



FENESTRA

A Division of Sandra Hartog & Associates

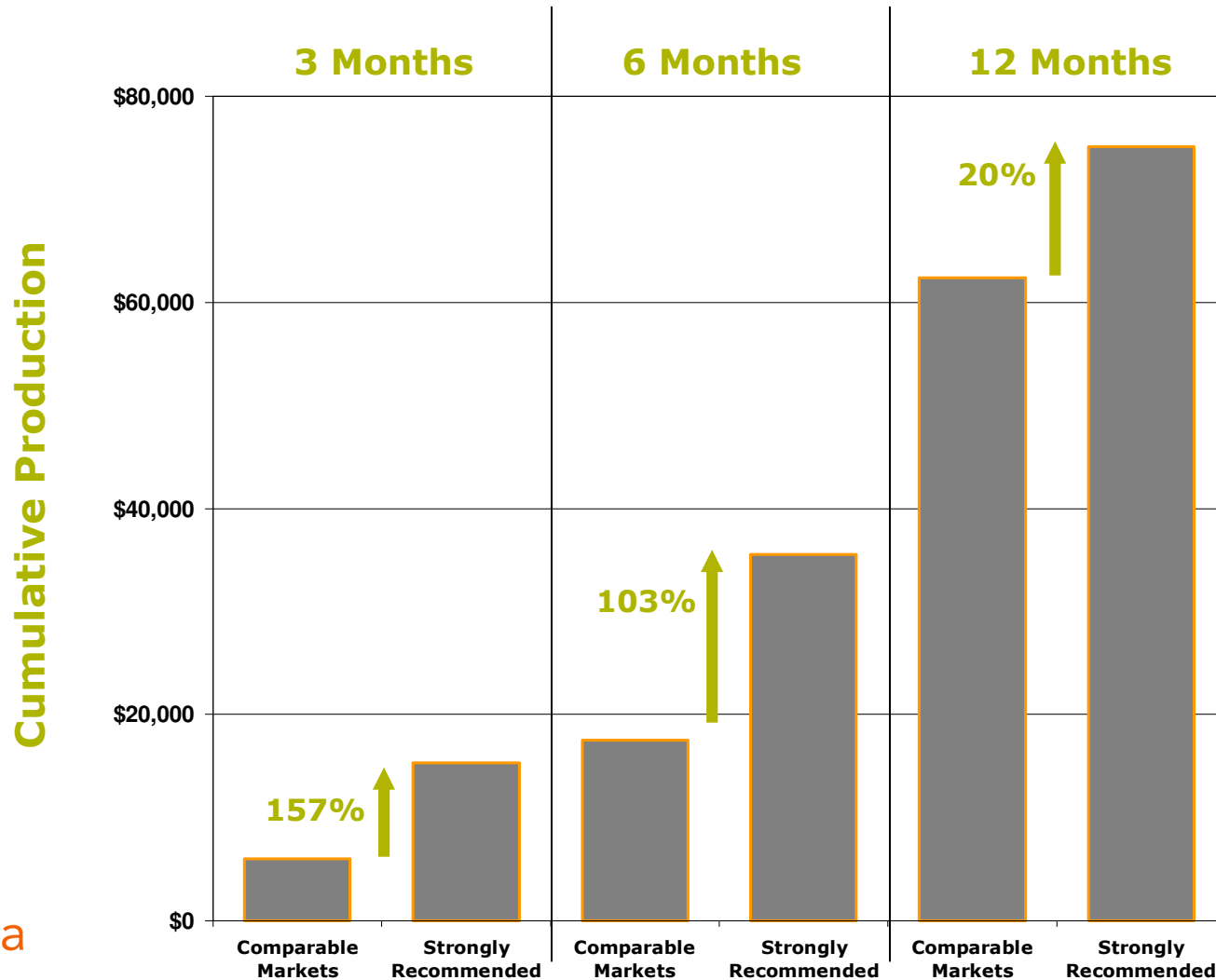
E-evaluation™ Web-based Assessment ROI

March 2006

Copyright © 2006. Fenestra, Inc. All Rights Reserved.

