

## **TARGETED HIRING**

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Among marketing professionals, the principle of targeted advertising has become axiomatic – a means of maximizing the effective impact of a company’s advertising while simultaneously minimizing its advertising expense – a rifle as opposed to a shotgun approach. Strategic hiring is becoming as well understood and utilized by companies which seek to maximize the benefits to their companies of the people they hire. And, there are now tools available which make possible such targeted selectivity . In hiring, the first issues to be considered are the “talents” of specific candidates, i.e., what they bring to the position. The second issue is the retention of successful employees, which broadens the picture to include what the position offers the candidates. The effective management of both these issues begins with Targeted Hiring.

### **What’s Wrong with Most Hiring Processes?**

“Most managers find the hiring process frustrating and time consuming. With this negative bias, they fall prey to impulsive hiring of energetic, attractive, and articulate candidates. Hiring is left to intuitive feelings based on interviews. However, a study conducted by John Hunter of Michigan State indicated that the typical employment interview is only 57 percent effective in predicting subsequent success. This is only 7 percent better than flipping a coin!” (Krakoff, Patsi. “Flipping the Coin for Talent: How Well Are You Hiring?” ND03. Vol. 1 no.4)

“A major problem revolves around the interview itself. This is a random process that doesn’t work very well and is one of the reasons most managers find the whole process frustrating. Emotions, biases, chemistry, and stereotypes play too big a role.

True knowledge of the performance requirements of the job usually is weak.” (Krakoff, *supra*)

“A candidate is often hired because of his or her ability to interview well; presentation is more important than substance. The candidate is judged on his or her personality, first impressions, social confidence, assertiveness, appearance, extroversion, and verbal skills...” (Krakoff, *supra*) when what is actually needed is a template of essential skills and characteristics that match candidates to a specific position. And, the actual match may be counter-intuitive; that is, the interviewer’s intuitive understanding of what makes for a successful performer of a specific position, who also remains in that position for the long haul, may fall very wide of the mark. “Lack of real job knowledge is another major part of hiring mistakes. It is necessary to know what are the real required competencies of the position, based on the performance requirements of the job...When an internal person is promoted, the predictability of his or her performance is very high – 80 to 90 percent. Performance predictors for an external hire are only around 55 to 70 percent accurate. Internal hires are more accurate because the person’s past performance is known...” (Krakoff, *supra*)

What managers need to make good selections are criteria that match successful employees’ characteristics, behavior, and preferences with specific position descriptions, based on well documented research that covers both success and longevity. Such research should give a confidence interval within which hiring managers can feel confident that a specific candidate will perform successfully.

