

How to Reduce Turnover in your 0-6 Month Attrition



Reducing 0-6 Month Employee Turnover



Daniel Ash

CEO/Co-Founder
Journeyfront

Presenters

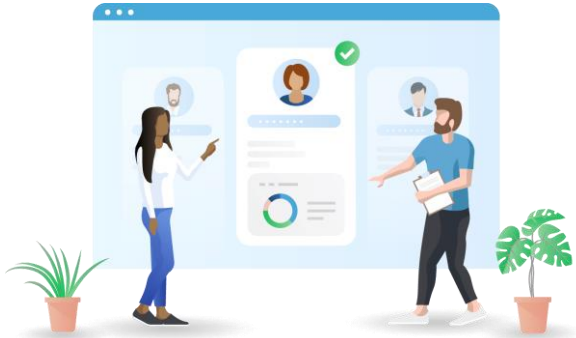


Ryan Tworek

Director of Sales
Journeyfront

SUMMARY

AGENDA



Introductions

How to Calculate Your Cost of Turnover

What Drives Turnover (Research)

Proven Approaches for Reducing Turnover

Wrap Up and Q&A

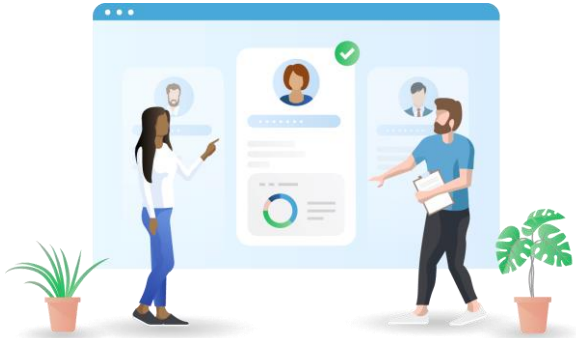
Journeyfront is a **data-driven platform for reducing turnover.**

- Data-driven hiring tools**
- Turnover insights (pre and post-hire)**



SUMMARY

AGENDA



Introductions

How to Calculate Your Cost of Turnover

What Drives Turnover (Research)

Proven Approaches for Reducing Turnover

Wrap Up and Q&A

Turnover is costly, increases organizational burden, and lowers morale

“Replacing an employee is estimated to cost a company 30% of that employee’s annual salary.” -Department of Labor

TANGIBLE TURNOVER COSTS	
Cost to cover for departures	\$\$
Cost to source, screen & hire	\$\$
Cost to onboard	\$\$
Cost to train/ramp up	\$\$

*Annual Turnover %
(for a 100-person department)*

	30%	40%	50%	60%	70%	80%	90%	100%	125%	150%	200%
Average Salary (\$)	.27M	.36M	.45M	.54M	.63M	.72M	.81M	.9M	1.1M	1.35M	1.8M
\$30k	.27M	.36M	.45M	.54M	.63M	.72M	.81M	.9M	1.1M	1.35M	1.8M
\$40k	.36M	.48M	.6M	.72M	.84M	.96M	1.08M	1.2M	1.5M	1.8M	2.4M
\$50k	.45M	.6M	.75M	0.9M	1.05M	1.2M	1.35M	1.5M	1.9M	2.25M	3M
\$60k	.54M	.72M	.9M	1.08M	1.26M	1.44M	1.62M	1.8M	2.25M	2.7M	3.6M
\$70k	.63M	.84M	1.05M	1.26M	1.47M	1.68M	1.89M	2.1M	2.6M	3.15M	4.2M
\$80k	.72M	.96M	1.2M	1.44M	1.68M	1.92M	2.16M	2.4M	3M	3.6M	4.8M
\$90k	.81M	1.08M	1.35M	1.62M	1.89M	2.16M	2.43M	2.7M	3.4M	4.05M	5.4M
\$100k	.9M	1.2M	1.5M	1.8M	2.1M	2.4M	2.7M	3M	3.75M	4.5M	6M

Annual Cost of Turnover

Turnover Calculator

Company:

