10 STEPS TO HIRE THE RIGHT PERSON — THE FIRST TIME

DON’T PUT YOUR REPUTATION ON THE LINE WITH BAD HIRES
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This white paper uses general information to introduce the topic. To find out how this information can apply to your specific situation, consult a qualified Drake Solutions Specialist.
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INTRODUCTION

Hiring an employee is like making an important investment decision, with the candidate representing the capital: human capital. Like any investment decision, you want to make the right choice — the first time. In the hiring, onboarding, and retention process, either you are going to yield a great return for your company, or your actions and processes may result in costly mistakes and turnover.

Within most organizations, the human resources function historically was seen as an administrative and supportive role. Today, best-of-class organizations view it as a strategic business partner, with the expectation that HR professionals will deliver value by positively affecting a company’s strategy and earnings.

With globalization, market volatility, and heightened corporate competitiveness, hiring people who are the right fit for the organization and who can drive performance is more critical than ever, as well as a vital element for business success.

To improve the financial payoff and reduce the risk, HR professionals need to ensure they have the right hiring and retention strategies in place to effectively manage each step of the recruitment process.

Effective talent acquisition is a complex process involving a number of steps all focused on one objective — hiring the right people who will outperform for your organization.

By following these 10 key steps, you can help drive corporate performance and deliver the results your organization needs to compete and succeed.
Sourcing and recruiting talent cannot start until you have a clear understanding of the skills, knowledge, and abilities required for the position, and the company.

Many candidates may appear similar. Their qualifications all include the ‘must have’ criteria. However, it is how they will perform on the job that makes the critical difference.

Profiling Top Performers
The most effective way to understand the behaviours required for success on the job is to analyze the personality traits of your top performers in that role. This is accomplished by administering a behavioural assessment, or profile. Profiling is important because behaviour on the job is influenced by personality, and personality traits make up a significant 20% to 30% of a successful hiring decision.

For example, consider the top performers on your sales team. What are their personality traits that contribute to job success and satisfaction? In addition to their skills, knowledge, and ability, how do they think and make decisions? Putting a new hire into a role without a clear understanding of how they will behave in the position, and how they will fit into your organizational culture, is a recipe for turnover.

Once you have assessed the profiles of your top performers in a particular role, you can develop a benchmark personality profile. When your short-listed candidates are interviewed, their individual personality traits can be compared to the benchmark. This will enable you to identify and match the best candidates for the position — candidates with the right skills and traits required for success in that role.

Remember that a personality profile/assessment is not a test. A personality trait is simply a tendency to behave instinctively one way or another. There are no right or wrong answers when it comes to analyzing personalities, and no judgment of right or wrong. You are who you are.

When The Position Is New
Sometimes there are no top performers in a position, because the position is new, or because there are no employees currently excelling in the role. To determine what ideal traits are required, you can survey the direct manager and other job experts within the company to determine what traits they believe would lead to success in the particular role. Then analyze their responses to construct a composite profile of the ideal candidate.

Personality fit is the main reason for turnover, particularly within the first three months.
Are you a victim of your own successful sourcing efforts? Employers with open positions sometimes receive hundreds of resumes from job seekers, and sorting through the ‘resu-mess’ can be extremely time consuming and overwhelming. You need to target candidates selectively. The objective is to attract qualified applicants and quickly and easily filter out the vast numbers who are unqualified.

Targeting the ideal candidate and managing applicant flow starts with developing a job profile that defines exactly what you expect the person to be doing in the job. This will give you a clear picture of whom you need to attract in terms of skills, knowledge, and abilities. At this point, you can create the job advertisement that will attract and encourage only the truly qualified to apply.

The Applicant Search Process
Although some are not openly promoted, a large majority of positions today are advertised online through various job boards.

Job seekers use keyword searches and advanced search capabilities to find only the jobs that interest them. To be effective in your search, think like a job seeker when sourcing your talent. What terms will they use to look for a job like yours? The most common are position title, job location, salary, and industry.

