

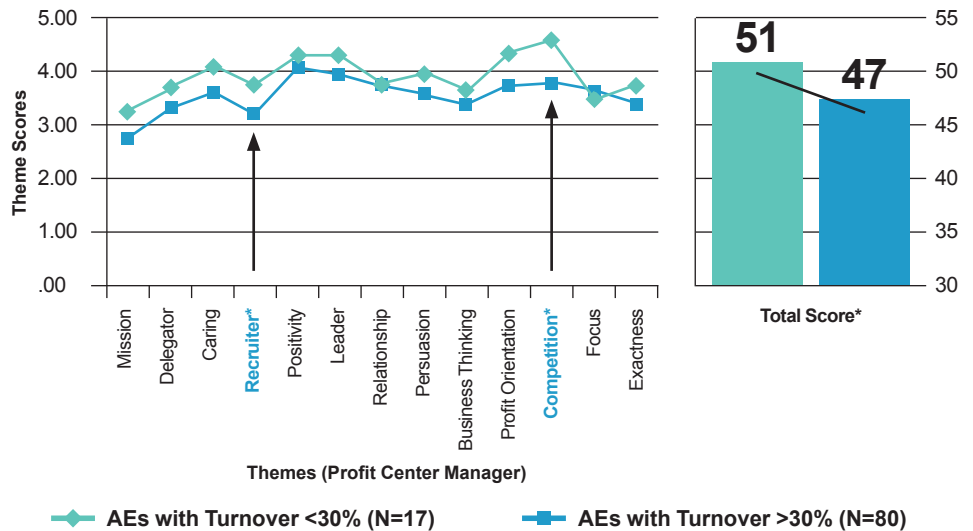
Turnover in the retail beauty industry causes substantial loss to the bottom line not only in hard costs (losing the associates' sales, hiring and training of new associates) but also in soft costs (lower productivity for disengaged associates, and decreased morale in stores.) This luxury retail client estimated the cost of turnover per consultant at \$5,000.

Using the Profit Center Manager (PCM) Interview, this respected beauty client's goal was to reduce associate turnover among their front-line consultants to 30%. Looking at the areas with the highest turnover, many contributing factors were examined, including the relationship between the talent of the leader and the level of turnover. This beauty retailer provided turnover data for each account executive's area. The level of account executive talent was then compared to the turnover of their area.

\*Indicates a statistically significant difference  
 \*\*Estimated turnover cost per luxury retail client

### Talent Comparison Graph

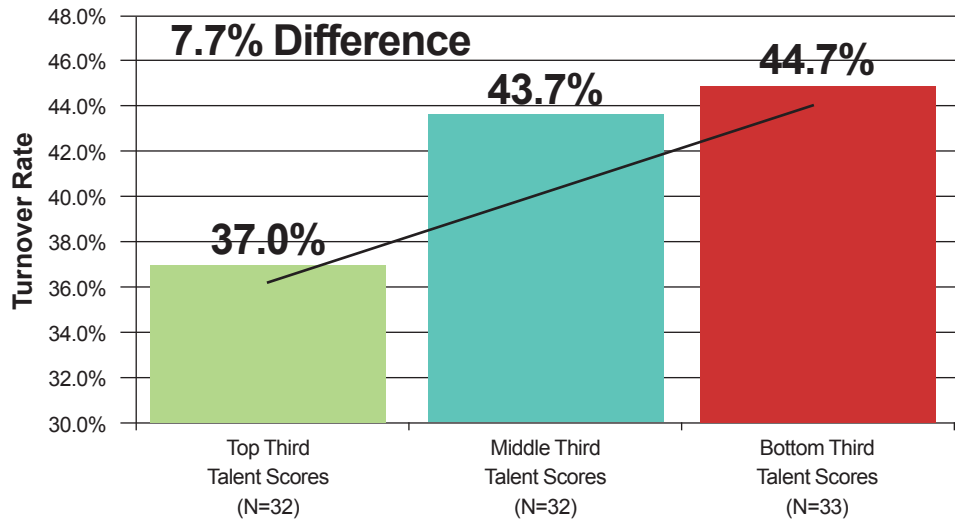
This graph shows the average talent of account executives (AEs) with less than 30% turnover compared to those with greater than 30% turnover.



\*Account executives with less than 30% turnover were significantly more talented than account executives who experienced more than 30% turnover, both in total score and in the **Recruiter** and **Competition** themes.

### Turnover Comparison Graph

This graph shows the average turnover of account executives in the top third, middle third and bottom third in terms of talent on the PCM Interview.



Estimating an average turnover cost of \$5,000\*\* per consultant, this luxury retail beauty client could have saved a total of **\$1.6 million** (retaining 323 more consultants) if all account executives had top talent scores.