Hiring?

Identify your next company superstars

BY BRAD WOLFF

EXECUTIVE SUMMARY

For potential future employee assessment, most of us are doing it wrong. The traditional hiring process comes with a raft of problems, none more important than the fact that it doesn't often work. But if you turn that process around and focus first on how applicants are wired to think and behave in relation to what is ideal for your position, then you could find your next organizational top performer.

Hiring employees who go on to become top performers is the ideal for any hiring manager and company. Yet even the most effective industrial managers have experienced mixed results.

One of the most effective and efficient ways to hire more future top performers is to figure out who has the potential to excel in a position and then only interview people who possess that potential. This would no doubt significantly decrease the number of hours on "wasted interviews" and reduce the overall percentage of bad hires. To accomplish this lofty goal, you need to first understand what gets in the way of finding all those future rock stars.

Why the traditional hiring process doesn't work

Research shows that the traditional way organizations select candidates and conduct job interviews is not effective. For example, almost half of all new hires are gone within 18 months. Staying long-term doesn't necessarily equate to success either. Low-to-mid range performers often stay on the job for years despite their employer's desire that they leave on their own.

This is because most organizations struggle to overcome the gravitational pull of the Pareto principle. Well-known to managers who have industrial and systems engineering training, the principle, also called the 80/20 rule, states that for many events in life, roughly 80 percent of the effects come from 20 percent of the causes. In the workforce, most managers say that 80 percent of work production is accomplished by just 20 percent of employees. It's this group of 20 percent who are the "top performers" sought out by hiring managers.

Despite years of efforts upgrading interview techniques and installing various personality assessments, most organizations have not experienced any significant improvement in the quality of their hires. The reasons are twofold and frequently overlap:

1. Inaccurate appraisal of applicant characteristics needed for success: Most organizations lack a well-conceived, objective process to accurately determine the innate wiring or "core nature" needed by top performers in their specific job and environment (e.g., creative thinking vs. practical application and cognitive thinking vs. intuitive thinking). Instead, they rely on what they've done in the past or use other shortcuts. Unfortunately, these techniques include prior prejudices and assumptions that limit their accuracy. Since job duties, business tactics and strategies frequently change, past practices and shortcuts rarely work well in today's world.

2. Inaccurate assessment/measurement of applicant characteristics: Accurately assessing employee characteristics is difficult. As we will discuss below, traditional personality assessments and job interviews fall short in their intended purpose of determining what applicants are really like.

Weeding out the chaff before the interview

How can organizations limit interviews to potential top performers? By using a two-part, multistep process.

Part one, which has five steps, helps develop an accurate view of the innate nature/characteristics needed for top performance. Organizations need an accurate, objective and repeatable process. As in any process, there isn't only one "best way." But below is a description of one methodology with an excellent track record.

Step 1: The hiring team (direct manager and others with a major stake in new-hire success) meet to gain clarity on the job. This involves gaining agreement on the percentage of time the worker will spend performing each job function. It's helpful to include the input of one or more current or recent employees with successful experience in this same position. The result should be a new type of job description, tightly written, with specific contributions, prioritized responsibilities and the time commitments to perform the required duties of these responsibilities. The completed description should total 100 percent of the employee's duties.

Step 2: Develop a solid understanding of what each characteristic being assessed means to the organization. In other words, a person who is ranked high in a characteristic would bring specific contributions to the job, while if that person was ranked low in that characteristic, he or she would provide limited contributions of that type to the job.

For example, people who are high on the scale of creative thinking tend to make significant contributions in duties that require high creativity. Those who are lower on the scale would tend to make smaller contributions in this area. It's important for the hiring team to be clear on how each assessed characteristic would affect performance of the different duties of the position.

Step 3: Have the hiring team meet to discuss the above information. It's important to consider the contributions needed to excel in the duties of that specific environment as opposed to simply considering the duties without this context.

Most organizations miss the mark here. Take a sales position with a duty described as "use telephone to make outbound sales calls to prospects." This description describes the behavior, not the context in which the behavior occurs. For example, are these "cold calls" to prospects unfamiliar with the product and organization or "warm calls" to prospects who have purchased from an organization that has a positive reputation? These are examples of similar job duties that require a different type of person.

