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CREDIT UNION CUTS TURNOVER WITH ASSESSMENT PROGRAM

In last month's edition of Employer's Advantage, the case study demonstrated how a bank used a strategic assessment program to cut turnover, improve customer service and bring more profit to the bottom line.

As the current data set demonstrates, similar savings and improved performance can apply to credit unions as well. Volume two, Issue two, featured a mid-sized credit union whose preliminary data illustrated that their strategic assessment program was achieving desired results. After a full year, the early indications are confirmed.

The credit union adopted a funnel model of selection. At the wide end of the funnel, applicants are screened for suitability on the basis of their application documents. Those chosen to enter the interview process first complete an honesty-integrity assessment, the Step One Survey II™ (SOS2). With a strong applicant pool, the credit union applies a relatively high criterion to the scores on that instrument. The criterion, combined with an initial interview (using the assessment's interview guide) selects approximately 40 percent of the pool to continue the process. At this point, candidates remaining in the pool complete a job match assessment specific to customer service jobs, the Customer Service Perspective™ (CSP). If their match to the success pattern for the job under consideration is favorable, they also complete a job match assessment specific to sales, the Profile Sales Indicator™ (PSI). A final interview is conducted considering the complete file of information available (assessments, employment history, reference checks and interview results) and a job offer decision is reached.

Cost per hire = \$ 7,815
2003 Total T/O = 28%
Cost = \$ 468,900
2004 Total T/O = 19%
Cost = \$ 320,415
Savings = \$ 148,485
Program Cost = \$ 12,690
2004 ROI = 1170%
2005 Projected T/O = 15%
Cost = \$ 252,034
Savings = \$ 216,866
Program Cost = \$ 8,000
2-year ROI = 1766%

After a full year of this effort, the evidence is clear: the program works as designed. Results of the turnover reduction are illustrated in the graph below. More importantly to the credit union and its owner-members, return on their investment is exceptional, and will allow them to continue pursuit of improved customer service.

