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CASE STUDY

Credit Union Expands the Conversation with ProfileXT®

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ProfileXT®

Credit Union Expands the Conversation with ProfileXT®

An unbroken circle known as the "Synergy Wheel" puts the mission in sharp focus at a credit union in Winston-Salem, N.C. The simply stated mission in the center of the wheel is this: "Helping members make smart financial choices."

However, high turnover in parts of the workforce of this well-respected institution could have put the wheel on a bumpy path. So, the credit union's leaders took the advice of a consulting firm and began to study how assessments might help improve employee retention and performance. They eventually chose the ProfileXT® (PXT) to help align talent with workplace culture.

Within a month of implementing the PXT, the nonprofit financial institution had a firm target. The quick 30-day turnaround is not surprising; "execution with a bias for action" is one of the spokes on the company's Synergy Wheel.

Once the PXT went live for employee selection, turnover started dropping, from 24 percent to 14 percent, and finally to less than 10 percent. Leaders were so pleased with the results that they began looking at a broader use of assessments to meet goals like relationship management, team analysis, and succession planning.

CHALLENGES

- High turnover affected ability to accomplish company mission
- Needed to improve employee retention and performance

SOLUTION

- ProfileXT®, beginning with the frontline staff
- Align talent with workplace culture
- "Execution with a bias for action"

RESULTS

- Turnover reduced from 24% to less than 10%
- Retain additional 29 employees
- Synergy

Background

Forward-thinking organizations are quick to realize there is strength in numbers, and "numbers" in the business world often translates to "partners." The credit union discovered Profiles through a partnership with a credit union consulting firm. After the consulting group recommended Profiles' assessments and the company did its research, using the PXT seemed a good fit with their culture.

"We use the Synergy Wheel model as a way for us to bring people, products, and services together. It puts our mission at the center of everything we do, and the spokes represent what's required to be on our team," said the credit union's senior professional in human resources and vice president of human resources.

Surrounding the mission statement are the 10 spokes of the wheel:

- **Outstanding products and services**
- **Outstanding teamwork**

- Execution with a bias for action
- Outstanding member service
- Superior technology
- Fun and excitement
- Board and staff commitment
- Accountability
- Talented and educated staff
- Advocacy

The wheel is colorfully depicted on the company's website, and it is both a plan of action and a visual tool. "It brings all of our products, services, practices, and people together, with each spoke of the wheel representing the elements and behaviors required to help our organization reach its greatest potential," said the VP. "When our mission becomes central to all that we do, our efforts become clearer and more focused on serving the needs of our members."

"We want to **ensure** that we are **giving** our employees all the **tools and resources** to do so, and **reward** the **right behaviors**."

The VP of HR used the definition of "synergy" to further describe the wheel concept: "When two or more things are working interdependently, the effect will be more powerful." For the credit union, the "two or more things working together" starts with attracting, retaining, and developing employees so the financial institution lives out its mission, and in turn, becomes the employer of choice.

Culture

The company was founded in 1967 to serve the employees of a local tobacco mill. Now, it counts the employees, retirees, and families of more than 500 companies as members. About 300 employees serve 110,000 members at 16 branches—15 in North Carolina, and an additional location in New Jersey.

One of the most important parts of the company's culture is its headquarters, nestled in a park-like setting—just one more way the organization serves both its employees and the community. "We have a gorgeous building on 10 acres, and a full-service financial center in our headquarters," the HR manager said. "We actually have a park with a pond, gazebo, garden, and walking trail. We see people in the park all day long, feeding the ducks and fish, and taking prom and wedding pictures."

The credit union's leaders established the setting to give cancer survivors a place for quiet reflection, said the HR veteran. "The park is the vision of our CEO. We have many employees who have been affected by breast and ovarian cancer, and we wanted to offer a celebration of the joy of life, hope, faith, and courage to them and others in our community. Not only does [the company] want to provide ongoing inspiration to women going through the struggle, but our goal is also to heighten awareness of the importance of regular medical exams in order to increase early detection of these cancers."

The credit union also has a reputation of giving back to the community by participating in the Susan G. Komen Race for the Cure—a breast and ovarian cancer benefit—the Juvenile Diabetes Research Foundation, and United Way. Its top leaders live in the area and serve on the boards of other nonprofits. In 2010, employee and organizational contributions to the community totaled more than $400,000.

The culture inside the walls of the company embraces the service pledge to treat customers with respect, offer them simplicity and convenience, recognize their needs, and recommend innovative solutions to meet those needs.

