



Turnover Reduction: Lessons from History

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ABOUT DISCOVERLINK

*Leading provider of e-learning
for the hospitality industry*

CONTENT | TECHNOLOGY | EXPERTISE

BOB EVANS' RESULTS FROM 2003-2005

- Goal:
 - ✓ Hire 7 fewer employees per store per year
 - ✓ Reduce attrition by 7%
 - ✓ Save the company \$7 million in training costs and lost sales
- Achieved because:
 - ✓ Higher competency in shorter time
 - ✓ Higher job satisfaction, because they knew what to do



Employee turnover reduced by 35%

Able to hire 15 fewer employees per store per year

Saved \$17.4 million per year (15 x \$1,971 per unit)

Server training time reduced from 5-7 days to 3.5 days

BOB EVAN'S SERVER TEST SCORES

*Sales Abbreviation Test:
Average scores went from
87.2% to 97%*

Testing/Grading/Reviewing Hours

Traditional		E-Learning
Trainer	Employee	Employee
1.5	1.5	0.75

Costs Per Server Trained

Traditional		E-Learning
Trainer	Employee	Employee
\$22.73	\$7.73	\$3.87

Savings of \$18.76 per server
x 60 servers = \$1,125.60 per year
X 590 stores = **\$664,104**

GOLDEN CORRAL'S RESULTS FROM 2004



Hourly employee turnover dropped by 46%

Overall company turnover reduced by 31.2%

Turnover of new employees who were certified decreased by 20% in first 30 days

Top 10% of stores in system usage had a 5.5% **increase in sales** and a 170% increase in **net profit**

CULVER'S RESULTS FROM 238 RESTAURANTS USING E-LEARNING FOR 1 YEAR: 2008-2009



Sales increased by an average of \$110,000 over previous year
Turnover reduced by an average of 25% from previous year
Reduction in position training by a minimum average of 2 shifts
Reduction in food safety training by half
Total labor savings minimum of \$5,250 in 1 year

Dining room attendants were actually talking to guests on their first day!

QUOTES FROM CULVER'S FRANCHISEES

“Team members caught on faster with hands-on activities and decision-making.”

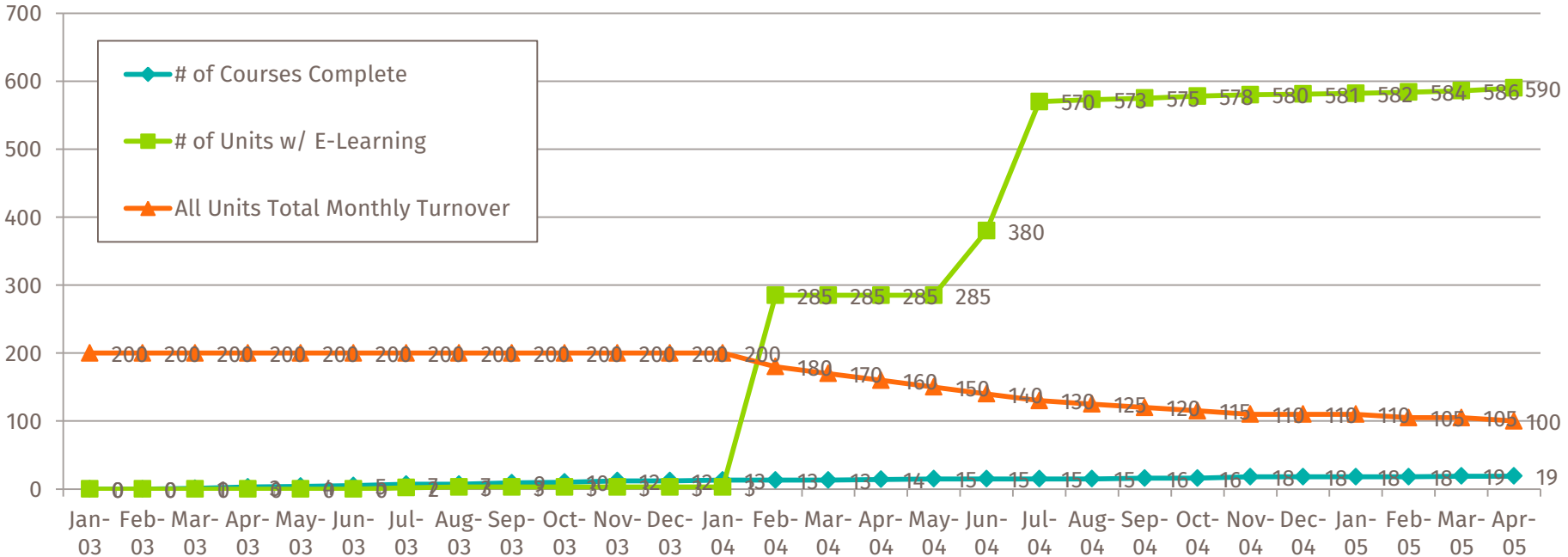
“Team members were less tense waiting for direction for what to do once they were on the floor; they already had a general idea.”

“Course activities simulate real scenarios so team members feel more prepared and confident.”

“Team members just seem to ‘get it’ better this way; it’s the consistency.”

“Team members were ‘up to speed’ faster because they understood expectations.”

CFO NEGOTIATED LOWER PUBLIC RATE



IS HISTORY REPEATING ITSELF?

DONATOS' RESULTS FROM 2014-2015

- Focused on hourly associate onboarding training program
- Tracked attrition of new hires during first 10 shifts



Reduced turnover by 33.6%
during first 9 months

Saved \$82,164 over 9 months
(\$2,004 per associate turned)

Total reduction of new hires by
35% after 1 year

DONATOS DATA FOR HOURLY ASSOCIATES DURING FIRST 10 SHIFTS

	HIRES	TERMS	TURNOVER
Apr – Dec 2014	923	305	33.0%
Apr – Dec 2015	996	264	21.9%
Jan – Apr 2016	481	103	21.4%

REASONS E-LEARNING REDUCES TURNOVER



Reduced training time means employee is competent faster and achieves success sooner



Employee has confidence in abilities sooner and is able to learn from trainer more effectively



Employee is productive sooner and feels like part of the team rather than a burden



Employee appreciates immediate investment in their development

FOCUS ON TENURE, NOT TURNOVER



BEST PRACTICE!

If the average tenure of a new employee is 9 months, what are you doing for them at 6 months to lengthen their tenure?