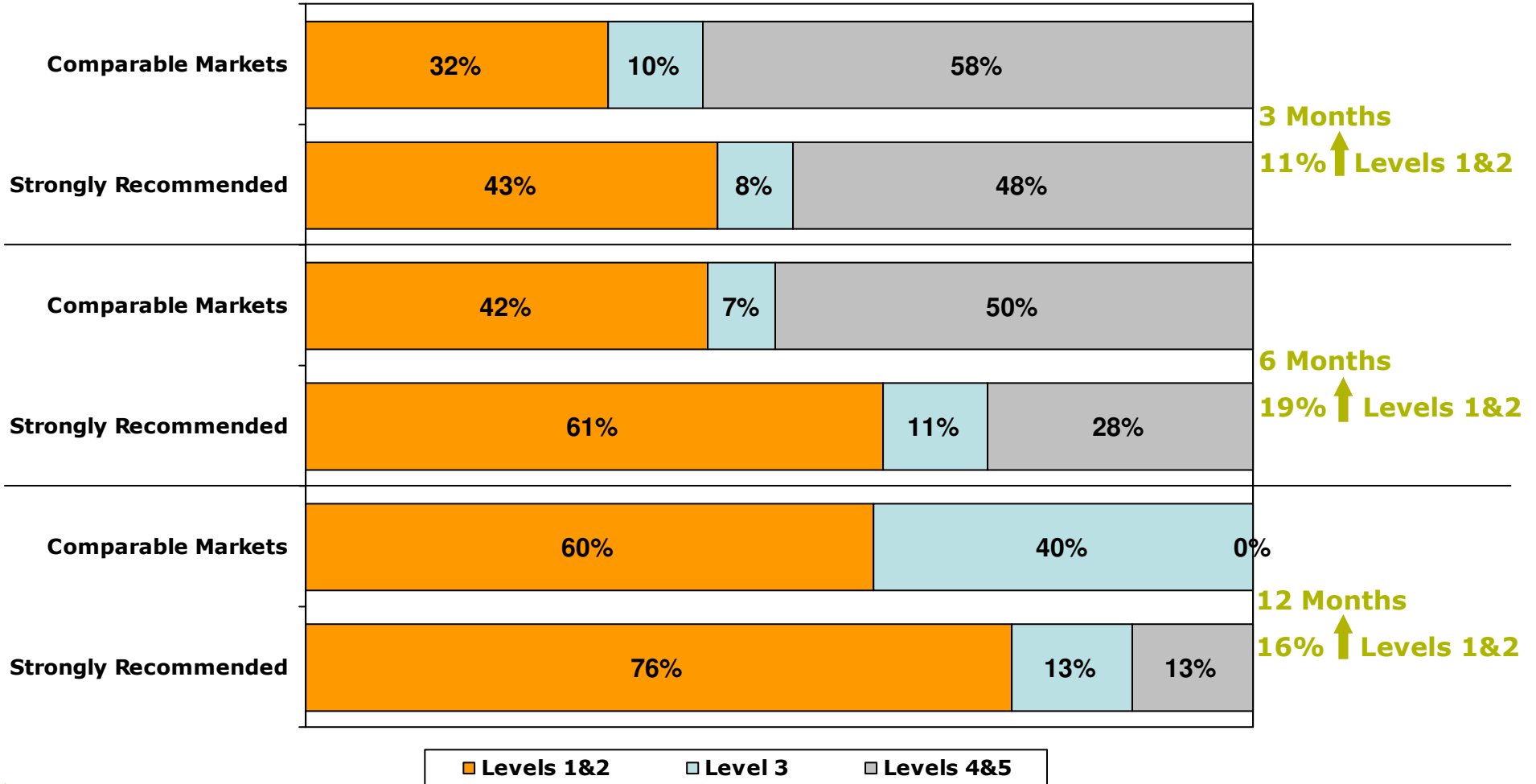
New FA Cumulative Production

Strongly Recommended FAs vs. Non-assessed FAs in Comparable Markets



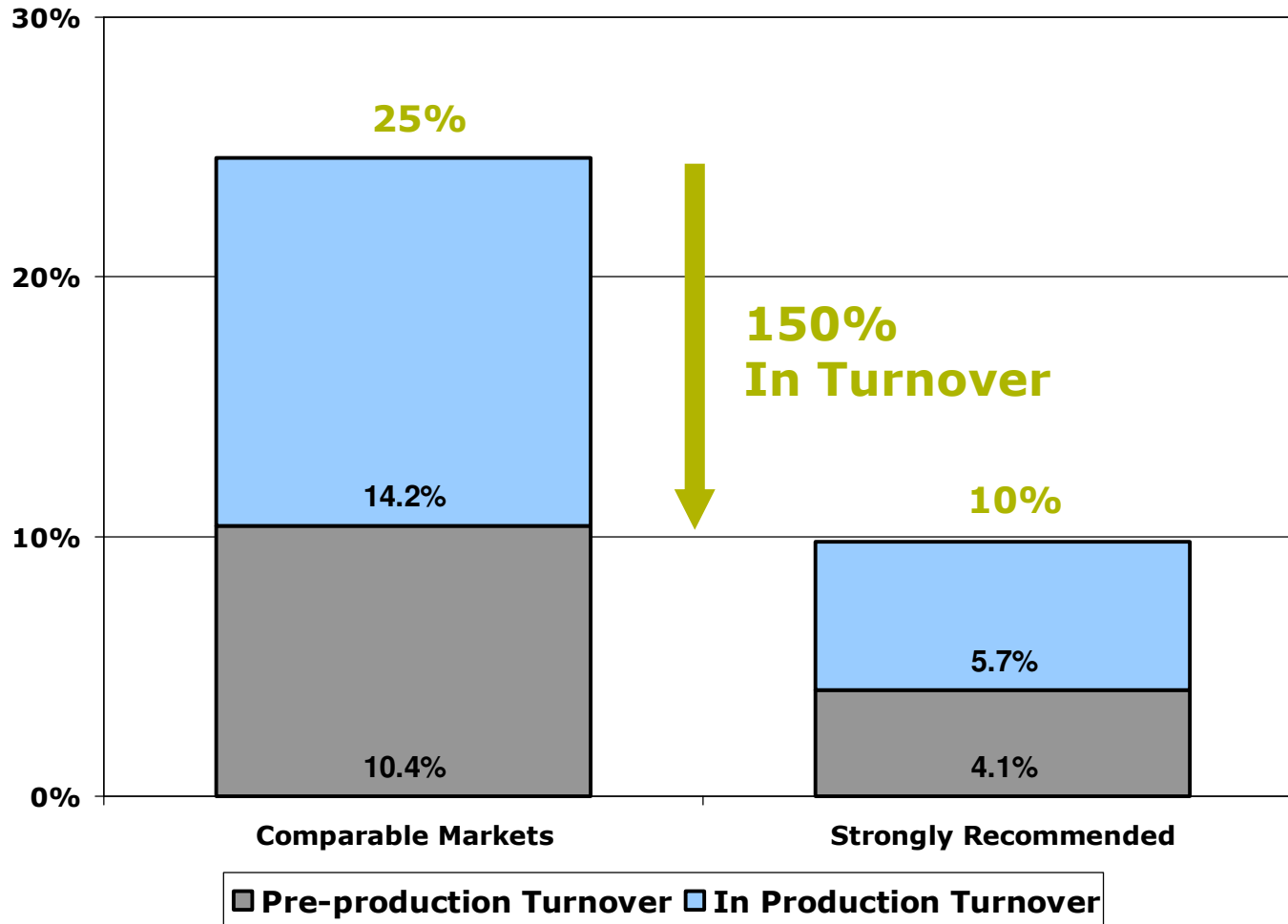
New FA Performance Levels*

Strongly Recommended FAs vs. Non-assessed FAs in Comparable Markets



New FA First Year Turnover

Strongly Recommended FAs vs. Non-assessed FAs in Comparable Markets



The Impact on Turnover: Why is it so Important?

- ▣ The national average of new hire turnover in Financial Services is 23%**
- ▣ The average cost of turnover is between 75% and 200% of a year's salary and benefits (LIMRA, 2004)**
- ▣ 75% of the demand for new employees is to replace those who have left**
- ▣ A 2005 study found the most significant challenge in recruitment and hiring was that while there was an abundance of applicants, there were fewer qualified applicants available. The key to success is distinguishing between the qualified and less qualified**
- ▣ Staff and real estate represent the most significant costs confronting Financial Services**

Savings from Reduced Turnover

Assume: 1st year costs of \$100,000 per new hire
National turnover average of 25%
Average cost of turnover is 100% of first year costs

For every 100 hired without the assessment, turnover costs \$2.5M

**Reduction in
Turnover***

**Net Savings per
100 hired* in
Turnover Alone**

