

CASE STUDY

Klawnsky Consulting's ValidHire™ Predictive Hiring Solution Reduces Production Worker Turnover by 60%

Challenge A major Fortune 500 automotive parts manufacturer was forecasting significant growth due to improving global economic conditions. In anticipation of increasing customer orders at a key manufacturing facility, the management team wanted to address the high Production Worker turnover rate (50% within the first six months of employment) and the problems it caused (ex., decreased co-worker and Supervisor productivity, increased recruiting and hiring expenses). Plant Management had reluctantly tolerated the turnover problem in the past because hiring volumes were much lower; but they now considered it to be a significant obstacle to meeting increasing customer demands.

Solution Klawnsky Consulting had a long history of partnering with the manufacturer to increase performance and productivity by implementing predictive hiring solutions at many of its facilities. However, Production Worker hiring at this key facility had not yet been addressed.

To address the turnover problem, a predictive hiring solution was designed to meet the specific needs of the facility. A new structured interview was implemented to replace the company's traditional interview; which relied too much on general impressions and 'gut feelings' to make hiring decisions. A key goal of the new interview was to gain a more accurate assessment of candidate's willingness to do production work in an environment that utilized a highly effective self-directed work team structure. A job simulation was also developed to approximate the most critical Production Worker job activities at the facility; thereby providing the opportunity to observe job candidates as they 'worked' during the 1½-hour simulation. Those observations were invaluable for determining how candidates approached work in the self-directed work team setting.

Klawnsky Consulting trained company representatives at the facility to administer the interview and simulation in an unbiased manner. The representatives were also provided with real-time coaching during initial implementation stages to ensure a successful launch.

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- Results & ROI** Positive outcomes were immediately evident with the new predictive hiring tools. Company representatives reported being able to identify the most qualified job candidates with a much higher degree of accuracy, which lead to the following results:
- 60% decrease in Production Worker turnover rate within the first six months (50% turnover rate dropped to 20%)
 - Savings from reduced turnover costs alone were enough to justify the investment in the predictive hiring process, achieving an ROI of less than 6 months.
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About Klawnsky Consulting

Klawnsky Consulting helps companies identify untapped cost savings and efficiencies by changing the way Supply Chain builds their workforce. By using proven Predictive Hiring tools and methodologies to identify job candidates who will succeed in each company's unique culture, workforce effectiveness is increased without disruption to current productivity levels; and with shorter payback periods than almost any other Supply Chain solution. For over 25 years we have worked in tandem with Fortune 500 clients to realize the full potential of their most important resource—their people.