AVERAGE EMPLOYEE SALARY

\$65,000

TURNOVER COST - PER EMPLOYEE

\$19,500

ANNUAL EMPLOYEES TURNING OVER

100

ANNUAL COST OF TURNOVER

\$1,950,000

Potential Savings

IF WE COULD REDUCE TURNOVER BY

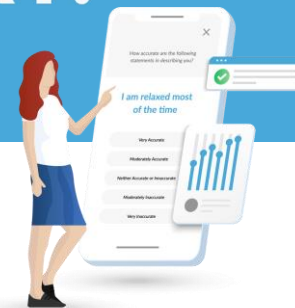
25%

SAVINGS FROM REDUCING TURNOVER

\$487,500

“THE ESTIMATED COST TO REPLACE ONE EMPLOYEE IS 30% OF THAT EMPLOYEE’S ANNUAL SALARY.”

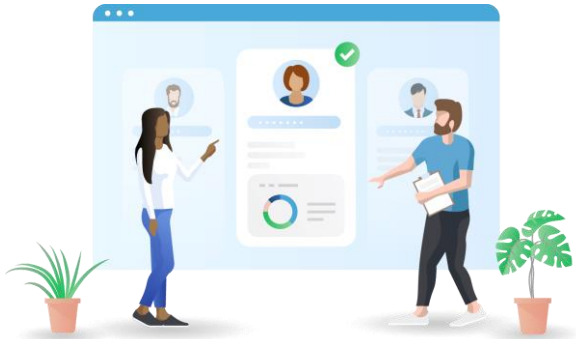
DEPARTMENT OF LABOR



← **Download Turnover Calculator**

SUMMARY

AGENDA



Introductions

How to Calculate Your Cost of Turnover

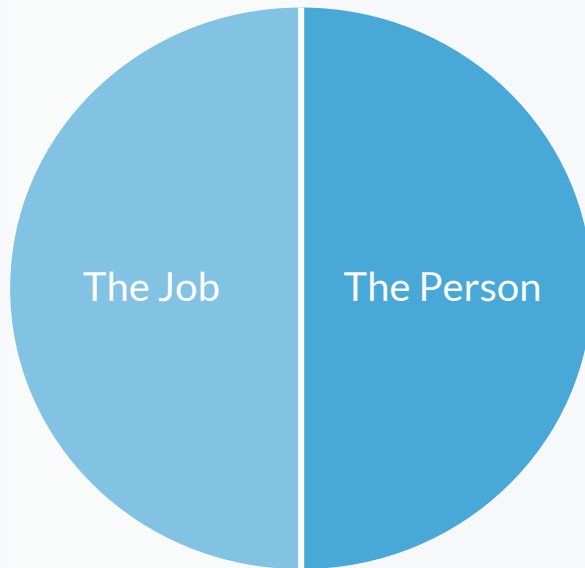
What Drives Turnover (Research)

Proven Approaches for Reducing Turnover

Wrap Up and Q&A

Turnover is Driven by Many Factors

It's about the characteristics of THE JOB... or THE PERSON... or the relationship between BOTH.



What Drives Turnover (Meta Study Insights)

JOB-Related Drivers (20% of Drivers)

Negative Drivers

- Job Security (-)
- Organizational Support (-)
- Reward Contingency (-)
- Routinization (-)
- Job Characteristics (-)
- Instrumental Communication (-)
- OCBs (-)
- Centralization (-)
- Organizational Prestige (-)
- Task Complexity (-)

Positive Drivers

- Role Ambiguity (+)
- Organization Size (+)

PERSON-Related Drivers (41% of Drivers)

Negative Drivers

- Other Satisfaction (-)
- Coping (-)
- Other Commitment (-)
- Organizational Commitment (-)
- Tenure (-)
- Job Fit (-)
- Age (-)
- Children (-)
- Emotional Stability (-)
- Internal Motivation (-)
- Martial Status (-)
- Conscientiousness (-)
- Selection Process Performance (-)
- Influence (-)
- Abilities / Skills (-)
- Agreeableness (-)

Positive Drivers

- Absenteeism (+)
- Openness to Experience (+)
- Lateness (+)
- Locus of Control (+)
- Education (+)
- Ethnicity (+)
- Extraversion (+)

JOB/PERSON Drivers (36% of Drivers)

