

CUSTOMER SUCCESS STORY:

Major National Retailer

PeopleReady worked with one of their store locations to create a temp-to-hire staffing model that improved attendance, reduced turnover and developed a more reliable workforce.

CHALLENGE

Time and attendance issues are one of the most cited staffing problems in retail—and had been especially challenging for one store location of a major national retailer. Having employees who regularly missed work or showed up late was becoming a drain on the store's productivity and staff morale.

To account for growing sales and store traffic, the store needed a more stable workforce with employees who they could count on to arrive on time and be ready to work. Also, the store was looking for ways to keep employees motivated so they would achieve performance standards and commit to staying with the company long term. Employee turnover had a negative impact on the store's profitability: On average, onboarding a new employee typically cost them \$3,000.

SOLUTION

Since PeopleReady had successfully serviced many of the retailer's other store locations across the country over the past five years, the local PeopleReady branch manager arranged a meeting with the store manager to see how they could support this store as well. The store manager expressed interest in a temp-to-hire solution that was attractive for both employees and their managers who would be eligible for retention bonuses.

PeopleReady committed to providing them qualified associates for a variety of roles who could work on a temp-to-hire basis. With input from the store manager, PeopleReady was also able to devise a new pricing model that rewarded excellent attendance. If their associates worked 40 hours a week, they would be paid \$7 more an hour, giving them the potential to make an additional \$280 each week. The benefits of a wage increase outweighed the upfront costs because associates had an extra incentive to show up and be on time. They also had the potential to be transitioned into full-time permanent employees based on their overall performance.

RESULTS

In the months following their new pricing model, the retailer noticed an immediate decrease in employee turnover and, consequently, a reduction in training and onboarding costs. Since employees are staying longer and expanding their job knowledge, the store developed a stronger full-time workforce that is confident in their current responsibilities as well as their long-term career prospects.

The successful implementation of the pricing model has provided new opportunities for both the retailer and for PeopleReady. The store manager was recently promoted to district manager responsible for over two dozen area store locations—and he reached out to PeopleReady shortly after his promotion so they could implement the same pricing model in several other locations throughout the district. Having a successful workforce plan along with the support of a dedicated staffing partner helps the retailer continue to meet rising customer expectations and create a great shopping experience.

