

CASE STUDY: REDUCING TURNOVER THROUGH TARGETED RECRUITMENT & COMPENSATION STRATEGY



Introduction: Public Storage, one of the largest landlords in the world, operates over 2,700 self-storage locations and an additional 28 million square feet of commercial space through PS Business Parks. Despite a long track record of industry leadership, the company faced a rising trend of voluntary turnover among property managers—growing by 28% from 2009 to 2017—driving up costs and reducing operational consistency across regions.

AT A GLANCE

Challenges

- Rising voluntary turnover, especially among property managers.
- Increased recruitment, training, and administrative costs.
- Inconsistent performance across regions.
- No clear framework for predicting successful candidates.

Outcomes

- Reduced turnover in a competitive labor market.
- Better alignment between pay and market conditions.
- More strategic, data-informed hiring processes.
- Improved workforce stability, resulting in lower HR and administrative overhead.

OBJECTIVES

- Identify traits of high-retention employees.
- Determine the impact of compensation on employee tenure.
- Develop an optimized candidate profile to guide recruitment.
- Benchmark performance and turnover against peer organizations and industry trends.

APPROACH

- Modeled more than 20 internal and external factors to identify drivers of retention and turnover.
- Compared top and bottom performing markets based on turnover and compensation gaps.
- Built statistical models to predict optimal compensation levels and candidate attributes.

SOLUTION DEPLOYMENT

- Introduced a revised recruitment strategy using the candidate profile.
- Adjusted compensation in selected Metropolitan Statistical Areas (MSAs) to better align with regional market standards.
- Integrated predictive analytics into talent acquisition processes.

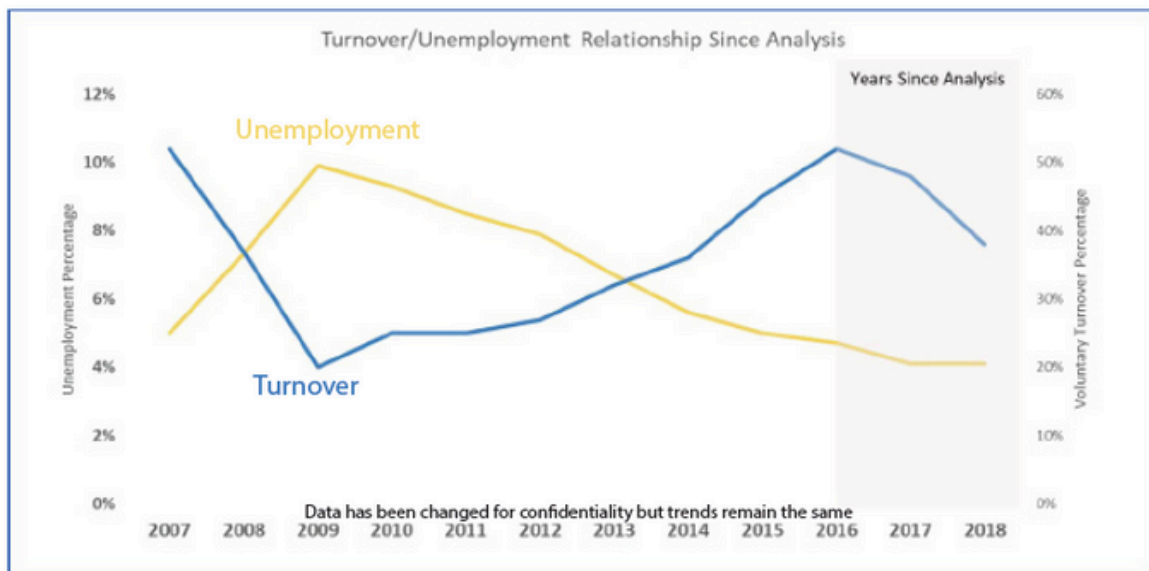
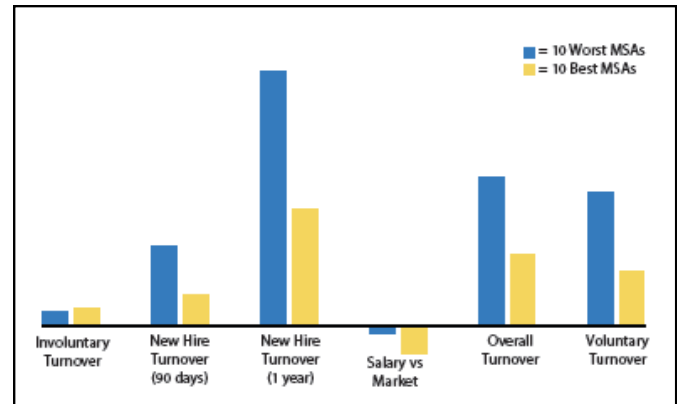
ANALYSIS & INSIGHTS

The analysis revealed a clear inverse relationship between unemployment and voluntary turnover—when unemployment was high, turnover was low, and vice versa.

Internally, compensation emerged as a key driver. Regions where Public Storage wages closely matched local market averages experienced up to 47% lower turnover, underscoring the value of competitive pay.

Additionally, the data identified specific traits linked to employee retention. Candidates with higher education, relevant experience, and fewer prior job changes were more likely to stay beyond the first year. In contrast, factors such as prior unemployment or experience in sales and customer service had little predictive value.

These insights informed the creation of a high-retention candidate profile and helped optimize compensation strategies, forming the foundation for reducing turnover across the organization.



RESULTS

- Voluntary **turnover decreased by 10%** between 2017 and 2018.
- **Cost savings ranged from \$290,000 to \$455,000** in just 10 markets.
- Projected enterprise-wide cost **savings** between **\$15 million and \$20 million annually**.
- Public Storage bucked the industry trend of rising turnover, seeing declines despite continued drops in unemployment.