

# Case Study



## Allegiance Helps Zions Bank Reduce Employee Turnover

After implementing the Allegiance Engage solution, Zions Bank noticed an upswing in employee complaints submitted through the Allegiance system. Monthly EmployeePulse surveys revealed that satisfaction with employee benefits consistently ranked below average. EmployeeVoice also flagged a relationship between tenure and satisfaction.

ZIONS BANK®

Armed with the data from EmployeeVoice and EmployeePulse, as well as other sources, Zions Bank restructured aspects of their employee benefits packages to improve morale and reduce turnover. After launching the new initiatives, Employee satisfaction scores quickly improved.

### Allegiance case study: Zions First National Bank

Zions First National Bank, a subsidiary of Zions Bancorporation, manages more than \$15 billion in assets and employs more than 2,300 people at 135 full-service branches and 185 ATMs throughout Utah and Idaho. Zions offers a comprehensive array of investment, mortgage, and insurance services, as well as a network of loan origination offices for small businesses nationwide.

#### What was the issue?

Employee turnover is extremely costly to companies with large numbers of employees. In the banking industry, employee turnover can also mean the loss of valuable customer relationships. Understanding this, Zions Bank traditionally monitored employee satisfaction using periodic paper-based surveys and by encouraging employees to manually submit comments and suggestions. Unfortunately, by the time the surveys were collected and analyzed, the results were often outdated. This made it difficult to gauge employee satisfaction or address issues in a timely manner.

#### How did Allegiance help?

To solve this problem, Zions Bank selected EmployeeVoice and EmployeePulse from Allegiance, Inc., the premier provider of Enterprise Feedback Management solutions that link feedback to profits. An on-demand, open communication system, EmployeeVoice facilitates continual input from employees. EmployeePulse surveys employees regularly to measure their stress levels and passion for their work. Together, these tools provide information to help improve workplace culture, create greater employee loyalty, and reduce employee turnover.

#### After the implementation

In April 2007, Zions Bank noticed an upswing in employee complaints submitted through the Allegiance system. Using employee satisfaction scores from EmployeeVoice, the bank found the highest percentage of complaints (17 percent) was related to employee benefits. In comparison, training, work schedule, and



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– George Myers, Senior Vice President of Human Resources for Zions Bank

company policy represented only 2, 3 and 6 percent of all complaints, respectively. Additionally, monthly EmployeePulse surveys revealed that satisfaction with employee benefits consistently ranked below average.

"Compared to other age groups, who were either moderately satisfied or very satisfied with benefits, satisfaction scores were noticeably lower for the 25 to 34 age group (2.74 out of a possible 5)," said George Myers, senior vice president of human resources for Zions Bank. "In addition to filtering by age groups, EmployeeVoice helped us determine that non-officers at the bank were less satisfied with employee benefits than junior or senior employees."

EmployeeVoice also flagged a relationship between tenure and satisfaction. People who had worked at the bank for less than a year had higher satisfaction scores (3.18) than those who had worked at the bank for 1-3 years (2.95) or 3-5 years (2.92). Satisfaction again increased for employees with more than five years at the bank.

“During the honeymoon period everyone was happy, but sometime after their first year something changed,” Myers observed. “In fact, by matching demographics and satisfaction levels with EmployeeVoice’s ‘turnover intent’ scores, it became clear that employees with 1 to 5 years of service were more likely to be looking for a new job than any other category.”

Armed with the data from EmployeeVoice and EmployeePulse, as well as other sources, Zions Bank invited representatives from the target demographic categories to participate in focus groups. During the discussions, Myers and his team explained their ideas for improving employee benefits and listened to suggestions from the employees.

“The focus groups were an important ‘next step’ in the process of raising overall satisfaction, because they enabled us to reach out to individuals and groups who were least satisfied,” Myers said. “Though these people represented a small number of employees, they were pulling overall morale down by sharing their concerns with their peers. Once we addressed their concerns, word spread throughout the bank. Within a month, we saw a favorable change in the EmployeeVoice employee satisfaction and turnover intention scores. Since then, satisfaction scores have continued to rise.”

**For Zions, the end result is lower employee turnover. With the average voluntary turnover rate in the U.S. near 23 percent, and the average cost of turnover in the U.S. roughly 25 percent of a person's salary, the benefits of reducing turnover are substantial.**

## The result

By using EmployeeVoice to quickly identify the downtrend in employee satisfaction and correlate that information with demographics and turnover data, Zions Bank was able to address an issue before it turned into a major problem.

“If we hadn’t used the Allegiance system to pull the data together, it is likely that the downward trends related to benefits would have continued,” Myers noted. “We’re confident that the satisfaction numbers will continue to improve as more of our 2,300 employees learn about the benefits and enroll in the new programs.”

The findings indicate that by providing a forum for capturing feedback, communicating with the target demographic and listening to their suggestions, Zions helped resolve concerns that triggered a change in employee satisfaction.

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## Case Study Summary

### The Organization

Zions First Nations Bank, subsidiary of Zions Bancorporation (Nasdaq: ZION)

Salt Lake City, Utah  
www.zionsbank.com

### The Challenge

To accurately know the intentions of Zions’ 2,300 employees as it relates to job satisfaction and turnover. Zions traditionally conducted paper-based surveys to discover this information, but this provided results too late to impact change and reduce turnover, costing the company money in lost productivity, replacement and retraining costs.

### The Allegiance Solution

Deployed Allegiance EmployeeEngage solutions, including EmployeePulse and EmployeeVoice, to better collect real-time, actionable data and use the information to adjust policies, benefits packages and other offerings. Combined with focus groups and benefits changes, Zions succeeded in fixing the problem early on, before it became a real issue that significantly impacted revenues.

### The Results

- Eliminated feedback lag-time; collected employee feedback in real-time
- Identified at-risk employee target group
- Introduced new programs to address the issues
- Satisfaction scores rose dramatically

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