CASE STUDY

Using the TalassureMX to Increase Sales & Reduce Turnover with Sales Agents

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Challenge

A travel agency was experiencing two challenges; low sales performance from existing employees and high turnover rate with new hires. Sales performance among the existing sales team showed a significant imbalance in average weekly sales. The high turnover rate resulted in substantial acquisition costs. The turnover rate needed to be reduced which would in turn, reduce the cost of hiring.

Solution

The travel agency conducted two studies: one for a period of nine months and another for ten, between March 2013 and September of 2015. The intent of the first study was to identify performance data and their relationship to the TalassureMX Job Match Percent. The second study focused on analyzing turnover rates and the use of the TalassureMX. Both studies are discussed here.

Sales Performance Issues

Participants

One hundred and twenty-three sales agents were used for this study. Only those who had completed their trial employment period were studied in this analysis.

Job Match Pattern

A Success Pattern was developed using the TalassureMX concurrent study method. The top performers (a group of ten sales agents) averaged an 80% Job Match on the new TalassureMX Success Pattern while the bottom performers (another group of 10) averaged 69%. The ranking of performance was based on weekly sales averages where the sales for the top performers averaged five times the average for the bottom performers.

Details

	N	Performance	TalassureMX Result
		Average Weekly Sales*	Average Job Match Percent
Top Performers	10	2,648.00	80%
Bottom Performers	10	482.00	69%

*From March, 2013 to November, 2013

1. The top ten Sales Agents' weekly sales average = $2,648.

2. The bottom ten Sales Agents' weekly sales average = $ 482.

3. This represents a difference of $2,166.00 per week (a 5.5 to 1 ratio).

4. For every dollar a bottom performer earns, a top performer earns $5.50.

5. Replacing a poor performer with a top performer (selected using the TMX Job Match Percent) would result in of $2,166.00 more in sales per week or a sales increase of 349%.

High Turnover Rate

Participants

One hundred and eighty-one sales agents who were hired using the TMX between September, 2014 and September, 2015 were used for this study. The turnover rate was tracked on these employees. Before the study began, turnover was at 28%.

Job Match Pattern

Prior to the study, a Success Pattern was developed using the TMX results from 60 current employees who had been with the company for 3 or more years. The new Success Pattern was then used as part of the hiring process for the group of 181 new hires.

Measuring Turnover after Pattern Matching

A Job Match Percent of 75% or greater was selected to represent a good match to the position. At the end of the 12-month study period, turnover had been reduced from 28% to 16%.

Details

6. Turnover reduced from 28% to 16% (a 43% reduction).

7. Average cost of hiring is $15,000.

8. At 28%, cost of turnover is $765,000 (51 turnover x $15,000).

9. At 16%, cost of turnover is $435,000 (29 turnover x $15,000).

10. These results indicate a savings of $330,000 from reduced hiring costs.

Result

Use of TalassureMX and objective Job Match Percent resulted in increased overall sales performance. More top performers can be selected than bottom performers, saving on training budgets and enhancing overall sales performance. The process of identifying top performers through the Job Match Pattern is definitely a valid means for improving productivity of a sales department.

The result of reduction in new employee turnover was affected by the use of TalassureMX in the selection process. Of the next one hundred and eighty-one new employees hired only twenty-nine separated from the company. This represents 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 using a TalassureMX Success Pattern proved to be a valid means for selection and retention in the study.