

Case study



MATALAN

About Matalan

Matalan is a value clothing and homeware retailer. It has experienced rapid growth in the past decade, increasing from 50 stores in 1995 to more than 190 stores across the UK today.

In the 1970's John Hargreaves, the founder of Matalan, came across the US concept of out of town retail outlets that sold low priced products. John decided to implement the same retail concept in the UK, so in 1985 the first Matalan store opened in Preston. Since then Matalan has grown significantly and by 1995 there were 50 stores across the UK. In 1997, in order to cope with Matalan's growth, the head office was relocated from Preston to Skelmersdale along with a new distribution centre. Matalan's success was reinforced by the flotation of the company in May 1998. Matalan now trades from 5 million square feet in over 190 stores.

Matalan chose Bond International Software's powerful web-based system to streamline its recruitment process, which involves taking on large numbers of staff when a new store opens. This includes hotline interviewing - screening large numbers of applicants over the phone - followed by group interviews with Matalan staff.

The Challenge

In March 2004, management turnover was 58% and vacancies were running at 12%. Matalan was not considered an employer of choice for managers because of takeover speculation in the media. The recruitment team faced budget pressures and needed to cut costs by 33%. Under these terms, they had to reduce the spend-per-head from £2,200 to £1,150.

What Matalan did

- Brought the recruitment function in-house with an internal recruitment department
- Invested in Bond International Software's Adapt Workforce Management software
- The recruitment team were offered a good rate of basic salary, that was higher than the market rate, and a bonus for each manager recruited
- To drive consistency and retention, the bonus was only payable on the successful completion of the candidate's three-month probationary period, agreed at a fixed amount per placement irrespective of the candidate's salary.

Key Achievements of the Project

- Matalan won the Hays Human Resources Award for Innovation in Recruitment & Retention, which was partly attributed to the implementation of the Adapt Workforce Management System
- 97% of vacancies are now filled
- The recruitment team made annual savings of £275,000, including £235,000 saved on agency spend
- Turnover of management staff has reduced from 58% to 14%
- Candidate attendance for interview has risen from 50% to 86%
- 91% of job offers are accepted, this is an increase from 73% in 2004

Working with Adapt Workforce Management

- Matalan and Bond International Software have an excellent working relationship. All questions and functional change requests are managed rapidly and effectively allowing Matalan to continue to be responsive to the needs and wants of employees and applicants alike
- The time taken to hotline interview candidates who apply for new store positions has been reduced from an average of 25 minutes to 10 minutes
- The internal recruitment function within Matalan Retail is now viewed as a key strategic area within the organisation

Matalan Retail Resourcing Manager Kate Good comments: “As an evolving and innovative organisation our needs are constantly changing and we needed software that could reflect and support this easily and cost effectively. Bond always responds rapidly to all of our requirements and their excellent ongoing support has made them an essential partner in our quest for increasing market share and growth.”

Bond MD Tim Richards comments: “Adapt’s unique ability to be tailored to meet Matalan’s needs and to develop in line with their business, has ensured that this it is a successful partnership that we are confident will continue to flourish.”

Bond International Software is the world's premier provider of staffing software to global organisations. It has over 30 years experience in the development and creation of products and services that have become industry standards. Headquartered in the United Kingdom, the group also has offices in the United States, Australasia, South Africa and Hong Kong with a global team of over 200 employees.

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