

# talent market insights help beverage company attract contingent talent, reduce turnover.



## industry

consumer goods/beverages

## challenge

Eager to meet product demand, the company sought out ways to improve contingent talent attraction and reduce attrition rates in a competitive market.

## solution

With the expertise of Randstad Sourceright and robust talent analytics, the company recognized it was paying contingent workers below market rates. Adjusting compensation and improving the existing managed services program (MSP) led to increased retention and satisfaction.

## key results

With its new approach, time to fill at the plant decreased from 21 days to just 12. Negative turnover is practically non-existent, and contingent workers have a more positive experience.

## high contingent workforce turnover challenges productivity

The beverage company operates plants around the country for the production and distribution of its products. To meet distribution goals, it relies on teams of contingent workers to operate machinery, pack and label products, and perform other technical roles. One plant located in the Napa Valley area, however, struggled to retain its contingent workers due to high competition for this talent with local wineries.

In the second quarter of 2018 alone, the location lost a total of 61 workers, many of whom left for higher-paying opportunities with competitors. The high attrition at this plant meant that the company had to continually fill those positions with new workers.

With a fill rate of 80%, this attrition led to greater challenges. For instance, the plant risked not meeting product demand and quotas with its clients. To make up for staffing shortages, it sometimes relied on heavy overtime among its current workers, but this also potentially contributes to high turnover rates due to burnout and increased safety risks.

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## identifying problems, taking action

Working with talent advisors from Randstad Sourceright, its managed service provider (MSP), the company's contingent talent leaders sought out ways to improve talent attraction and reduce turnover.

The first step was to take an analytical approach. Studying market data, insights from Randstad Sourceright's TalentRadar talent analytics platform, and data from its vendor management system (VMS), talent advisors gained a better understanding of the challenge. The company also looked at its own data from other successful areas of the business, and even sought the opinion of additional talent suppliers. It was discovered that the biggest hurdle at the plant location was compensation, as other businesses nearby offered higher wages for the same type of work.

Using the market insights, talent leaders built a compelling business case for adjusting compensation. The benefits would not only cover talent attraction and retention, but also impact productivity. Consistently replacing and onboarding talent cost the company productivity hours. Plus, by adjusting compensation, the beverage leader is boosting its employer brand in the region. The plant would also be able to better manage overtime costs as a result.

## a better contingent talent experience

Randstad Sourceright's consultative approach and the compensation adjustment have brought about significant improvements at the plant. Gathering data from multiple sources on internal processes and the market at large allow for more informed decisions, making sure the company can attract and retain its contingent workforce.

As a result, they can consistently deliver on product demand. With improved compensation, workers are happier and more engaged, contributing to lower turnover rates. In the third quarter of 2018, the plant lost only eight workers, compared to 61 the previous quarter.

These changes have also improved the company's employer brand, resulting in a 100% fill rate for the third quarter. Since recruiting qualified talent is easier, the time-to-fill rate has decreased from a high of 21 days to just 12 days and continues to trend downward.

Since implementing its new compensation strategy, exit interviews find that very few workers are leaving for better job opportunities.

Randstad Sourceright's MSP talent advisors and the associated data showed what the company could do to further enhance its contingent workforce strategy. Not only does this approach improve retention and engagement, but the plant also benefits from greater consistency and predictability in its operations.