Parents and Friends, Inc.

Employee Retention Rate Analysis

July 2006 – June 2007

As of July 16, 2007 Parents and Friends, Inc. is employing forty-seven full and part time employees not counting Vocational Services consumers.

Between July 2006 and June 2007 seventeen employees left employment at PFI for a number of reasons. Those reasons are:

Unknown/Found Another Job	Personal/Not Job Related	Reorganization/ Job Eliminated	Relocated	Medical	Poor Performance	Total
2	**4**	**6**	**3**	**1**	**1**	**17**

The chart above shows that PFI experienced a 36% turnover rate of staff for the year July 2006 through June 2007. Turnover due to unknown causes or losing an employee to another competitive job, however, was only 4.25%, while reorganization, poor performance, medical and relocating out of the area was 23.4% and personal, not job related was 8.5%.

Taking personal/not job related and unknown/found another job as possible loss of employees because of poor job satisfaction the worst case possibly preventable turn over rate was 12.8%. This can be compared to a congressional study which showed an average turnover rate in the industry of between 35% and 70% per year, depending on the type of direct services being provided.

Strategies for Maintaining or Lowering Turn-Over Rate.

1. Continue with full employer paid insurances including medical, dental, vision and life. This is very expensive (over 20% of gross payroll).
2. Keep current with annual reviews and wage and salary surveys. Attempt to come into line with wage survey information for northern California.
3. Start an employee of the quarter program to recognize excellent performance.
4. Have an annual Bar-B-Q and other unscheduled events as appropriate to show employee appreciation.

Wage and Salary Administration.

1. We have a 2007 Compensation & Benefits survey for northern California nonprofit organizations published by the Center for Nonprofit Management. The survey covers all of Northern California including San Mateo, San

Francisco, Sonoma, Sacramento and Marin. It is also regionalized, looking at specific regions, one of which is called "North State/Sierra Nevada". This region includes only Mendocino, Lake, Humboldt, Del. Norte and Butte Counties. Some job categories did not have enough responses for this region to be reported for that particular job, but in general, for other job categories that were reported, the apparent difference from the overall survey results and the North State results was a 20% decrease in salaries, but not benefits.

2. ***Benefits --*** PFI Pays 100% of employee Medical, Dental, Vision and Life Insurance. The survey results show that 57% pay 100% of Medical, 74% pay 100% of vision and 78% pay 100% of Dental. 86% also pay 100% of Life Insurance. The survey also shows that 81% pay 100% of Long Term Disability Insurance and 61% pay 100% of Long Term Care insurance. PFI does not offer these last two insurances, but is in the forefront with all the others.

3. ***Wages –*** PFI has essentially three main categories of jobs. These are:

    a. Managers – Program or business managers. Seven in total.
    b. Supervisors – Program or business supervisors or assistant managers. Seven in total.
    c. Direct Staff – Program staff who provide direct service in one of the programs, not the Thrift Store. Nineteen in total.
    d. Thrift Store Staff – Ten in Total.