

## Restructuring the Workforce to Support Largescale Production

### CASE STUDY: WORKFORCE IN 3PL



TURNOVER REDUCED TO

30%



OUTPUT INCREASED TO

90%



REDUCED OPERATING EXPENSES BY

20%

#### Summary:

A large U.S. print production company was experiencing tremendous problems with workforce retention and maintaining their service-level agreements (SLAs) with current clients. A lackluster, unmotivated workforce contributed to skyrocketing costs, production delays, and a reduction in profitability. The print company worked with Allegiance Staffing to first solve their workforce problem, then increase production, and position the company to expand operations.

#### The Challenge:

Associates at the print company lacked work ethic and a commitment to their role. Associates were poorly vetted and sent to the company based on their availability to work, not whether they were the right fit. Many associates no-showed or walked out on the job mid-shift, leading to a reduction in production and throughput. The remaining employees had to work 50-60 hours per week to maintain a paltry 60% output level, which also led to an increase in costly overtime pay. Additionally, there was a significant drop-off in production on weekends. The company was challenged to create the ideal schedule to prevent drop-off from the weekday to weekend shift.

#### The Solution:

Before providing any talent to fill critical roles, we started with an overview analysis of workforce challenges. After performing this review, we suggested and helped implement the following solutions:

- **Trial solution:** Restructured rotation shifts first by introducing M-Th shifts at 10 hours per day to maximize production.
- **Next solution:** Recruited talent with backgrounds in heavy production and largescale outputs. Recruitment efforts included on-site production line testing.
- **Workforce solution:** Handled workforce management on the production floor by introducing new hire orientations, training, safety, and production KPI's.
- **Ongoing solution:** Continuing to find talent to support growth as the company buys more warehouses, increases production, and continues to expand services.

#### The Results:

We helped the printing company realize the following results through our labor optimization solution:

- Rotation shifts led to an increase in output.
- Turnover reduced from 120% to only 30%.
- Output increased from 60% to 90%.
- 0 mid-production walk-offs and a dramatic reduction in no-shows.
- Reduced operating expenses and increased profitability through workforce optimization.
- Increased confidence to continue expanding operations.

"We appreciate Allegiance Staffing for their strategic review of our workforce challenges, rather than simply trying to address symptoms. The collaborative overhaul of our workforce was amazingly successful increasing productivity with the change in rotational schedules. Now that we solved this root problem, we are able to push the envelope looking for talent to help us continue to grow the company as we increase our domestic and global footprint."