

Transitioning From Temp to Perm to Drastically Reduce Turnover

CASE STUDY: WORKFORCE IN 3PL



REDUCTION IN TEMP

55%



**WORKFORCE
OPTIMIZATION**



**WORK OUTPUT
IMPROVED**

Summary:

A family-owned and operated business that manufactures sheet metal pipe, duct, and fittings was experiencing exceptionally high worker turnover at their production plant. The company was dependent on temporary workers (75% of the workforce), and lacked a labor structure to ensure quality work, prevent injuries, and meet production schedules. The company wanted to reverse their workforce makeup by attracting more permanent workers. Allegiance Staffing identified areas of opportunity for improvement, used data and surveys to understand the depth of the problem, and helped implement a labor solution to optimize production.

The Challenge:

Prior to working with Allegiance, the manufacturing company relied on an unstructured labor system. The company lacked a consistent onboarding approach, was insufficient in the area of using hiring metrics, offered low pay, and needed to create an attendance structure to support talent once placed in their roles. This led to the following undesired results:

- 300% turnover
- Poor quality work
- Rising injuries

The Solution:

Because the company was dependent on temporary workers, we focused on building the ideal labor infrastructure that would attract more permanent workers while also leading to improvements in quality and a reduction in turnover. To achieve this objective, we worked with the company to implement the following solutions:

- Reviewed turnover results and exit interviews to understand reasons for talent leaving.
- Used our 3-way hiring process to identify better quality candidates.
- Set skills assessment metrics.
- Established shift differentials with pay increases per shift.
- Implemented plant tours to review quality and performance.
- Worked closely with plant manager and HR manager to implement tighter safety training and protocols.
- Met with company on quarterly basis to discuss progress, find areas of opportunities, and track improvement.

The Results:

We helped HR and management understand their needs for employee engagement. This included the need for training, structured pay, and other forms of employee support if they wanted to attract higher-quality talent. Once these programs were implemented, we helped the company realize the following results:

- Reversed from 75% temp to only 20% temp.
- Optimized the workforce to support 80% full-time workers.
- Achieved better quality work from employees through 3-way hiring and skills testing.

“We appreciate Allegiance Staffing for taking a deep dive into our workforce and then proposing a solution to build the workforce that we wanted but didn’t think was attainable. The Allegiance team’s proactive approach to optimizing our workforce will pay off for years to follow supporting our talent objectives.”

H R L E A D E R