Improved selection enables

higher sales revenue

at Sunglass Hut

Hiring better quality retail associates in order to grow the business

sunglass hut

Our candidate experience needed **attention**
and our recruiters needed **to be able to**

identify the best candidates faster.

The challenge
Streamlining recruitment and developing a profile for success

With 350 Sunglass Hut stores and 1,800 employees, of whom 70% were casual and often seasonal, Sunglass Hut had an employee turnover of around 55% for retail associates and 30% for store managers. With an average store size of six employees, such a high turnover of staff impacts rosters, staffing levels and, potentially, sales. On average, the time it took to fill a position had been around 20-25 days, causing concern for hiring managers. Sunglass Hut recruits over 700 hires per year from over 70,000 applications, resulting in the need to identify great talent from the immense application pool – without overlooking high-calibre applicants.

700 hires per year from over

70,000 applications

Mr Scott Schroeder, Director for Talent Acquisition at Luxottica Retail Australia, comments: "Our candidate experience needed attention and our recruiters needed to be able to identify the best candidates faster. We had been looking for previous retail or customer service experience but we realised that what should be driving our business wasn't past industry experience or customer service but a type of behaviours, attributes and competencies: we can train people to sell sunglasses. We knew we were missing better candidates by simply recruiting based on experience but we couldn't quite articulate what and how we should identify them."

Sunglass Hut wanted candidates to invest in the application process. They wanted candidates to experience the Sunglass Hut culture, challenges and sales approach and to really opt in to the selection process – or to opt out if they wanted. The company started to work with cut-e to shape and tailor the candidate assessment and experience in order to reflect what it meant to work in a Sunglass Hut store.

Mr Schroeder further comments: "We knew we wanted assessment to align with us as an organisation and the challenges our people faced in our outlets, using real-life examples and not to use assessments written years ago that no longer reflect today's applicant."

● sunglass hut

About Sunglass Hut
Luxottica Group is a market leader in the design, manufacture and distribution of fashion, luxury, sports and performance eyewear. Luxottica's brands include both Ray Ban and Oakley in wholesale and LensCrafters and Sunglass Hut in retail. It is a vertically-integrated business with a wholesale presence in over 130 countries and over 7,000 retail stores and 77,000 employees across their global business.

The solution

Pre–selection and selection assessments specifically for Sunglass Hut

A Realistic Job Preview was designed and built into the Sunglass Hut careers portal to help potential applicants decide for themselves whether they wished to proceed through the application process and ultimately work for the company. Feedback is provided as the applicant progresses so that, if potential applicants are getting good feedback, they receive positive reinforcement to apply. If they are not receiving good feedback, they may reconsider their application to Sunglass Hut. "We want applicants who buy into our approach to sales and work and live our brand, so it's important for candidates to experience that early on."

Key benefits of a Realistic Job Preview for Sunglass Hut

- ➡ Promote the Sunglass Hut story and experience
- ➡ Align expectations of the job with the reality
- ➡ Manage the volume of applicants
- ➡ Enhance candidate experience

All applicants now work through a Situational Judgement Questionnaire bespoke to Sunglass Hut. Developed by bringing together 20 of its high-performing store managers and the senior leadership team, the real-life scenarios are examples of situations that both a store manager and a retail associate could face on a day-to-day basis. As well as creating the scenarios, this group also generated three possible answers or solutions to each scenario, ranked in order of the appropriateness of the answers for Sunglass Hut. All answers are correct in a general retail environment. However, based on the customer experience programme, the company identified key scenarios and answers that truly represented the Sunglass Hut customer experience.

The scenarios generated by this group were tested to see how well they offered a distinction between Sunglass Hut high and low performers. From a selection of 40 multiple-choice questions, the company was able to identify 24 questions where high performers clearly articulated 'Sunglass Hut experience' responses, compared to the low performers.