Negative Drivers

- Rewards Offered (-)
- Job Satisfaction (-)
- Job Embeddedness (-)
- Leadership (-)
- Climate (-)
- Performance (-)
- Engagement (-)
- Job Involvement (-)
- Pay (-)
- Justice (-)
- Peer Relations (-)
- Routinization (-)
- Workload (-)
- Participation (-)

Positive Drivers

- Alternatives (+)
- Stress/ Exhaustion (+)
- Work/Life Conflict (+)
- PC Breach (+)
- Role Conflict (+)
- Met Expectations

76% of drivers have to do with the person hired

SUMMARY

AGENDA

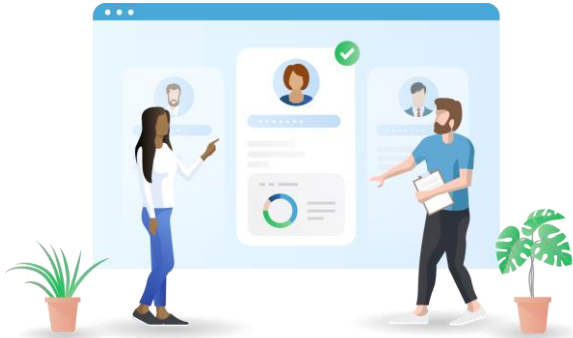
Introductions

How to Calculate Your Cost of Turnover

What Drives Turnover (Research)

Proven Approaches for Reducing Turnover

Wrap Up and Q&A



Tools for Reducing '0-6 Month' Turnover

1 Assessments

Leverage multi-dimensional behavioral assessments (interests, values, personality, competencies) to measure true candidate/job fit.

3 Job Previews

Increase transparency by showing candidates what the job is like (duties, highs/lows, etc.). This facilitates 'bad fit' candidates self-selecting out.

5 Candidate Scorecards

Hire based on objective criteria (instead of gut/bias). This holds hiring team decisions accountable to the process. It also supplies rich data to analyze later.

2 Job Simulations

Provide candidates with a simulation of key tasks they'll be required to do (repeatedly) in the job. This serves as a job preview and skills test.

4 Structured Interviews / Scripts

Objectively screen & probe for key traits, behaviors, preferences, required for fit and retention in your unique job/environment.

6 Skills Tests

Measure key skills required for success (and satisfaction) in the job, especially in jobs that are difficult or have high involuntary turnover.

Tools for Reducing '0-6 Month' Turnover

1 Assessments

Leverage multi-dimensional behavioral assessments (interests, values, personality, competencies) to measure true candidate/job fit.

3 Job Previews

Increase transparency by showing candidates what the job is like (duties, highs/lows, etc.). This facilitates 'bad fit' candidates self-selecting out.

5 Candidate Scorecards

Hire based on objective criteria (instead of gut/bias). This hold hiring team decisions accountable to the process. It also supplies rich data to analyze later.

2 Job Simulations

Provide candidates with a simulation of key tasks they'll be required to do (repeatedly) in the job. This serves as a job preview and skills test.

4 Structured Interviews / Scripts

Objectively screen & probe for key traits, behaviors, preferences, required for fit and retention in your unique job/environment.

6 Skills Tests

Measure key skills required for success (and satisfaction) in the job, especially in jobs that are difficult or have high involuntary turnover.

doTerra Reduces 90-Day Turnover by 51%



Industry
Health & Nutrition

Job Function
Customer Support

Problem
High turnover rate in first 90 days of employment

Outcome
Reduced 90 day turnover by 51%

Background

doTERRA sources, tests, manufactures, and distributes pure essential oils and natural wellness products to over nine million Wellness Advocates and customers across 86 countries.