150% (to 10%)

\$1.28M

* Based on historical E-evaluation™ results

* After the cost of the assessment and based on a pass rate of 67%

Candidate Assessment Reactions

-  **The assessment effectively increases candidates' understanding of the Professional Sales position**
-  **Candidates view the assessment very positively and think highly of organizations that use these tools**

Level of understanding of the position...	Limited	Moderate	Substantial
Before the Assessment	6%	39%	55%
After the Assessment	3%	9%	88%

	Strongly Agree	Agree	Neither	Disagree
My experience today increased my desire for this position	64%	18%	15%	3%
I think highly of organizations that use professionally developed selection tools such as this Assessment	70%	21%	9%	--
I would be proud to join a firm that requires Candidates to meet high standards like these	85%	9%	6%	--

Impact of the E-evaluation™ Assessment

ROI Scorecard

Performance Indicator	Outcome	Percent Improvement
Performance at 3 Months	↑	157% Cumulative Production 32% more Assets 34% more Level 1&2 Producers
Performance at 6 Months	↑	103% Cumulative Production 48% more Assets 45% more Level 1&2 Producers
Performance at 12 Months	↑	21% Cumulative Production 6% more Assets 25% more Level 1&2 Producers
Pre Production and In Production Turnover	↓	Strongly Recommended - 150% Recommended - 39%