Optimised talent acquisition process

1		2		3
Customised RJP on career portal	→	**SJT and personality** assessment	→	ORACLE® Taleo

The result is an assessment in which all situations included were able to predict the difference between the lower and higher performing retail associates. Mr Schroeder adds: "We're not looking for candidates to overthink their responses to the assessment. We know people want to join us as they naturally like our business as customers, 100 applicants per position tells us this; however, we want those with the attributes and competencies that are aligned with our most successful employees."
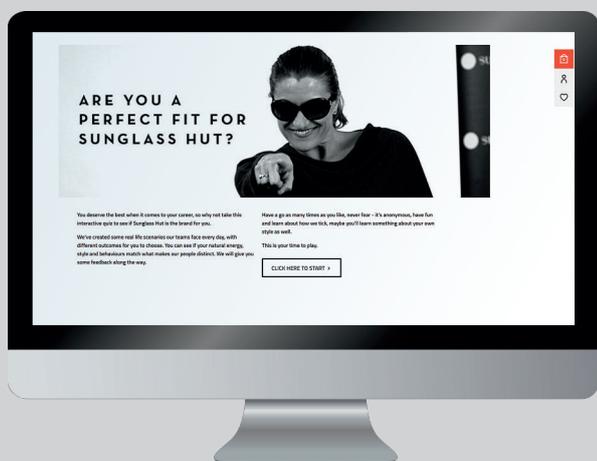
Store manager applicants also complete a customised Situational Judgement Questionnaire as well as the personality assessment, *shapes*. *Shapes* highlights the key areas of competence needed by Sunglass Hut for its leadership positions; presenting an interview guide for further use.

All assessment scores are combined and compared to how candidates fit with Sunglass Hut. Those with the best fit are fed into an assessment centre straightaway.

"This is a significant step for us as we can filter applications by 'fit score' to Sunglass Hut, rather than screen through every response or application. In effect, the candidates now do much of the work the recruiters were doing – this ensures we are not missing great people."

Mr Scott Schroeder,
Director for Talent Acquisition at Luxottica Retail Australia

The outcome

Reduction in time–to–hire by over 40%, increase in sales per hour by 12.5%

Sunglass Hut had set itself some lofty targets: to reduce time-to-hire from 20-25 days to 15 days; to reduce the number of applications; to improve the candidate experience; to increase both the sales-per-hour ratio and customer conversion through better salespeople; and to increase tenure from 15 to 18 months. "We knew that if we had higher performers employed faster, then hitting productivity or sales-per-hour targets earlier and then working longer for us, it could impact our top and bottom lines significantly," Mr Schroeder points out.

High applicant engagement with
92%
completion rates of SJT

Better hires lead to a
12%
increase in sales per hour

Conversion rate of shortlisted
candidates increased by
51%

Reduced time–to–hire by
40%
from 25 days to 15 days

Within three months of using the new process, the Sunglass Hut team was able to fill retail associate positions within 15 days, thus having cut the previous average time by 10 days and having immediate impact on the day-to-day staffing of the stores.

With regard to sales increase, Mr Schroeder explains: "When we tested the new hires after two months against new hires for the same period the year before, we had actually lifted our sales-per-hour ratio by 12.5% from AUD$90 an hour to AUD$102 an hour."

There has been an increase in applications since the new process was introduced. While this was not one of its aims, it may be due to a better employer brand promotion. With regard to candidate experience, any concerns around the investment of candidates into a 20 minute testing process for what may be a casual or part-time role seem not to be the reality. In the first few months, 4,000 potential retail associates were asked to complete the online assessment and 92% completed it. Even with casual roles, applicants are still happy to spend 20 minutes completing an assessment.

Whilst the number of candidates in short lists has not changed, the conversion rate from short list to hire has. Sunglass Hut used to convert 43% of its shortlisted candidates to hire. After 12 months of using the new assessment process, conversion has increased by 51%, highlighting the fact that it now gets a far better quality of candidate through to its shortlist.

Going forward, Sunglass Hut will look more closely at store manager selection and the competencies needed for leadership.

"Introducing the cut-e assessments into the retail associate application has given us a way to identify the best applicants and to then appoint them quicker, saving time resources but also ensuring our retail outlets are fully staffed sooner. Better quality retail associates provide us with an increase in sales to grow our business."

Mr Scott Schroeder,
Director for Talent Acquisition at Luxottica Retail Australia

About cut-e
Founded in 2002, cut-e (pronounced 'cute') provides online tests, questionnaires and gamified assessments for attraction, selection, talent management and development. The company's smart, valid and innovative psychometrics have made it the preferred partner of multinational organisations.

In May 2017, cut-e was acquired by Aon plc, a leading global professional services firm providing a broad range of risk, retirement and health solutions. cut-e now operates as part of Aon's global offering in talent solutions, helping clients achieve sustainable growth by driving business performance through people performance. cut-e and Aon, as Aon's Assessment Solutions, undertake 30 million assessments each year in 90 countries and 40 languages.

info@cut-e.com
cut-e.com

cut-e
an Aon company