Why the traditional hiring process leaves prize employees out on the range

By Barbara Bailey, SPHR

In Texas, we have a saying we've used for a hundred years and it sums up one of the most common issues all hiring managers face: He's all hat and no cattle. For non-Texans, it pretty much means that an individual looks like a cowboy, but has never worked near cattle in his (or her) life.

In the context of job applicants, this Texan saying refers to the slick person you interview who sounds great, talks a good game, and can't do the job you need them to do if your life depended on it.

Unfortunately, many small business owners succumb to the charm of the *big hat* candidate because they haven't thought through:

1. The results they expect from the new person and
2. How to tell a good candidate from a poor one

Small business owners DO know they have work to be done and they hope the person they hire has the abilities to deliver the results needed.

Bring on the resumes

The typical hiring process begins when the business owner runs an ad in the local paper, outlining some of the skills and experience they think they need for the job. Typically written too generally, responses to the ad come in an avalanche. Somehow, getting down to the ten resumes that look the best, the interview process begins. Hour after hour, great people, nice long chats, but still no real feel for anyone's ability to do the job. Ah, but we're in luck. A friend of ours has seen our ad and knows a GREAT person. Problem solved! Our owner has a wonderful interview, really likes her, hires

her then goes about his daily business, feeling that he's hired someone who knows just what to do. Sound familiar?

And the research shows….

According to research by Michigan State University, the typical interviewing process used at most companies is, at best, only 14% effective in predicting successful hires. The remaining 86% keeps you extremely busy managing the revolving door of resumes, applications, hires, and fires. In turn, your profits suffer from lapses in staff coverage that equate to lost opportunities, erosion of customer satisfaction, continual training expenses, and seriously wasted time for management.

An extreme example of how this process can go awry culminated with the far overdue termination of an accounts receivable manager—but only after the business experienced dismal results for over a year, followed by the manager's staff presenting the business owner with a signed petition requesting Upper Management remove the manager! How many good employees just left this company without a word? With a potentially devastating effect on the bottom line, isn't there a better way to select the right candidate for a job?

Redefine your hiring process

Take the time to define what <u>measurable results</u> you expect the new employee to deliver before you even start advertising. Most people think in terms of listing tasks or duties on a job description but you'll be more able to make a great choice if you list expected results instead.   Why does the position even exist? It may help to think of results as a product left behind at the end of the day when the
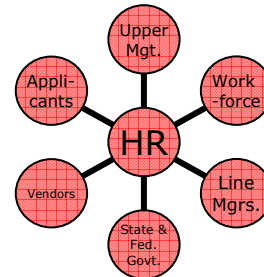
job is done successfully.

Every job is measurable

Many companies shy away from results-based measurements because they think they need fancy computer programs to collect data. Not true! Use a simple diagram to define the internal and external customers of the position.

Focus on results

Next define what outputs each *customer* expects from the position. Unlike the traditional job description, you'll want to list these output as **results expected** and not just list duties.

Example: A company seeks to hire its first human resources manager. Responsibilities include recruiting new employees, benefits administration, and maintaining personnel records. Desired outputs include *qualified candidates* and *employment verifications*.

Now, write the results expected as:
- Happy, productive employees
- Benefits maintained at a cost effective rate and in compliance with Federal Law (COBRA)
- Neat, orderly records in compliance with state and federal law.

For this example, your measurement criteria might include:
- Turnover should not exceed 10% in the first 90 days of employment
- COBRA letters go out within 14 days to terminated employees
- Monthly medical insurance premiums accurately reflect only the cost of covering the active workforce (terminated employees are removed from the bill in a timely manner) with 1 error allowed in a 6 month period.
- A sample review of 5% of the personnel files will show them up to date, containing no unauthorized or unlawful

information.

Once decided, prepare a more traditional job description with results and measurement criteria listed as *key accountabilities* and with the job duties listed separately.

Select the right person

Now that we know WHAT work is involved, it's time to decide WHO best to do it. Most traditional processes stop with *hard skills* (for example, working knowledge of Microsoft Word, ability to type 60 wpm) and experience needed, but you must also take the time to determine what **PERSONAL SKILLS** (sometimes referred to as *soft skills*) an employee needs to be able to do the job. Some examples of the dozens of possible personal skills are:

- Ability to manage stress
- Ability to be accountable for others
- Leading others
- Planning and organization
- Results-orientation
- Ability to pay attention to detail
- Problem solving ability
- Teamwork
- Self-starting

Most people do not fail in their jobs because they lack hard skills; they fail because they don't have the **personal skills** necessary to do that specific job in that specific environment.

Choose the right tool

A variety of instruments are available on the market to help you measure people, but I prefer the TriMetrix System™ from Target Training International. The TriMetrix System, can measure the **job** as if the job itself could talk, **AND** it can measure a candidate's personal skills and compare them to the benchmark set for the job. In addition to measuring 47 different groups of talents (80 distinct factors), it also measures some of the cultural aspects of the job, as well as the communication or behavioral style that is

most suited to the position. **In other words, it measures what a candidate *CAN* do, is *MOTIVATED* to do, and by inference, *WILL DO* if they are hired into the job**.

By combining the use of this tool with traditional methods of assessing skills and experience, including carefully checking the candidate's references, you will reduce your hiring mistakes—resulting in a company of more satisfied employees who "fit" well with their particular jobs.

Results from using the TriMetrix System have a developmental use with your existing employees as well. You can compare your incumbents in a particular position to the established benchmark for the job, then formulate a plan to help your employees improve key skills.

After you identify an employee's shortcomings, you can work with them to create a performance improvement plan. Many average employees can be turned into stars once they understand what's expected of them and are given the opportunity to learn the required skills. For those few that continue to fail, you really owe it to that person to end their employment and start again. Next time you're hiring for this position, use the process and tools described in this article to help you avoid another expensive hiring mistake.

Do interviews still have a place?

Certainly, it's still important to talk about skills and previous experience, and to assess whether or not you think you can work with a particular person. But learn to take the time to really understand the job, then assess all job candidates against your benchmarks, communicate the results you expect and tell them how they will be measured. You'll be far less likely to be caught in the *All Hat and No Cattle* trap again.

Barbara Bailey, President of Bailey Consulting Group, brings over 20 years of Human Resources experience to help organizations implement Performance Improvement Strategies. As a Certified Senior Professional in Human Resources, she will guide your organization through a systematic approach to benchmarking, hiring, motivating and retaining top talent. Call her at 972-489-4078 or e-mail Barbara@BaileyHR.com and let her demonstrate how easy it is to put these tools to work in your organization.