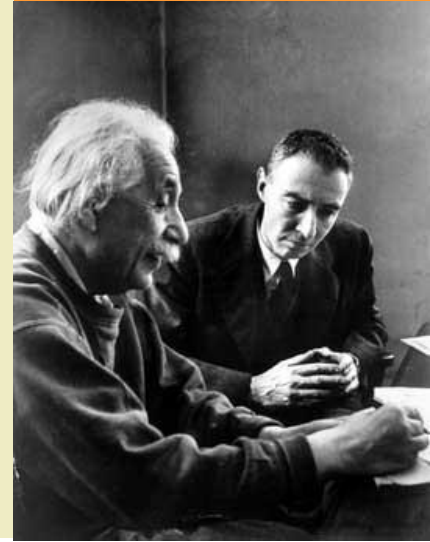


Reduction in attrition of sales staff

Light House Case study



Industry Type >>>

Logistics – Human Resources

The Client >>>

C_LG_BD

Improvement Tool >>>

Lean Six Sigma



Scenario >>>

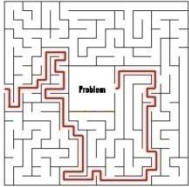
C_LG_BD aims at becoming the first choice of its customer worldwide. It also commits to develop, reward and recognize the employees who benefit the organization through high quality and professional service. Analogous to other industries, C_LG_BD has a sales force engaged in revenue generation. Being the first touch point of the customer, a good sales squad is imperative for growth and profitability of the company. The image of the company largely depends on the quality of services experienced during the sales process. Hence frequent change in sales force affects the top line of the business.

Business Challenge >>>

Sales function in junior management cadre was facing very high attrition for those employed in the company for less than two years. An attrition rate of 51% was observed for sales function during the annual year. Data showed that 72% of the sales executives who resigned during the year, left within two years of joining. This resulted in a revenue loss of Rs.65 lakhs and recruitment cost worth Rs.24 lakhs. High employee turnover adversely affected service quality as it put additional load on existing people resulting in dissatisfaction among the customers. Besides loss of business opportunity from existing customers and impact on receivables and

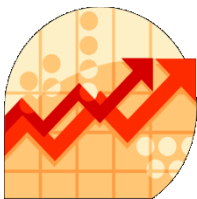


customer relationship, attrition also disturbed the morale of the existing team. The goal was to reduce attrition in less than 2 year category in sales to 25% by the end of the year.



The Solution >>>

Delayed recruitment beyond lead time was reduced by decentralised processing and employee referral schemes. Training needs were identified for appropriate induction and product knowledge. Remuneration and incentives schemes were revised to increase motivation. Mentorship programs were introduced for career development and interpersonal bonding. Process corrections were also implemented to reduce work pressure and long working hours.



Benefits >>>

The attrition rate was reduced by 26 % within a period of six months. The lead time for the recruitment process has been reduced to 4-5 days as compared to the previous 10-15 days. Enabling the resources with appropriate devices and introduction of product training and reference manuals has increased productivity.



Financial Benefits >>>

Cost of recruitment brought down from Rs. 24 lakhs to Rs. 10 lakhs resulting in saving of Rs. 14 lakhs per annum.

For further information, please contact >>>

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