Step 4: Logically group together duties that are like each other in terms of the contribution needed to excel (family of duties) and add up the total estimated percentage performing each family of similar duties. Identify the family of duties that involve a significant

> Most organizations struggle to overcome the gravitational pull of the Pareto principle.

percentage of overall duties (25 percent or more).

Examples of families of duties include duties that rely on "conceptual thinking and analysis" and "gathering and organizing information." These are the ones that are key to top performance in a given job and would require being on the higher range for related characteristic being assessed.

Step 5: If there are employees currently working in the same position, have them take a reliable and valid assessment (see part two below). Then have their direct manager or managers rank these same employees from No. 1 performer to the lowest performer in the job. This allows the organization to identify connections between employee assessment results and actual job performance to further validate judgments made in the first four steps. Even if the sample size isn't large, potentially useful information is obtained. This step is an added plus if appropriate employees are available.

What would this look like?

All people possess the same human characteristics but vary in the measurement of these characteristics.

Let's use an example with a characteristic that can be described as the tendency to "take practical action to complete tasks" or "getting things done" even when not clear on how to do it. This is as opposed to analyzing data, organizing information, connecting with others, etc. All human behavior falls in a range (low-high, 1-10, etc.) as it relates to this or any other trait.

Suppose a manager has a list of practical duties to delegate and a pool of 10 employees, each possessing the basic skills required for successful completion. Assume it should take a competent employee one or two days to complete the duties. If the manager asked the entire pool to complete these duties within two days, there would likely be a distribution of four groups of employees based on how they are wired to think and behave.

First, some would take practical action to complete the duties. If unsure about how to do something, they would apply their "intuitive sense" and instinctively adjust their approach as needed. This group would probably finish all the duties competently within the two days. The manager would likely think, "I'm so glad that they just know how to get things done."

From the second group, some would discuss each item on the list with the manager. When these people encountered difficulties they would talk to the manager or others for help or moral support. When they don't finish the duties on time, the manager might get frustrated and think, "If you would have spent more time doing rather than talking about doing, you would have already completed the duties."

For the third group, some would go back to their work area and review the list. They would spend time considering the many ways the duties could be done. This may include innovations and even elimination of duties they consider unnecessary. As they began doing things, they may reconsider their approach in a continuous experimentation process.

It's likely that few, if any, would complete the duties on time. When the duties were not finished on time, the manager might get frustrated and think, "If you would have spent more time doing rather than thinking and experimenting, you would have already completed the duties."

And for the fourth and last group, some would attempt to gather information on the best ways to complete the duties. They would ask for written instructions and search for information to read, including "best practices." Their concerns would revolve around avoiding mistakes. It's likely that few, if any, would complete the duties. When the duties were not finished on time, the manager might get frustrated and think, "If you would have spent more time doing rather than reading and researching, you would have already completed the duties."

How familiar do the above scenarios sound? Managers typically smile when

considering these examples. Often the smiles also relate to their own personal struggles in performing duties that don't align with their personal styles or approaches.

Managers consistently report that attempts to change natural styles or innate characteristics of how employees think and behave are rarely effective. People are wired with unique styles that give them advantages in performing some work and disadvantages in other work. It is far wiser to align people with work that fits their natural styles than to attempt to change their styles to force alignment.

When we look further at the makeup of the workforce, we see how common it is to have misalignments between employees and assigned job duties. Common examples of these misalignments include:

- Creative/innovative work-oriented people doing practical/routine work and vice versa
- Independent work-oriented people doing collaborative work and vice versa
- Cognitive work-oriented people doing intuitive work and vice versa

Once the characteristics needed for the job have been determined, we can move to part two.

Assessing the candidate

Part two involves accurately assessing whether the candidate has the characteristics needed to be a top performer.

This article is about interviewing applicants who possess the innate nature (core nature) to be top performers in a given role. Accomplishing this goal requires assessing candidates prior to conducting interviews. This is counterintuitive to the typical hiring process, where the resumé review determines if a candidate is worthy of an interview.