Choosing the right key words is essential to ensure that your job postings are search-engine acceptable and optimized.

High-potential candidates are often attracted to jobs that describe the challenges of the position rather than the skills required.

Writing The Ad
The best techniques for writing effective job advertisements are the same as those for other forms of advertising. The job is the product you are trying to sell, and the readers are your potential customers.

When preparing the job advertisement, think of the Attention, Interest, Desire, and Action approach. You want to: attract the attention of a sufficient quantity of qualified people, attract their interest by communicating the essential points quickly and clearly, compel them to respond, and provide a clear response process and mechanism.

Ask yourself why top performers would want to work for your company. In the ad, include three to five selling points about the position and your company based on your answers.

Note: Preparing a targeted advertisement is a crucial step in attracting qualified applicants and filtering out those who are unqualified. Consider outsourcing this function if your staff does not have the marketing expertise to write compelling job advertisements.

Non-Active, High-Potential Candidates
There may be many high potential candidates who are not actively seeking a new position. HR recruiters in organizations also may not be actively sourcing this target talent pool, and instead are relying on the resumes received from active applicants alone.
Depending on the position’s importance, it may be best to use the services of a recruitment firm to directly source non-active, high-potential candidates. An experienced recruitment firm has an up-to-date candidate database and the ability to source, identify, and proactively influence top performers. Outsourcing is cost and time effective.

**Your Corporate/Employer Brand Differentiator**

Attracting and retaining top talent is a lead indicator of the strength of your employer brand. Top talent look for companies with cultures that will respect their top-performer contributions.

When marketing your company, think of these corporate attributes that attract talent:

- Professional development opportunities
- Challenging work
- A culture of respect and inclusiveness
- Excellent compensation and benefits
- A visionary and innovative culture
- Organizational success and stability
- Attractive work location
- Work–life balance

How would your company be described? What makes it great? Why should someone consider working for you? If you have a collegial culture, promote it; if you provide top-notch training programs, say so; if you consider a work–life balance important, share it. Attract the talent, and be the company where people want to work and stay.
Pre-screen the applicant flow

An open position can easily receive hundreds of resume responses, with a high percentage coming from those who are not qualified. Managing the applicant flow can be overwhelming. Your job ad will help limit the number of responses, but more screening filters are required. The next filtering stage is pre-qualifying the applications to determine who matches the ‘must have’ job criteria.

**Applicant Resume Pre-qualifying**

In-house HR recruiters can manually review received resumes to sort and determine who has the necessary criteria. However, with the HR function taking on a more strategic role, many companies elect to outsource this step to reduce the overall cost per hire.

In addition to manually reviewing applications, another method of pre-qualifying is using the resume screening technology available as part of most applicant tracking systems.

**Applicant Tracking Systems**

An applicant tracking system (ATS) is a program, usually with a web-based section, designed to help recruit employees more efficiently and effectively. It stores the online resumes to allow for effective and faster searching. An ATS often relies on keyword and phrase searches to automatically match predetermined ‘must have’ requirements against the resume.

When choosing an ATS provider, you need to know exactly what tasks you want the ATS to handle. This starts with clearly understanding your current hiring process and the challenges you are experiencing, which could include:

- Ineffective methods to manage high volumes of resumes submitted
- Ineffective resume storage and retrieval
- Inefficient resume tracking and response back to applicants
- Duplicate recruitment efforts with other branches or divisions

Ask your prospective ATS supplier what support and guidance they can offer in helping you map out the required functions you need to address to configure ATS technology to your specifications.

**Pre-qualifying Questionnaires**

To further reduce a potentially large candidate pool to a more manageable number that can progress to other rigorous assessment phases, incorporate pre-qualifying questionnaires as additional filters. The goal is to gather additional information on the applicant’s qualifications to determine who will advance to the interview stage.

Pre-qualifying questionnaires can be asked during an initial phone screening, via email, or online through an ATS.

