

CASE STUDY

IMPROVING EMPLOYEE RETENTION AT JBS LONGFORD



OVERVIEW

JBS Australia is Australia's largest food processing company, operating numerous processing facilities across the country. The company's Longford plant is located in the northern midlands of Tasmania and is a 5-day beef processing operation employing over 300 people. The plant has a processing capacity of 550 head per day and services domestic and international markets.

THE CHALLENGE

Like others in the industry, JBS Longford had been experiencing high employee turnover for a number of years. The industry relies heavily on physical and repetitive labour which is known to contribute to turnover and understaffing, while decreased migration during the pandemic accelerated major skills shortages.

When considering both the direct and indirect costs associated with replacing an employee, the cost is estimated to be upwards of 30% of the lost employee's salary. It can also take over 6 months to fully train a worker in skilled positions, such as boners and slicers, representing a substantial expense.

Overall, low employee retention affects the plant's productivity, performance and profitability.

AT A GLANCE

COMPANY OVERVIEW

Organisation:	JBS Longford
Industry:	Red meat processing
Location:	Longford, Tasmania
Size:	> 300 employees

RESULTS

20%
decrease in employee turnover for new hires after 30 days

3%
decrease in absenteeism

20%
estimated increase in employee engagement

34%
increase in training of production employees

THE SOLUTION

JBS Longford were one of 25 participating plants in the Research-based Employee Retention Framework for the Meat Processing Industry project. Administered by Australian Meat Processing Corporation (AMPC) and delivered by Response Group, the project sought to research why employees leave the industry and develop an industry-wide retention framework based on the findings.

HR Manager, Racheal Pulford, was the key contact at JBS Longford and worked with Response Group over the project's three-year period. Based on the project's findings, JBS Longford reported one of the lowest employee turnover rates out of the participating plants at 21.6%, compared to other plants who were experiencing an average turnover rate of 62.2%. However, leadership at JBS Longford knew improvements could still be made.

PROJECT REPORT

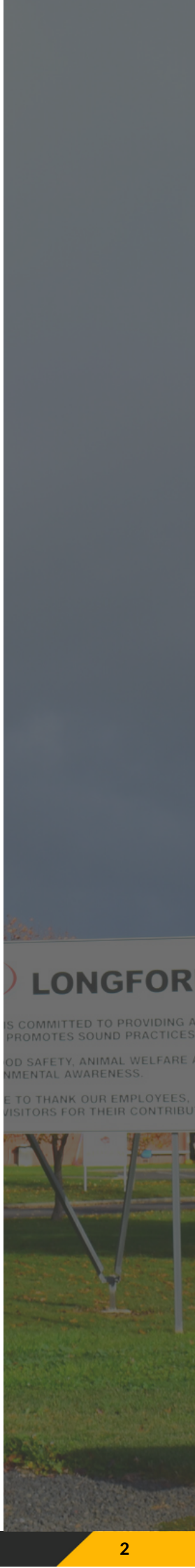
Response Group presented a final project report to AMPC in September 2022 which can be viewed by the public [here](#).



A WORD FROM RACHEAL

“Response Group helped us take the guesswork out of understanding employee turnover at our plant. They turned data into insights, and insights into action, and provided personal support and accountability along the way.”

Racheal Pulford
Human Resource Manager, JBS Longford





THE RESULTS

Backed by the data captured in the research phase, Response Group worked with JBS Longford to create targeted retention strategies that would move the needle. Some of the changes JBS Longford have implemented include:

More employees are now undertaking training & development activities

A common issue experienced by participating plants in the project was lack of training and development opportunities for employees. Following the project, JBS Longford prioritised ongoing training for floor staff, with over 90 team members now enrolled to complete a Certificate III in Meat Processing.

Redesign of the Recognition and Reward Program

An employee engagement survey found recognition was important to employees at the plant. As a result, JBS Longford redeveloped their Service Awards which commemorate the tenure of workers. They increased the reward structure and now recognise employees more frequently. Management also recognise employee efforts and contributions in more public channels (such as the company-wide newsletter).

Longer orientation and induction processes

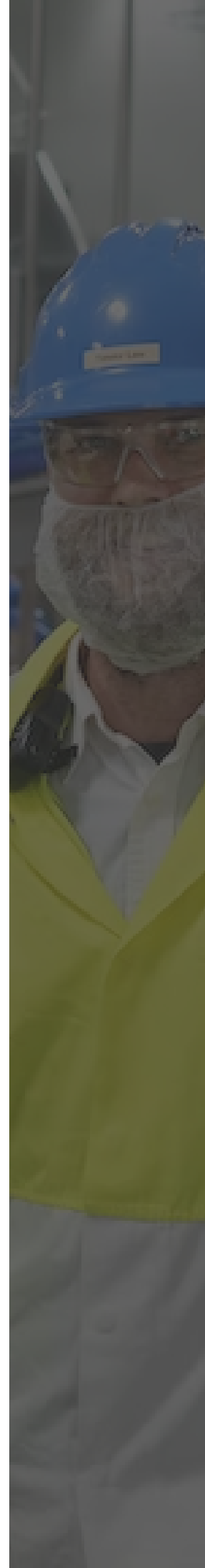
During the project, JBS Longford refined their onboarding processes. Previously the plant held one-day inductions. Participation in the project increased this to 2 – 3 days. This ensures new hires are not overwhelmed with information on their first day, and questions and concerns are better addressed. During induction, new hires are now also required to stand for longer and spend more time on the floor so they are more familiar with the expectations of the role. Racheal notes that she has already seen an improvement in new hires adjusting to their role.

A review of production models

Previously, JBS Longford's processing facility operated on a 4-day week. This meant that employees had minimal annual leave accrual which led to the perception of low job stability. Company leadership recognised this was a major reason why employees were choosing to leave and as a result reviewed their production models. The plant now processes smaller production numbers each day and operates on a 5-day week. Racheal reports this has already led to higher employee retention as well as increased interest from job applicants.

Implementation of buddy system

The project found that employment retention levels dropped significantly after 30 - 180 days of employment. With some employees also commenting they felt abandoned during this time, this suggests that the process of supporting a new employee reduces after the first month. To help overcome this, JBS Longford now offer new employees a long-term buddy system that helps new hires integrate into the organisation and their roles.





Improved employee communication

Racheal reported that while JBS Longford were providing training and development opportunities, employees may not have been aware of them. With this in mind, the plant has created a monthly employee newsletter aimed at better communicating training opportunities and job vacancies, as well as recognising employee tenure. Racheal notes that the newsletter also helps to close the gap between employees and management, and better connect the plant's departments.

Overall these changes have led to:

20%

decrease in employee turnover for new hires after 30 days of employment

3%

decrease in absenteeism (absenteeism now sits below 3%)

20%

estimated increase in employee engagement (based on a reduction of lead actions and non-approved leave)

34%

increase in training of production employees (a key component of the company's retention strategy)



CONTACT

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