees within a specific timeframe/ # of employees during a specific time period / Total Scheduled Workdays during a specific time period / total Scheduled Workdays during a specific time period / too Total Unplanned Absences = 23 Total Scheduled Workdays = 250 Absence Rate = (23/250) x 100 = 9.2% Employee Employee Employee engagement about their work. High employee starte engagement backs to porceased productivity These are typically measured through surveys distributed to employees. The specific calculation will depend on the survey engine demond networks. RCS can help develop and deliver meaningful and research-backed employee engagement surv	Involuntary Turnover Rate	Measures the percentage of employees who involuntarily separate during a given time period.	(# of involuntary separations during a period / average # of employees during the period) x 100 Avg. # of employees = (starting	 = 12.6% Employees at the start of the year: 500 Employees at the end of the year: 450 Total involuntary separations during the year: 30 1) avg employees = (500+450)/2 = 475
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Employee EngagementMeasures how invested and enthusiastic employees are about their work. High employee engagement leads to increased productivityThese are typically measured through surveys distributed to employees. The specific calculation will depend on the survey design and scoringRGS can help develop and deliver meaningful and research-backed employee engagement surveys.	Absence Rate	Measures the absence rate for an employee during a given time period.	(Total Unplanned Absences during a specific time period / Total Scheduled Workdays during a specific time period) x 100	Total Unplanned Absences = 23 Total Scheduled Workdays = 250 Absence Rate = (23/250) x 100 = 9.2%
improved customer service, system used. and lower turnover.	Employee Engagement	Measures how invested and enthusiastic employees are about their work. High employee engagement leads to increased productivity, improved customer service, and lower turnover.	These are typically measured through surveys distributed to employees. The specific calculation will depend on the survey design and scoring system used.	RGS can help develop and deliver meaningful and research-backed employee engagement surveys.