



## Case Study: Massage Envy Spa

# Workforce Analytics in a High-Growth Franchise Business



### After implementing the PI® system:

- The average sales close rate for one franchisee jumped from 12-13% to 27%.
- Another franchisee eliminated the need to review about 50-60% of resumes received.

// The PI is a quick and easy tool to administer and it will give you **100 times the return on your investment.** //

Donald McConnell,  
Regional Developer for Michigan,  
Massage Envy Spa

## THE CLIENT

Massage Envy Spa, based in Scottsdale, AZ, is a national franchisor, and through its franchised locations, is the leading provider of therapeutic massage in the United States. Founded in 2002, Massage Envy Spa has more than 910 franchise locations in 48 states and 1.4 million members. The company was recently ranked #88 in Franchise Time's Top 200, #81 in Entrepreneur's 2013 Franchise 500 and #29 in its Fastest Growing Franchise rankings.

## THE OPPORTUNITY

With rapid growth, a franchise model, and a business entirely dependent on customer service, Massage Envy Spa needed to strike a balance between moving quickly to meet hiring needs and achieving a strong job fit for each of the key positions. New Chief Learning Officer, Susan Landgraf, was tasked with building a corporate training team and putting in place a method for franchisees to identify and hire the right employees for their business model, quickly.

**//** The **PI system is a valuable tool** that works so effectively in hiring our sales staff. A high degree of social behavior and the ability to connect with people are the key traits we look for in a successful sales associate. **The Predictive Index identifies those strengths**, and provides our management team with the insight to **create bottom line results** for the business. **//**

Donald McConnell,  
Regional Developer for Michigan,  
Massage Envy Spa

**//** Every person hired by a franchise is either an asset or deficit to our business. The PI gives you the ability to **prescreen and select the best candidates**. And it **can be used for far more than hiring**. It identifies individual traits, but also gives you the entire scope of people's behavior, and a **deeper understanding of how to motivate and impact** their performance. **//**

Susan Landgraf,  
Chief Learning Officer,  
Massage Envy Spa

## THE SOLUTION

### PI for Massage Envy Spa Corporate

Susan joined the Massage Envy Spa corporate team after a 20 year career at Marriott Corporation, where she used the Predictive Index® to ensure strong job fit and employee motivation and retention. In her new role, Susan used the PI system to help make quick and effective hiring decisions, as well as coach and motivate her new team. Susan also used PI and Performance Requirements Options™ (PRO) to help the franchisees, building job profiles for several key franchise positions and providing a more efficient hiring process. Susan enlisted PI Worldwide Member Firm, The Predictive Group, to conduct Predictive Index workshops at all Massage Envy Spa franchises.

### PI for Franchisees

More than 100 Massage Envy Spas adopted the PI system. In addition to hiring, many of the franchisees use PI for coaching and employee development. In one franchise, two colleagues were experiencing work conflict due to their communication and work styles. The franchisee used the Predictive Index as a non-confrontational way for them to better understand each other's behavioral differences. The first colleague was very intuitive, and more abrupt in her work style. The second was more patient, detailed and methodical in her approach. By identifying and discussing their PI results, they gained a better understanding of how best to work together.

Another franchisee uses the PI system as a management tool to maximize the performance of his sales associates. Their average sales close rate was 12 to 13%, but jumped to an average rate of 27% after the implementation of the PI. The franchisee believes that 80% of this turnaround can be directly attributed to use of the PI. The PI has also expedited the hiring process by eliminating the need to review more than 50% of the resumes received.

## THE RESULTS

- For one franchisee in three regions, the **average sales close rate jumped from 12-13% to 27%**.
- For the same franchisee, PI has expedited the hiring process by **eliminating the need to review about 50-60% of resumes** received.
- Franchise owners are able to **communicate more effectively**, define roles more clearly and **measure their team's long-term performance**.