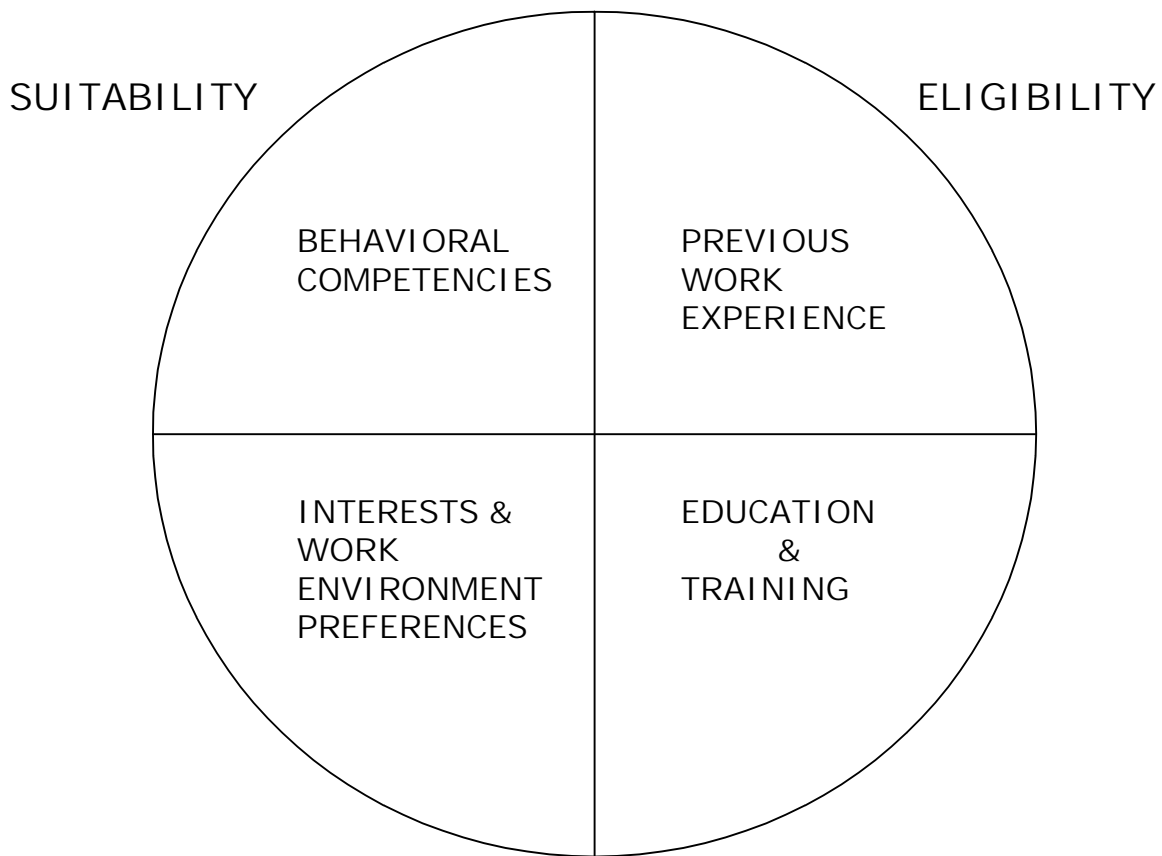
## **Buiding Employee Retention into the Hiring Process**

Another axiom – this one from life rather than business – is that “you can’t buy love.” Giving bonuses, good salaries, and perks is not the most effective strategy for ensuring that good employees will stay. Studies “show that 9 out of 10 managers think people stay or go because of money (*Harvard Management Update*. June 1988). This keeps showing up in research, in spite of the fact that people leaving jobs say otherwise. Money and perks matter, but employees report that what they want most is challenging, meaningful work, a good boss, and an opportunity for learning and development.” (Kaye, B. & Jordan-Evans, S.. *Love ‘Em or Lose ‘Em: Getting Good People to Stay*. Barrett-Koehler: San Francisco, CA: 1999.) Losing employees is very expensive. Studies have found that the cost of replacing lost talent is 70 to 200 percent of that person's annual salary. What can a company do, once it has found talented people, given them valuable training, and equipped them, to prevent them from walking out the back door and going to competitors?