It's next to impossible to know where applicant characteristics measure by reviewing their resumés. Prior experience performing specific duties does not indicate people are naturally wired to be

> **We see how common it is to have misalignments between employees and assigned job duties.**

top performers in those duties. In fact, most are not. In addition, studies have consistently shown that a significant percentage of resumés are "overstated" in accomplishments and skill level.

Most managers have hired employees with ideal experience, credentials, attitude and effort, yet these hires turn out not to be effective performers. Many have also hired applicants who became top performers despite lacking the experience and credentials that were "required." Instead, these people possessed natural ability (innate characteristics) and attitude, two things that often are more important to success.

Having the applicants take an assessment after interviewing presents three problems:

- When applicants successfully complete the interviews and are told "the last step is the assessment," explaining rejection due to unfavorable assessment results is awkward at best.
- The applicants and hiring team have wasted time and effort that could have been avoided by administering the assessment first and weeding out any unsuitable candidates.
- There is temptation on the part of the hiring team to override the assessment and make the hire anyway. This rarely turns out well, for predictable reasons.

Most assessments have effectiveness limitations

Many organizations have experimented with a multitude of assessments over the years. Some have experienced measurable improvements with these efforts.

However, in most cases, the results fell short of expectations.

There are several factors that play into suboptimal results. Let's start with the very common personality assessments. They have significant limitations due to multiple built-in biases.

First, applicants are self-reporting based on a combination of how they see themselves, how they believe others view them, and how they want to see themselves. For example, on questions related to "extroversion," applicants may want to see themselves as outgoing and friendly. They may also recall when others commented at how friendly they can be.

However, they know that when given a choice, they prefer to spend time quietly by themselves vs. with others. So, how would they answer these questions?

Even if applicants don't have the above biases, answering assessment questions requires people to use a specific context or situation to answer the questions. Using the "extroversion" example, applicants may provide different answers on how extroverted they are depending on whether they interact with small vs. large groups, familiar vs. unfamiliar people, their level of interest in the people, etc. So, what is "the truth" about their level of extroversion?

And if applicants complete the assessment as a requirement for a job application, they usually have an opinion on what traits the employer is looking for. For example, if applying for a sales job, they probably believe that being low in extroversion would kill their chances. If it's an accounting job, they may believe the employer prefers someone who would rather concentrate on performing accounting duties than socializing. Thus, high extroversion may kill their chances. So, how would they answer the questions related to extroversion?

Given the inherent challenges of relying on the accuracy of personality assessments, what should organizations do instead? There are assessments that address the limitations of conventional personality assessments. These are intended to access the innate or core nature of people.

One way to accomplish this is to provide questions that only have positive meanings. The assessment takers would see themselves positively regardless of the answer, eliminating the bias to look good to oneself and others. Properly designed questions of this type also make it difficult to provide answers based on what would best fit a job.

Two other factors to consider in selecting an appropriate assessment tool are validity and reliability.

Validity means that the assessment accurately measures the traits it intends to measure. Organizations also want to ensure that the traits measured are relevant to the successful performance of the job in question.

Reliability refers to the level of consistency in results that assessments-takers experience when retaking the assessment.

An assessment is considered reliable when its takers achieve the same result repeatedly. If the results are variable, the organization has no assurance that any given result is accurate. The best assessments have high repeat-reliability over long periods of time – years as opposed to months.

Look beyond tradition

This article's intent is to bring awareness to beliefs and habits people have about the process of interviewing and hiring. When people are stuck in ineffective habits without being open to the possibility of other, more effective choices, progress remains slow or nonexistent. They also fall behind competitors who are willing to challenge these same habits.

When people step back and objectively consider the limitations of their current practices, the limitations usually become obvious. The experience of most hiring managers demonstrate that skills, experience, credentials and impressions made in interviews are frequently inaccurate indicators of future high performance.

Looking beyond these "traditional factors" is sensible.

Organizations can deploy assessments that point directly to candidates with the potential to be future top performers based on innate nature and the duties of the job. Focusing first on how applicants are wired to think and behave in relation to what is ideal for a position is the more effective way to figure out who will be a top performer or not. ❖

The best assessments have high repeat-reliability over long periods of time – years as opposed to months.