The cost-effective benefits of recruitment outsourcing:

- Enables HR to focus on strategy
- Provides optimal resource utilization
- Streamlines HR processes
- Mitigates risks associated with negligent hiring
- Reduces overall hiring costs

Throughout any interviewing process, your questions must be in compliance with any Human Rights Codes and legislation. Keep good notes of applicant responses (limited to competency-based factors) as evidence of proper conduct.
Once applicants have been pre-qualified and telephone screened, the next step is to rank and sort them. When more than one applicant can fill the position, you need to ‘break the tie’ by determining the applicant criteria that are required or preferred. Criteria can include skills, knowledge, education, experience, and any other information important for the position. Each of the criteria should be assigned a weighted score so that you can effectively rank the applicants.

The objective is to determine which applicants meet or exceed the job’s requirements.

ATS technology can be configured to your specifications and assigned a particular weight and value for different responses. It will automatically rank the applicants based on their online resume and questionnaire responses.

**Beware the Counterfeit Candidate**

“53% of people lie on their resume, in one way or another” - SHRM

Many candidates lie on applications because they don’t think they’ll get caught. The education section of an application or resume is the most likely to be fraudulent. In addition to credentials, some candidates are skilled in self-promotion and may stretch the truth when it comes to title, salary, and employment dates. Consider conducting background checks. They not only prove that candidates are who they say they are, but they are also a way to avoid negligent-hiring suits.

The job interview is a powerful factor in the employee selection process, and is key to assessing personality and cultural fit.

**Behavioural-Description Interviews**

A behavioural-description interview (BDI) is based on the premise that past behaviour is the best predictor of future job performance, a premise soundly backed by empirical evidence.¹

A BDI enables the interviewer to assess the candidate’s actual workplace behaviours. The interview proceeds from a structured pattern of open-ended questions designed to probe the candidate’s past behaviour in specific situations, and involves four components:²

1. The situation in which the candidate was involved
2. The task(s) that the candidate was completing or attempting to complete
3. The actions taken by the candidate to complete the task
4. The results of the action taken

Ensure your line of questioning is consistent from one candidate to another to prevent any perceived discrimination issues.

Before the actual interview, ensure that those involved in the interviewing process are well prepared. Also ensure that candidates are informed ahead of time what the interview format will be.

Commence your behavioural interview once the candidate is comfortable and at ease.
Conducting a thorough behavioural-description interview will enable you to shortlist your top candidates for additional in-depth consideration. Prior to a second interview, you need to determine how the traits of each of these top candidates match the benchmark traits of your top performers in that role. These questions are critical in determining who will be the most successful in the role and within your corporate culture, so that you can make your final hiring decision. This evaluation stage is focused on personality and fit, which influences behaviour and job performance.

To find out how the candidates compare to the benchmark, use the top performer benchmark communication profile assessment tool you used in Step 1. The objective is to determine if there are any gaps or deviances from the benchmark that could possibly affect a positive outcome if the individual was hired. The purpose of the assessment is not to screen out the candidate at this stage, but to understand the candidate better.

Boost Your Employer Brand

“It takes 20 years to build a reputation, and five minutes to ruin it. If you think about that, you’ll do things differently.” - WARREN BUFFET

Candidates’ impressions, from the moment they apply for the position through to the interviewing process, can be powerful and lasting. You want to ensure that each interaction is positive. Impressions can influence a top candidate to accept a position or turn it down. Negative impressions from applicants and candidates can fly at lightning speed through the Internet and social networking sites, harming your personal and corporate reputation.

Top performers expect:

- Timely responses to applications
- Comprehensive information about the position
- Informed and prepared interviews
- Responsiveness regarding the interview/job status

Streamline the application process wherever possible, and be responsive and courteous throughout it.
Focus on the Gaps

The goal of the second interview is to find out which of your top candidates has the highest likelihood of success. During this interview, focus your questions on gaps arising from the benchmark that may be of concern. All your questions should be carefully predetermined so that any gaps between the benchmark and the candidate can be explored in depth.

