



Systems thinking intervention leads to drop in staff turnover and £197,000 savings

Analysis conducted at a call centre employing Vanguard Scotland's systems thinking has categorically demonstrated that our approach delivers superb employee satisfaction, reduces employee turnover and cuts absenteeism – saving the company £197,000 over 3 years.

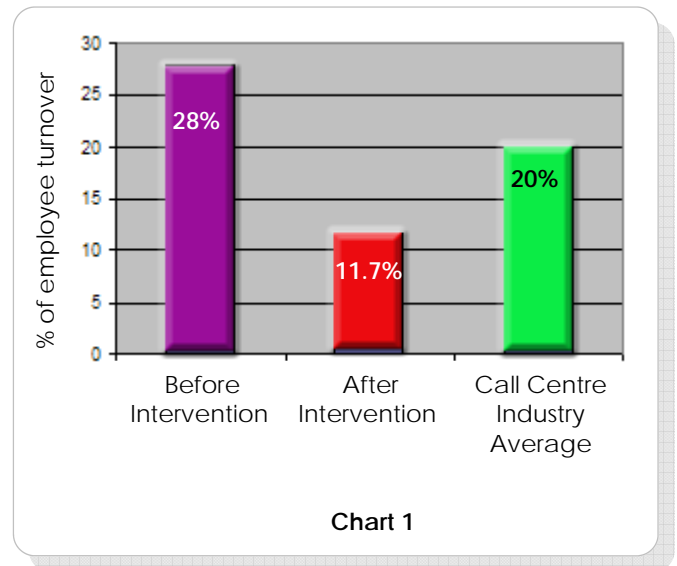
The dramatic performance improvements that systems thinking can achieve has been well documented with case study after case study producing wonderful statistics. These figures continue to demonstrate the power this can have on employees.

We have always received excellent feedback from the employees working within the relevant organizations, however, the worth has been more anecdotal as opposed to measurable improvements.

The analysis shows (Chart 1) that employee turnover during the period fell from 28% per annum to just 11.7% - and to put this in perspective the call centre average is 20% per annum.

Using figures provided by the CIPD which state that turnover costs £2,250 per person, an average call centre with 188 staff would expect a turnover of approximately 37 employees amounting to £83,250.

With a turnover of just 22 employees costing £49,5000, our client has concluded that they have saved £33,750 in the last year and approximately £68,000 through improved employee morale over the 3 year period.



The evidence is reinforced by a sharp drop in the average number of days absenteeism. The client is now experiencing on average 4.0 days per employee compared to 6.81 average days per employee prior to our intervention.

The CIPD reports that the average cost per employee for absence is £600. Our client's absenteeism is 56% less than the average call centre figure of 9.1 average days per employee, this represents a saving of £63,000 in the last year alone.

Calculate this figure over the last 3 years and the client has a net saving of £129,000.

Therefore the total savings on these two things alone for 2006 is £95,000 or for all of the years represents an incredible £197,000!

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