



# pay rate success.

Whether you're aiming for ROI in terms of filled positions, reduced turnover or both, it's hard to know if your pay rate increase is having the desired effect. Take a look at some of these recent pay rate success stories from our clients to see where the biggest value can be gained.

A manufacturing company in rural east Tennessee increased their second-shift pay rate by \$4 per hour at the beginning of Q1 2021 and went from having filled only 17 second-shift positions in Q4 2020 to filling 87 in Q1 2021. That's an increase of 412 percent! Meanwhile, the first shift's fill rate remained static and only received a \$0.60 increase.



A co-pack facility in Groveport, Ohio, increased their pay from \$14.50 to \$18.50 for unskilled positions without drug screens, background checks or attendance policies. The rate change was announced on Monday, April 5. Prior to the change, they had a 50 percent fill rate, but by the very next day, on Tuesday 4/6, they had 120 percent of the talent they needed. Prior to the change, 62/130 people was the daily average. After the change, 156/130 people were present.

A distribution center with mostly forklift roles in Byhalia, Mississippi, increased their starting wage by \$3.50 an hour at the beginning of November 2020. We filled 100+ orders in six weeks. The company has very good KPIs, but during the last eight weeks of 2020, weekly turnover ran at 2.7 percent compared to the yearly average of 3.6 percent.



A distribution center in Olive Branch, Mississippi, with general picker/packer and forklift positions increased their hourly rates by \$2 in July of 2020 and saw increased fill rates, reduced turnover, and increased attendance.

13%+  
fill rate

34%  
turnover

91.5%-95.1%  
attendance increased

A logistics company in Tracy, California, increased their pay rates in January of 2021, and between January and March, we saw a 12 percent increase in fill rate.



A major retail distribution center located near Norfolk, Virginia, implemented a pay rate increase of \$1.75 an hour to coincide with their projected peak production time each year. Due to a consistently high volume that was projected to pass their historical peak, Randstad partnered with them by providing critical real-time market and wage analyses. Per our recommendations, they maintained the peak-time pay rate, resulting in a six percent increase in schedule adherence and a five percent reduction in weekly turnover for Q4 2020 when compared to the previous three quarters. The ability to attract and retain quality employees allowed for a potential cost avoidance in relation to investments in training and lost production due to weekly turnover.

A major automotive parts distributor located near Richmond, Virginia, partnered closely with Randstad to ensure their pay rates remained competitive and to protect their status as an employer of choice. After an initial reduction in volume starting in Q2 2020, business needs quickly rebounded, and by the beginning of Q3 2020, production demands outweighed the labor availability for the hourly wage being offered. Based on recommendations provided from our market and wage analyses, pay rates were increased by \$1.50 an hour for general warehouse associates and \$3.00 an hour for PIT operators in July and August. This adjustment allowed our client to meet their customers' needs — which exploded in Q4 2020. Labor hours required during this period grew 100 percent YOY, and the client simultaneously saw a 6.5 percent reduction in overtime from the previous quarter.



A manufacturing company in Jacksonville, Florida, increased their pay rates by \$2.50 an hour in September of 2020. In the following month, the fill rate improved by 19 percent over the previous month, and weekly turnover improved by 25 percent.

A semiconductor company located in Austin, Texas, and Phoenix, Arizona, increased their pay rate by \$2.00 to \$4.00 per hour in November of 2020. They also maintained their weekly turnover KPI while filling 307 open positions to increase total head count from 131 to 253.



An energy company in California increased their pay rates by \$2.00 per hour in Q1 of 2021, and not only saw a 28 percent decrease in weekly turnover, but attracted 296 more applicants.

