Subway

Background

Subway is the world's largest fast food chain by store count, and a leading choice for quick, nutritious sandwiches and salads. With more than 43,000 locations in 100 countries, the average Subway restaurant generates $417,000 in annual sales. The company is guided by a passion to satisfy customers by providing fresh, delicious, made-to-order meals the whole family can enjoy.

The Opportunity

Despite having a turnover rate below the industry average and offering highly competitive pay and benefits, Subway franchise owner Harold Jackson was still struggling with employee retention. As a franchisor of seven Subway locations and manager of 100 employees throughout Ohio, Jackson knew firsthand that every employee he lost cost the business as much as $1,000.

Making matters worse, Jackson noticed that high turnover and employee disengagement led to poorer customer service. Subway prides itself on consistent, high quality service, but dissatisfied customers were never far from a plethora of alternative fast food options. To avoid losing customers to the competition, Jackson knew he had to focus on his talent strategy.

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> *Subway franchise owner*

The Solution

Seeking help with his turnover problem, Jackson enlisted The Predictive Index® Behavioral Assessment™ to better understand employees' and candidates' workplace behaviors and predict the best people for various roles. Soon after implementing the assessment and hiring employees based on behavioral makeup, Jackson began to see a powerful ripple effect: Not only was talent more optimized for specific job responsibilities, but teams became stronger and better positioned for future growth.

"We use the PI Behavioral Assessment to define behavioral requirements for specific positions," said Jackson. "It has also been invaluable in helping us identify new leaders for existing and future stores, by giving us insight into employee personalities and motivational drives."

Perhaps even more noticeable, though, was the impact the change was having on his business. Jackson recalls a situation in which the Behavioral Assessment revealed an employee in a customer-facing role had a behavior profile better suited for a behind-the-scenes position. Jackson shifted the employee's responsibilities to food preparation and kitchen management—a change the employee welcomed. As a result of being in a role that made better use of his natural inclinations, the employee was more engaged, his productivity increased, and his workflow improved. The change not only helped the employee personally, but also helped fuel the business engine.

The Results

As Jackson's business continued to grow, he relied on the PI Behavioral Assessment to develop current and future managers and predict leadership performance. He also implemented the PI Job Assessment™ to define the ideal behavioral and cognitive targets for specific roles before hiring, providing interviewers with ideal behavioral patterns for various positions.

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"Any franchisor that invests in The Predictive Index's workforce assessment tools will see turnover diminish," Jackson stated. "As a screening tool, the PI Behavioral Assessment has made our hiring process more productive by enabling us to hire people who we know will stay on board long term. This method has certainly increased our retention and lowered our training costs."

Enthusiasm for the tools spread throughout the seven franchises. Subway employees embraced the PI Behavioral Assessment's insights, noticing greater self-awareness and better understanding of their colleagues. In fact, PI became so ingrained at Jackson's restaurants that all employees had their behavioral patterns added to their name tags for easy reference. This resulted in more effective communication and better decision-making.

But perhaps the most visible results were seen in Jackson's retention rates. After implementing PI at his restaurants:

- Employee turnover reduced from 70% to as low as 32%.
- Reducing employee turnover saved more than $15,000 a year in training costs alone.
- The PI Behavioral Assessment's accuracy led to increased confidence in job reassignments and smoother transitions.
- The PI Behavioral Assessment showed management and employees that the "manager" role is not a one-size-fits-all title, leading to better leadership tactics.

In an industry crowded with competitors, PI helped Jackson unlock the secret to keeping customers by starting with his talent strategy. "We now have the right people in the right roles, and that is having a positive impact on customer service and return visits," he said. "The PI Behavioral Assessment pays for itself."