

FOUR SIMPLE WAYS TO IMPROVE HIRING FOR KNOWLEDGE WORKERS



FOUR SIMPLE WAYS TO IMPROVE HIRING

Anyone who has been involved in the hiring process realizes the process is BROKEN. The process is frustrating and inefficient for both candidates and employers and often results in hiring errors.

Several factors have contributed to the break down of the hiring process:

- ➔ Popularization of internet recruiting – many candidates are available but few are qualified
- ➔ Shift in U.S. jobs to knowledge or service-based positions – employees now need to have certifiable cognitive abilities
- ➔ Emergence of a diverse candidate demographic resulting in fewer “classic” resumes
- ➔ Downsizing of Human Resource Departments – no one is managing the hiring process
- ➔ Creation of flatter and leaner organizations resulting in less supervision -- employees need to be more self-reliant and motivated
- ➔ Increased use of cross functional and geographically diverse work groups – ability to effectively work within a team is mandatory and self-directedness is critical to getting the job done
- ➔ Increased sophistication and preparation of candidates – candidates can rehearse many of the perceptual measures in the standard hiring process resulting in unqualified candidates being “perceived” as qualified

All of these factors have complicated corporate hiring practices and resulted in increased hiring errors and turnover.

Proposed Changes

The chart below, outlines four simple changes that can be made to corporate hiring practices to significantly decrease hiring costs, reduce hiring errors and increase the quality of hires.

Changes	Benefits
Develop process and role oriented job descriptions	<ul style="list-style-type: none">✓ Provides realistic criteria for candidate evaluation✓ Minimizes likelihood of hiring to the wrong skill set✓ Provides a compelling picture for advertising and recruiters
Use objective screening device to screen applicant pool	<ul style="list-style-type: none">✓ Screens for appropriate competencies✓ Saves time and money✓ Reduces bad hires✓ Improves odds of making good hires
Use structured interviews for selection	<ul style="list-style-type: none">✓ Adds objectivity to a subjective process✓ Minimizes “like me” bias✓ Increases odds of making a good hire
Confirm resume and test results through background and reference checks	<ul style="list-style-type: none">✓ Reduces bad hires✓ Improves odds of making good hires✓ Objectively verifies the results of the interviews and assessment

Change #1: Develop process and role oriented job descriptions

The Problem

Employment ads and job postings do not clearly state job expectations and often candidates do not learn what is “really expected” until the interview process. Unfortunately, job ads and postings often list descriptions that are outdated and inaccurate. The descriptions tend to be task oriented and give little insight into the environment, the expectations for the position or the barriers to success. Furthermore, listing detailed tasks and behaviors only attracts job applicants who are “unemployed” and possibly desperate, not top candidates looking for new opportunity and challenge.

The Solution

Adage Solutions believes that to entice top candidates, job postings need to have the following five key elements:

- ✓ Challenge: what is the situation or circumstances of the position?
- ✓ Complications: what are the issues or barriers that must be addressed to meet the challenge?
- ✓ Contribution: what is the role or involvement of the individual?
- ✓ Control: what authority is included in the position?
- ✓ Commitment: what are the quantifiable results that are expected?

Following is an example:

XYZ Insurance is a medium-sized insurance company that has an opening for Project Management Office Manager. The position is new and there are high expectations for the individual to assist the company in getting control and visibility into their Information Technology spending. A simplified job description might look like this:

Challenge: XYZ insurance is preparing to move into an aggressive period of information technology spending. They need to assure their spending is being effectively managed and monitored.

Complications: XYZ insurance has a history of independent and decentralized management of information technology spending. Each department manager has had autonomy in defining and managing his spending. In regard to the new slate of projects, funding and management will be based on the projects overall contribution to the company and will be centrally approved and closely monitored. Ability to stay on budget and realize benefits and cost savings will be required to maintain funding.

Contribution: The PMO Manager will be expected to develop and sell processes, policies and procedures that will be implemented across the company. The methodology will be used to track and control the information technology spending and communicate to all levels of management

Control: The PMO Manager position will be a staff position and he or she will have the authority to define appropriate measures and procedures for tracking IT spending. The PMO Manager will need to have influence with line managers to encourage their acceptance of measures and procedures.

Commitment: The PMO Manager will be expected to develop a preliminary methodology within the first 90 days, implement the methodology within 120 days, and provide management a realistic picture of all projects within 6 months.