The Challenge

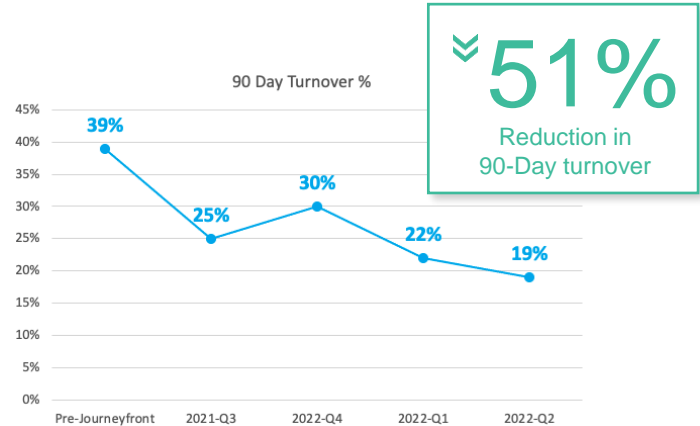
The company's largest call center position, customer support agents, was experiencing high turnover of their new hires. This turnover was most problematic in the first 90 days of their start date and the agents were not becoming fully productive and costing the company in both high recruiting costs and lost productivity.

The Journeyfront Solution

Journeyfront identified patterns from existing employees about the traits most predictive of 90-day turnover. This information was used to build a screening plan to specifically target the traits that identified those who would stay in the call center agent position past 90 days.

Results

Over the course of 12 months the percent of new hires in the call center that turned over in the first 90 days dropped from 39% to 19%. This 51% decrease in 90-day turnover translated into tremendous savings in recruiting, hiring and training costs as well as increased productivity of the team.



Tools for Reducing '0-6 Month' Turnover

1 Assessments

Leverage multi-dimensional behavioral assessments (interests, values, personality, competencies) to measure true candidate/job fit.

2 Job Simulations

Provide candidates with a simulation of key tasks they'll be required to do (repeatedly) in the job. This serves as a job preview and skills test.

3 Job Previews

Increase transparency by showing candidates what the job is like (duties, highs/lows, etc.). This facilitates 'bad fit' candidates self-selecting out.

4 Structured Interviews / Scripts

Objectively screen & probe for key traits, behaviors, preferences, required for fit and retention in your unique job/environment.

5 Candidate Scorecards

Hire based on objective criteria (instead of gut/bias). This hold hiring team decisions accountable to the process. It also supplies rich data to analyze later.

6 Skills Tests

Measure key skills required for success (and satisfaction) in the job, especially in jobs that are difficult or have high involuntary turnover.

PATLive Reduces 90-Day Turnover 72%



Industry
Call Center

Job Function
Virtual Receptionist

Problem
High turnover for new hires in each role

Outcome
Reduced 90-day turnover by 72%

Background

PatLive provides live virtual receptionist and call answering services for broad range of clients. Their services range from general inquiry to appointment, setting, message taking and order processing.

The Challenge

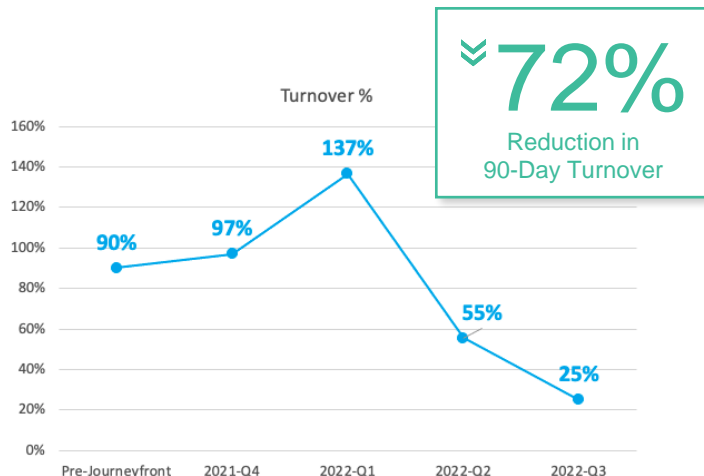
The company's largest position is a virtual receptionist position that is filled with a fully remote staff. This position was experiencing high turnover rates causing staffing shortage issues for their customers and costing the company in both high recruiting costs and lost productivity.

The Journeyfront Solution

Journeyfront identified patterns from existing employees and new hires that were most predictive of turnover. This information was used to build a screening plan to specifically target the traits that identified those who would stay longer. After our initial hiring cohort, additional adjustments were made to focus on the biggest problem area for turnover which was those turning over within 30 days of their start date.

Results

Over the course of 12 months the percent of new hires in the virtual receptionist role that turned over dropped from 90% to 25%. This 72% decrease in turnover translated into tremendous savings in recruiting, hiring and training costs as well as increased productivity of the team.