The goal & ProfileXT®

The organization's leaders chose PXT once they established their goal of retaining a higher performing workforce. "We had to use a tool that would give us people who would be a good fit with our culture. The PXT does a great job of looking at different traits to make sure they align with the kind of workers we are looking for on our team," the VP said.

Initially, the organization spotlighted its frontline staff. "The teller role is a critical one for a financial institution," said the VP. "We refer to our tellers as 'member service representatives.'" Other frontline roles are customer service representatives and loan interviewers.

The company officially launched its Profiles initiative July 1, 2008, sent a memorandum out a few days later to collect information, and asked for the information to be returned by July 8. "We completed our benchmarking in one month," the HR manager said. "We had a summer intern and this was his primary objective. My recommendation to other companies considering a similar program would be to dedicate a person to the project. It was a mutually beneficial relationship—he helped us and he applied a lot of his education."

The benchmarking portion of the ProfileXT® helps measure how well a candidate fits a company's culture, and a specific role within a company.

Although the credit union focused on frontline staff, it used the PXT on all new hires and favored the assessment because its focus on the total person streamlined hiring decisions. "The interview questions are a fantastic way to get a better idea about the candidate. Because the assessment itself measures individual thinking style, behavior traits, and occupational interests, a manager can ask behavioral questions that enlarge the interview from the focus on operational questions—like cash handling experience or previous teller experience," the HR veteran said. "The questions help expand the conversation into their level of independence, or their energy level and attitude.

"In the service industry, it's so important to ask, 'How do you provide excellent customer service? How would you behave in a fast-paced environment?'"

The company's human resources business partner said he uses the PXT as a "coaching moment" for the manager who is structuring the interview, which is especially important, since the HR department is not part of the job interview process once the candidate goes through pre-screening. "Managers are very busy," he said.

"The questions give **more depth** to the interview. Managers want to know **how a candidate performs**, but this gives them a great **opportunity** to have a **more communicative conversation**. Also, we are looking for top talent, and **top talent wants to be stretched**."

Results

The credit union figures that turnover costs about $4,640 per employee, and using the ProfileXT® allowed the organization to retain 29 more employees than it was able to retain before using the PXT.

It worked this way: When high performance and job fit took center stage in the hiring of all new employees, turnover figures were in free-fall. New-hire turnover fell to 24 percent in 2009, and to 14 percent by the end of 2010. By the middle of 2011, turnover was 8 percent. Estimated savings after implementing the ProfileXT® are approximately $134,568 from 2009 to 2011. Estimated return on investment, saved through reduced turnover, is 488 percent. Organization leaders believe turnover for all of 2011 will average between 9 and 11 percent, the HR manager said. "We will be pleased if it drops lower, but I don't know that we will see that. Some turnover is natural. If we can keep it between 9 and 11 percent, it will be half of what it was before we started using Profiles."

In early 2011, the Profiles-credit union partnership expanded to give the company unlimited usage of the ProfileXT® and Profiles Managerial Fit™, so that managers and executives would have access to information about selection and coaching while developing future employees. This will help the organization plan more smoothly for a future in which current leaders will move on.

The future

Reduced turnover allows the financial organization to focus on attracting, developing, and retaining top talent. The organization is ready to expand the relationship further. With Profiles' help, the organization has focused on behaviors and enhanced the design of its Job Fit Pattern. Based on Profiles' recommendation, the credit union is re-evaluating its benchmarking to see if the bar needs to move higher. "Since we have raised the bar on hiring for our cultural fit, do we need to raise it on benchmarking?" the HR veteran asked. "We need to re-evaluate the benchmark for existing positions, and we need to describe what it means on all of our positions. It is a work in progress."

Future use of assessments will focus on coaching and employee development, as well as managerial fit of job candidates. The organization will also look at team composition. "That's a piece we would like to add—how the team works together, what the team needs to be more successful, and what impedes overall performance," the VP of HR said.

Most of all, the organization's leaders want to recognize the importance of and increase the employees' ability to live out the company's mission—helping members make smart financial choices. "We want to ensure that we are giving our employees all the tools and resources to do so, and reward the right behaviors," the VP said.

Reduced turnover allows the financial organization to focus on **attracting**, **developing,** and **retaining** top talent, and the company is ready to **expand the relationship further**.

Summary

ProfileXT® enabled the company to align their talent with their culture, which cultivated an ability to accomplish their mission on a daily basis. They were able to focus their efforts on attracting, developing, and retaining top talent, and they saved money while doing so.

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