Figure 1: Star Job Description

The above example provides the candidate insight into the current environment, as well as job expectations. In addition, it provides specific expectations that can be used to evaluate the candidate and it includes specific information for the candidate to accurately relate his experience to the position.

Change #2: Use objective screening device to screen applicant pool

The Problem

Resumes and interviews cannot predict conclusively whether an individual has the capacity to “get it” once they are actually on the job, yet most corporate hiring processes rely heavily these highly subjective methods to screen and select candidates. Career coaches and consultants are widely used and can make almost any candidate and his resume polished, presentable and ultimately enticing to a potential employer. The result of these practices is increased type 1 error (hired the wrong candidate).

Unfortunately there is a population of high performing professionals who will not be hired because they don’t “fit” the stereotypical expectations of the hiring manager. These professionals may be currently employed, may have an out of date resume and may not have read the latest advice on interviewing and resumes. The probable result is that the candidate will be eliminated, even though they are very qualified for the position.

Errors resulting from subjective screening are illustrated in the diagram below.

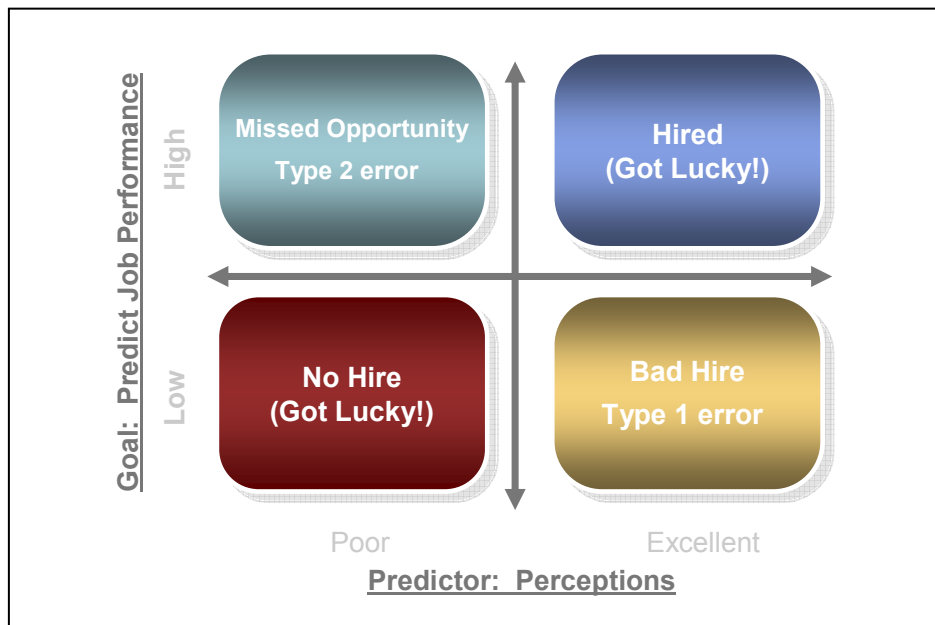


Figure 2: Hiring Errors

The Solution

In less than an hour, a candidate can complete the High Impact Player assessment, a multiple-choice test that objectively vets candidates and measures job performance. The HIP Assessment tests for cognitive abilities, self-reliance, self-direction, team orientation and the ability to be a life-long learner, all of which are bona fide occupational qualifications necessary to be successful in a knowledge-based

environment. In contrast to popular psychometric tests (i.e. personality tests) currently used in hiring that can be useful in career planning and team building, the HIP. Assessment predicts job performance.

Adage Solutions did extensive research to find an assessment that measured job performance. No one assessment was available that measured the bona fide occupational qualifications of cognitive abilities coupled with personal orientation. Consequently, Adage Solutions developed a unique assessment that combines several validated test into the High Impact Player Assessment™, designed to identify high performers in a knowledge-based company.

The High Impact Player Assessment™ is on-line, self-administered and measures:

Cognitive Abilities	<ul style="list-style-type: none">• Reading Comprehension• Critical Thinking
Personal Orientation	<ul style="list-style-type: none">• Ability to Persevere• Team Orientation• Self Directedness

The cognitive abilities portion of the assessment verifies the candidate has sufficient capacity to think – including the abilities to solve problems, continually learn and remain objective. The personal orientation portion of the assessment measures the qualifications related to initiation and execution on the job.