For example, a benchmark could indicate that the new hire needs to be very detail oriented, but the candidate’s assessment was lower than the benchmark. To explore this gap, ask questions to see if the candidate can ‘flex upward’ to be more detail oriented. For example, have the candidate describe an actual situation where he or she was frustrated in preparing a report, and ask how they handled it, and what the outcome was. What did their supervisor say?

STEP 7

CHECK FOR RED FLAGS

A skillfully executed reference check is a critical part of the hiring process, and a sound business practice. It provides important and useful information about a candidate’s past performance and accomplishments.

When conducting reference checks, be sure you are familiar with, and understand, any personal information protection legislation in your jurisdiction. Legislation may dictate obligations on employers regarding the collection, use, disclosure, and retention of personal information.

Reference checks and background checks can uncover red flags, indicators of possible future legal headaches and unnecessary turnover costs. Handled properly, they reduce the risk of negligent hiring.

Reference checking demands a structured approach. Once a rapport has been established with the reference provider and employment information verified, competency-based questions and questions about the candidate’s developmental needs should be asked.

Competency-based questions ask referees to describe specific actions the candidate has taken to demonstrate job-relevant competencies, such as leadership abilities, persuasiveness, and attention to detail.

Don’t ‘Mis-Hire’!

Too many hours are wasted trying to fix problems when a “C” player is hired instead of an “A” player.

On average, a ‘mis-hired’ manager earning $100,000 can actually cost an organization $1.5 million in missed opportunities.³

FOOTNOTES

³ Research by Bradford Smart, author of, “Topgrading: How Leading Companies Win by Hiring, Coaching and Keeping the Best People”.
Ask the referee to describe:

- An actual situation that occurred with respect to a job competency
- What the candidate’s actions were
- What the impact of that action was

This is also a great time to probe the referee regarding benchmarks where the candidate seems to be falling short.

Obtaining answers to developmental-needs questions can be more challenging. Often, references do not want to say anything that is negative or unfavourable. A good approach is to explain that “even strong candidates have areas that may need improvement” and then ask, “What areas do you think could be developed further”?

Reference Checking Tips

1. Obtain permission. Ensure you have the candidates’ permission to check their references.

2. Don’t violate human rights legislation. Know the laws in your jurisdiction. Ensure you are aware of legislation that outlaws discrimination in employment — race, national or ethnic origin, colour, religion, age, sex, marital status, family status, pardoned conviction, disability, sexual orientation, and any other areas.

3. Plan your questions in advance. Carefully prepare the competency-based questions you plan to ask, while noting any questions you cannot ask.

4. Keep notes. Carefully document all information received during reference checks, and keep the information on file for at least a year for those candidates who were not hired.

5. Complete all reference checks. Don’t have your intended new hire start work until all references have been checked. One positive reference is not enough to base a decision on.

No Reference Policies

To avoid liability, some companies have policies against providing references and may only verify employment salary, title, and dates of employment. To overcome the ‘no reference policy’ obstacle, an alternative approach is to find someone who used to be at the same company and worked with the candidate, but has since moved on. They are likely to be willing to provide a reference. You can also check with a personal reference to try to determine if there are uncomfortable reasons why the candidate wants to leave the company (or is being asked to leave).

Usually, however, if the employee was well respected and excelled in his or her role, people are happy to provide a reference.

If a candidate is unable to provide names of people who would “go to bat” for them, this could be a red flag. You may want to consider a background check to see if the candidate is hiding any legal or other issues from you.

Background Checks

The purpose of a background check is to validate the identity and background of the candidate so you can make an informed hiring decision. Background checks reveal information about an individual’s professional, financial, criminal, and public history. To avoid legal liabilities, make sure you abide by all laws and follow guidelines. Before conducting a background check, ensure the candidate has signed a disclosure granting you permission.