## **Targetted Hiring**

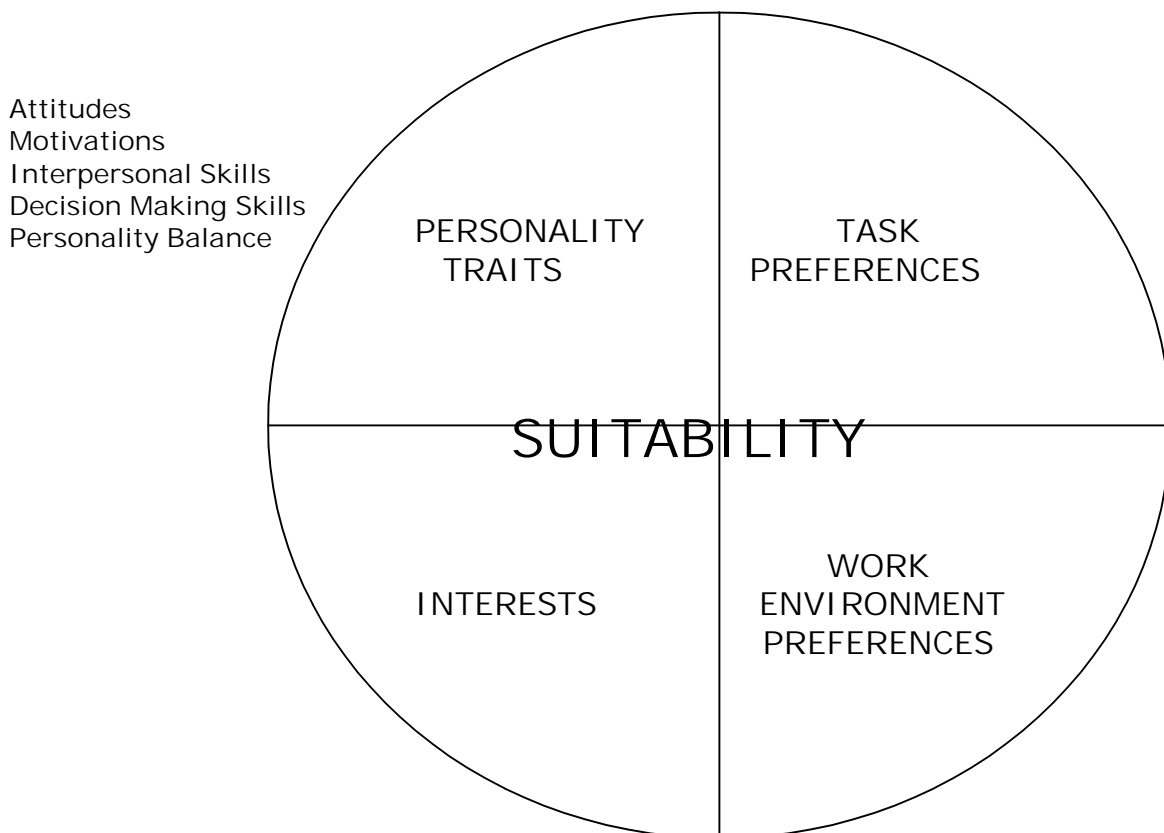
Targetted hiring involves finding out about candidates’ preparation and talents, what they like in a work situation, what their goals are, and what kind of person they are, and matching those preferences and characteristics with what the position requires and has to offer – and doing this with the kind of depth and complexity necessary to make a reliable prediction about a candidate’s likely success in a given position. An employee’s happiness in a particular job has at least as much to do with whether or not he/she stays as whether or not he/she is well compensated in the monetary sense.

As you may expect from the above description, no simple, straight-line comparison will accomplish the task of matching a person to a situation. What is required is a multi-tiered, four+-dimensional fitting of an individual's complex of traits, talents, and preferences with a complex template of the position for which he/she is being considered, and a comparison of the data with that of a number of people who have successfully held similar positions. Harrison Assessments is a tool that provides this kind of multilevel, complex comparison. Imagine four, plexiglass chessboards, each containing chess pieces, overlaid to reveal goodness of match and you have a picture of the layers of comparison Harrison Assessments (HA) produce.



The degree of importance of each area listed above depends on the position.

In targeted hiring, candidates' eligibility and suitability for a position are each measured and separately taken into account. Eligibility is ascertained from educational level and past work experience. Suitability is measured through the HA profiling system which measures 78 primary suitability factors relating to four general areas:



A person who is suitable for a position tends to enjoy the different tasks that are required; is very interested in the work area; has a high tolerance for the type of work environment; has the proper attitudes and motivations to perform competently; enjoys the

type of interpersonal interactions and decision-making required for the position; and does not possess negative traits that could hinder his/her productivity.

A thorough understanding of the position is also required, including documentation of:

- The types of task that need to be done in the position;
- The types of interest people who last in the position tend to have;
- The work environment in which the position exists;
- The attitudes held by successful incumbents in the position;
- The motivations of successful incumbents;
- The types and amount of interpersonal interactions the position requires;
- The types of trait which tend to be present in people who either fail at the position or fail to remain in it.

Each candidate's eligibility rating and suitability rating are compared to a template of the position, and a score is generated, as well as a complex description of the candidate's traits and preferences relative to the characteristics of the particular, well specified position. If several people have applied for the same position, all their data may be compared graphically and in narrative form to the position template.

Using a job template -- which may incorporate data supplied by the company -- comparison is made with known data to establish the goodness of fit between a candidate and the job. A client company may specify the relative weights to be assigned to various factors that will be taken into account. It is a highly sophisticated, highly reliable process with takes a great deal of the guess work out of hiring and makes it far more likely that a company will get the right person **THE FIRST TIME**.