Tools for Reducing '0-6 Month' Turnover

1 Assessments

Leverage multi-dimensional behavioral assessments (interests, values, personality, competencies) to measure true candidate/job fit.

3 Job Previews

Increase transparency by showing candidates what the job is like (duties, highs/lows, etc.). This facilitates 'bad fit' candidates self-selecting out.

5 Candidate Scorecards

Hire based on objective criteria (instead of gut/bias). This holds hiring team decisions accountable to the process. It also supplies rich data to analyze later.

2 Job Simulations

Provide candidates with a simulation of key tasks they'll be required to do (repeatedly) in the job. This serves as a job preview and skills test.

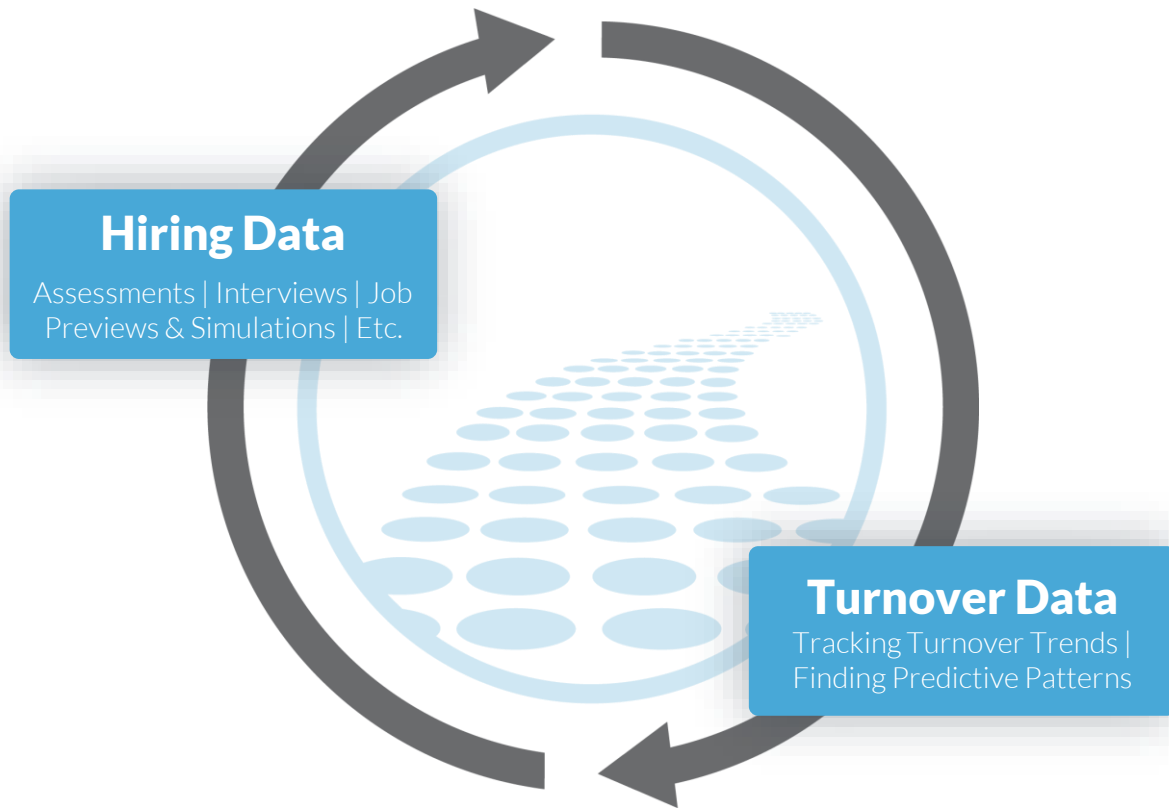
4 Structured Interviews / Scripts

Objectively screen & probe for key traits, behaviors, preferences, required for fit and retention in your unique job/environment.

