

# **Case Study**

## **The ProfileXT in use by a Travel Agency (Turnover Issues)**

A travel agency was experiencing what it considered an unacceptable turnover rate among its agents. The agency decided to use the ProfileXT to conduct a study of the relationship between PXT results and turnover.

### **Participants**

One hundred and eighty-one current and former sales agents participated in this study. Turnover rates were gathered throughout the period of the study. Before the study began, turnover rate was at 28%.

### **Job Match Pattern**

A Job Match Pattern was developed using the ProfileXT. The Job Match Pattern was created using the ProfileXT results for the current employees at the time of the study. There were 60 Top Performers in August 2001. Once the Job Match Pattern was developed, the results for the entire group of 181 were matched against the Pattern. An overall Job Match Percent of 75% or greater was selected to represent a good match to the position. The same Job Match Pattern was then used in the selection process for the period of this study.

### **Details**

1. Turnover reduced from 28% to 16% (a 43% reduction).
2. Average cost of hiring was \$15,000.
3. At 28%, cost of turnover was \$765,000 (51 turnover x \$15,000).
4. At 16%, cost of turnover was \$435,000 (29 turnover x \$15,000).
5. These results indicate a savings of \$330,000 from reduced hiring costs.

### **Summary**

During the study, 181 new employees were hired; 29 separated from the company. This represented a 43% reduction in turnover from 28% down to 16%. The company reported a savings of \$330,000 in hiring costs alone. The process of identifying Top Performers through a Job Match Pattern proved to be a valid means for selection and retention in the study.