Outsourcing for Peace of Mind

Many organizations choose to outsource the reference and background checking process. Using the expertise of an objective third party ensures there are no unlawful invasions of privacy and that no laws are broken that could result in legal liabilities. The end result is the competent collection of information to help you hire the right person, the first time.
STEP 8
MAKE THE JOB OFFER

In-depth assessments, reference checks, and time have gone into finding the right person. How you handle the job offer process sets the tone for a positive employer–employee relationship.

Before contacting the candidate to offer the position, check documents to see if there is any information on file regarding how and where the candidate wants to be contacted. If an offer is made verbally, it must be followed up in writing. Inform the candidate that no formal offer of employment should be considered to have been made until the written offer of employment is provided and signed back.

When preparing the offer, advise the candidate how the offer will be sent (e.g., by email or regular mail), and when it can be expected to arrive.

How you handle the job offer process sets the tone for a positive employer–employee relationship.

Provide a reasonable amount of time for the candidate to confirm and accept the offer.

Depending on the position, the candidate may choose to negotiate salary, bonus, vacation, or other aspects related to compensation and benefits. Ensure that your revised written letter of offer is comprehensive and confirms all details and any special considerations that were providing comprehensive information reduces the chance of miscommunication.

Keep in mind that top candidates may be interviewing with many companies at the same time. You want to ensure your offer reflects the candidate’s worth in terms of salary and benefits and, if possible, job development potential. In simple terms, if you want to hire the best, make an attractive offer.

STEP 9
INTEGRATE NEW HIRES

The purpose of onboarding and orientation is to integrate new employees into the company and their role, so they can quickly become key contributors. How you welcome new employees into your organization can affect how long they stay, and how quickly they become productive.

“How 87% of people who leave their organization or their team do so because of personality conflicts, not capability.” - DR. KURT EINSTEIN

Onboarding differs from historical orientation programs.

- **Orientation** programs used to consist of the new hire completing paperwork, listening to welcoming speeches, and perhaps watching a company video.
- **Onboarding**, on the other hand, begins the moment an applicant, who may become a new hire, interacts with your organization. Hiring managers and recruiters must ensure that every applicant/candidate interaction is positive, courteous, and responsive during the recruitment process.

Companies that adopt a proactive approach to onboarding reap the benefits of a more effective and productive employee, and increase their new hire retention rates.

Questions for your company:

- How does your organization onboard and orient new hires?
- How quickly do your new employees become key contributors?
- Does your organization proactively build relationships with newly hired top talent?
- What distinction does your organization make between onboarding and orientation of new hires?
Step 10

Assess Your Recruitment Process

To validate that your recruitment process is producing quality hires and your onboarding practices are effective, monitor new hire performance, and ask yourself these questions:

- Are they fitting into the company culture?
- Have they integrated into their team successfully?
- Have they eased into their role quickly and efficiently?
- Are they productive and contributing at a high level?

“I wouldn’t invest in a business that didn’t invest in its people. The people agenda remains business-critical, in good times and in bad.”

- Sir John Harvey-Jones

New hires can also provide valuable feedback on your recruitment process by sharing information on their experience. Ask them for their impressions once they are settled in. What elements of the recruitment process did they find effective and ineffective? Use their feedback to improve the way your company recruits in the future.

Summary

Don’t put your reputation on the line with bad hires. The hiring practices you follow can have a positive or negative impact on your organization’s performance, and your professional reputation. ‘Mis-hires’ are costly, and demoralizing to the whole team. You need to develop and embrace strategies and processes that support the hiring of top performers. Attracting and retaining “A” talent is the true mark of not only successful organizations but also successful HR professionals.

It can cost an employer up to 200% of an employee’s salary on turnover replacement.

For more information on onboarding best practices, download Drake’s FREE WHITEPAPER on Onboarding & Orientation at www.drakewhitepapers.com

Engaging new hires through a comprehensive onboarding and orientation process will result in a measurable return on investment through higher employee productivity, improved retention rates, and reduced turnover costs.
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