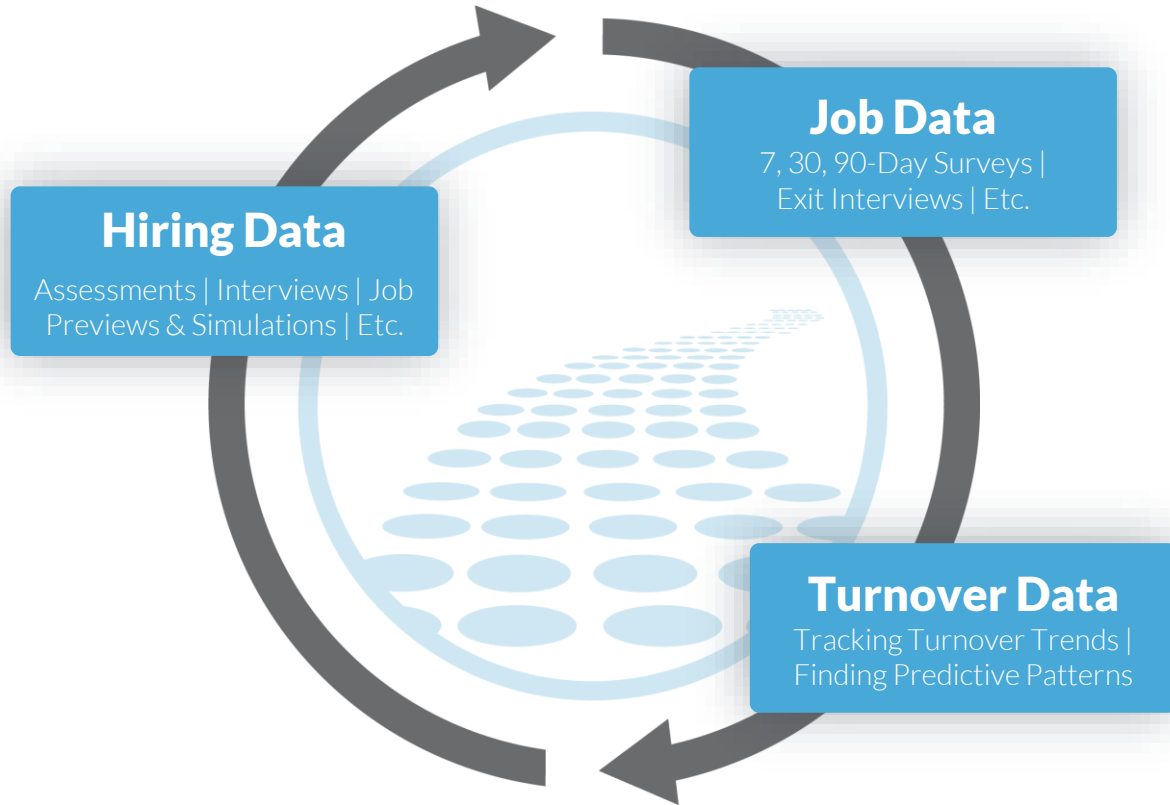
6 Skills Tests

Measure key skills required for success (and satisfaction) in the job, especially in jobs that are difficult or have high involuntary turnover.

Continuously Improve Turnover via Hiring Improvements



Continuously Improve Turnover via Hiring & Post-Hire Improvements



SUMMARY

AGENDA

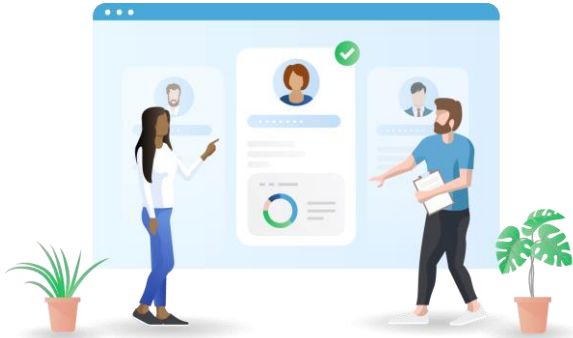
Introductions

How to Calculate Your Cost of Turnover

What Drives Turnover (Research)

Proven Approaches for Reducing Turnover

Wrap Up and Q&A





Daniel Ash

CEO / Co-Founder

Journeyfront (Data-Hiring Software)
www.journeyfront.com
daniel@journeyfront.com

Schedule A
Time To Chat



Download
Turnover
Calculator

