

Case Study:

Massage Envy
Scottsdale, Arizona

PI Worldwide 

Strong Job Fit to Accelerate Sales Performance in a High Growth Franchise Business

Massage Envy is a franchise business that provides quality massage services that are affordable, convenient and appealing to a broad base of consumers. The business was founded in 2002, and currently has 565 clinics in 40 states. Massage Envy ranked 20th of the 2009 500 fastest growing franchises as well as first place in the Massage Services category according to Entrepreneur Magazine.

Susan Landgraf, Chief Learning Officer for the corporate headquarters in Scottsdale, AZ, came to Massage Envy after a 20 year career with Marriott Corporation. While at Marriott, Susan was instrumental in implementing the use of the behavioral assessment tool Predictive Index® (PI) to ensure strong job fit along with employee motivation and retention. As CLO, Susan introduced the Predictive Index to Massage Envy to help her to build her corporate training team. The PI combined with the PRO, the companion tool to the PI that profiles the behavioral requirements of the job, give Susan the insight she needs to make the right hiring decisions. PI ensures the right job fit by identifying the behavioral traits for long term success. Susan also uses PI for coaching and motivating her team. PI gives Susan a better understanding of the individual needs and drives that impact her team's performance, as well as identify and develop future leaders.

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Susan Landgraf
Chief Learning Officer

The Company Challenge: The primary challenge Massage Envy needed to address was the balance between moving quickly to meet their hiring needs in this high growth business while achieving a strong job fit for each of the key positions. A few Arizona-based franchises learned of the Predictive Index through a local leadership group and contacted Susan to ask if headquarters would sponsor the use of the tool at their locations. Susan knew the difference PI could make at the franchise level and quickly enlisted support.

"Every person hired by a franchise is either an asset or deficit to our business", explains Susan. "PI gives you the ability to pre-screen and select the best candidates for the business."

With the company's unprecedented growth, Susan had to act quickly to make PI accessible to the franchisees. Using PI and PRO, Susan built job profiles for several key franchise positions, providing a more efficient hiring process. Susan enlisted PI Worldwide Consultant, Dave O'Brien, to conduct Predictive Index workshops at all Massage Envy franchisees. "PI can be used far more than just as a hiring tool," Susan shares. It identifies individual traits, but also gives you the entire scope of a person's behavior, and a deeper understanding of how to motivate and impact their performance." The workshop also addressed the important role PI plays in leadership development.

Predictive Index in Practice: Over 100 Massage Envy clinics currently use the Predictive Index, including Amy Berderich, co-owner of 6 Massage Envy locations. In addition to hiring, Amy uses PI for coaching and employee development. She highlights a case in which 2 colleagues were experiencing work conflict due to their communication and work style. Amy 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 Predictive Index results, they gained a better understanding of how best to work together. Amy is able to

communicate more effectively, define roles more clearly and measure her team's long-term performance.

Amy has 12 managers who use PI as a common language during their manager's meetings to discuss morale and communication amongst the teams. In a recent teambuilding workshop conducted by Dave, the managers openly discussed their PI results and realized that they had similar profiles. This insight allowed the managers to openly discuss how to improve employee retention through better communication.

Franchise Challenge: Donald McConnell, Regional Developer for 3 regions and business partner of 5 Massage Envy spas, uses PI as a management tool to maximize the performance of his sales associates. His biggest challenge was to increase the performance of his sales associates in closing new business.

Just prior to implementing PI, the average sales close rate was 12 to 13 %. For the past 3 month period, the average sales close rate jumped to 27%. Donald firmly believes that 80% of this turnaround can be directly attributed to the implementation of PI. He adds, "PI is a quick and easy tool to administer and it will give you 100 times the return on your investment."

Donald recently opened a location in New Jersey, where they have seen an average sales close rate of 30%. PI has been a huge factor in facilitating this level of new business. PI has expedited the hiring process by eliminating the need to review about 50-60% of all resumes received. As the franchise continues to grow, Donald now reviews an average of 40 to 50 resumes a week. "Our company has given us a valuable tool that works so effectively in hiring our sales staff," explains Donald. "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."

PI Worldwide® is a global management consulting organization that helps companies be more successful by focusing on their most important asset—their people. Praendex Incorporated, the parent company of PI Worldwide, is publisher of the Predictive Index®, the Selling Skills Assessment Tool™ and Customer-Focused Selling™.