The High Impact Player Assessment™ provides an objective yardstick to screen candidates and minimize Type 1 (hired the unqualified resource) and Type 2 (didn't hire the qualified resource) errors. An added benefit of the H.I.P. assessment is it fills the hiring pool with top performers. Hiring managers who use the H.I.P. assessment will have access to top performers who previously were summarily dismissed for failure to meet the perceived ideal. Many of the “sticking points” between the candidate and the hiring authority are eliminated through screening candidates based on objective measures,

Change #3: Use Structured Interviews for Selection

The Problem

Interviews are the universal approach to selecting employees; however they are prone to error and bias. As outlined in Change #2, the interviewer's perceptions and biases can work against the company and the candidate, resulting in the selection of the wrong candidate or the elimination of qualified candidates. Research shows that people project their thoughts and impressions on a candidate and feel most comfortable with candidates that they perceive to be a reflection of themselves. This phenomenon is reflected in comments such as –“he reminds me of me when . . . “

The bias and error of the interview process is compounded when the interview is unstructured and resembles a casual conversation. Interviews are often unstructured, because the hiring authority lacks sufficient time or training to adequately prepare for the interview. The result is the candidate is evaluated based on the interviewer's perceptions or “gut “. There is no common practice that allows a fair comparison and evaluation across candidates.

The Solution

Structured interviews need to be the standard. Structuring the interview can retain the personal touch while increasing the ability to objectively compare experience and potential across candidates. In a structured interview, each candidate is asked the same questions related to his or her handling of a

situation in the past or how he or she would handle a situation in the future. The interviewer looks for specific behavior or knowledge and the questions determine whether a candidate possesses these attributes.

Following are examples of structured interview questions:

Backward Looking Structured Questions:

1. Tell me about a time when you were confronted with a problem that you did not know how to address. What were the steps you took to solve the problem and what were the results?
2. Tell me about a time that you were involved with a team that accomplished something significant. Tell me about the results and tell about your role on the team and your role in accomplishing the results?

Forward Looking Structured Questions:

1. We are currently introducing a series of procedures that will decrease the spending discretion for middle management. How would you go about introducing these new procedures to maximize acceptance?
2. There are several employees who had hoped to be promoted into the position you are interviewing for. What will be your strategy for gaining their support and trust?

Figure 3: Structured Questions

Structured interviews increase the likelihood of getting specific and pertinent information that allows objective comparison among candidates. The structure allows personal contact, but minimizes the errors that can occur in the current interview process.

Change #4: Confirm resume and test results through background and reference checks

The Problem

It is estimated that 30-45% of resumes have exaggerations in skills, titles or length of employment. 10-15% of resumes seriously misrepresent information such as employment or education. When candidates are well prepared for an interview, often resume discrepancies go unnoticed. We all have heard horror stories about a company finding out that a resume was fabricated after a person was on the job and couldn't perform.

The Solution

The solution is simple.

1. Check the background of the candidate to verify education and work chronology is accurate.
2. Check each reference and seek to glean additional reference sources that might have been purposely omitted. Contact *any* reference that might verify positive or negative perceptions.
3. Look at financial and criminal records to insure that "what you see is what your get."
4. Look for consistency in the resume, assessment, interviews and background/reference checks.

The cost of exhaustive checking is low compared to finding out issues later.

Conclusions

The hiring environment has changed and there are several simple ways to improve the process to meet the changes. As the job market becomes skewed to favor the candidates there will be a tendency to shortcut the process to fill the position. It is critical that an objective, efficient and effective process be used for hiring that: accomplishes the following:

- ✓ Clearly defines the position and bona fide occupational qualifications
- ✓ Weeds through hyped up resumes and over rehearsed interviews
- ✓ Overcomes “like me” hiring biases
- ✓ Finds objective measures of performance for diverse candidates
- ✓ Objectively measures the candidate’s ability to be successful on the job
- ✓ Objectively evaluates the quality of referral sources

The cost of a wrong hire is high – 4-5 times the annual salary of the position. In a small or downsized organization, every person is critical and the need to hire the “right” people is important to long-term organizational success.



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About Adage Solutions, LLC

*Adage Solutions, LLC is the human resource consulting and assessment company, based in Newport Beach, California that uses the High Impact Player Assessment to assist in identifying knowledge workers who have the ability to Think – Initiate – Execute. Through using a new yardstick for evaluating job candidates, **Adage Solutions** can assist organizations in selecting the right employees using a process that is reliable, efficient, and legally defensible. They are transforming the hiring process by introducing an objective measure of an individual's ability to successfully contribute and seeking companies that want to transform their organizations through the introduction of High Impact Players.[™]*