



***Put the Right Talent
in the Right Position
Right Now!***


The Peak Strategy Process

Hiring v 1: The number one complaint of CEOs ■ 2: Bring aboard the best possible candidate, someone who will be a leader ■ 3: Retained in the organization for a long time (you hope).

We have found that hiring the right people for the right job has enormous potential in resolving the top three problems for most CEOs: Hiring, Developing and Retaining the right people. Hiring is critical given that:

- *Demographic trends show a serious shortage of management and leadership talent by 2020. Certain areas of the country are already seeing a brain drain.*
- *On average, CEOs tell us that 50-60% of their people are mediocre performers.*
- *Employee turnover costs a few weeks pay to many times the annual salary for the position.*

There are many books on the subject of hiring—and for good reason. Hiring errors cost 7-9 weeks of pay for an entry-level person, about a year's salary for a professional person and *several years'* salary for senior executives and senior sales people. I do not present the following few pages as a complete or total guide to the subject of hiring, but offer it as a place to begin. STM stands ready with our assessment tools and experience to support your hiring process from *Hire to Retire™*, but it is ultimately your decision to hire or not to hire the candidate. You must define and use an appropriate process to generate the right outcome every time. Use this document as a design template or to test your current system.



Art Boulay, MBA
CEO & Chief Talent Officer

The hiring objective is: *Hire a person who will be successful and stay with us for the long haul.*
Do you agree?

Our experience is that the unstated hiring objective is: *Hire the best person who applies for the job, and do it quick because we need somebody yesterday!* Is that wise? Is it possible the whole group you have interviewed is below par? Will you really save time if you bring in the wrong person?

This STM process explores in detail the process of determining the need to hire an employee, recruitment, screening of prospective candidates, the interview process*, selecting the appropriate candidate, making a job offer, and hiring an employee. Not all of these suggestions will make sense for your organization, but before dismissing a recommendation out of hand—consider the impact on the bottom line of eliminating one hiring error, or retaining one more employee in whom you have invested so much time, money and energy.

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* see also the STM booklet, *Interview as if Your Bottom Line Depends on It!*

1. Hiring Plan

A hiring plan can assist you in offering a position to the right candidate the first time and will assist you in developing a database for future hiring. To a prospective candidate you will appear professional, organized and business—like which may put you a step ahead of other firms competing for their attention. Key elements of a successful plan:

- Job descriptions and performance standards reviewed annually for each position, new or established.
- Job application that addresses the following questions: how they heard about the opening, previous employment history, demographic information, references, outstanding non-compete contracts they have signed and if the applicant has been convicted of a felony or misdemeanor. You can (and should) complete an on-line criminal background check through your State Police for a modest fee, and in most cases should conduct a general background check.
- Process for prospective applicants to apply: make an appointment for a telephone interview and if appropriate schedule at least two face-to-face interviews.
- Assess the Position using a process to eliminate bias and highlight specific measurable criteria for success on the job.
- Assess Senior Staff to establish culture, and assess the direct supervisor to establish management style.
- Plan to assess the candidate in an objective and accurate manner for fit into the organization, suitability for the position and ability to perform based on the preceding assessments. The assessment process must include *all* your technical requirements for software, craft, machine operation and so forth.
- The interview process: to be performed by owner, supervisor, and group or individual who will have the final decision in hiring an applicant. Consider team members when planning interviews.
- Provisions to store all applications for at least one year. You never know when you will need their particular services, or will want to consciously avoid spending more time with them in the future.

Strategic Talent Management, Inc. offers full support to prepare a complete plan and develop a database for future hiring. To a prospective candidate you will appear professional, organized and business-like, which may put you a step ahead of other firms competing for their attention.

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2. Establish the Need To Hire and What You are Looking For

The need for an additional employee may mean business is good and growing, a key employee might be leaving or an individual may have been fired. Before committing to hiring an employee, carefully answer the following questions:

- **Will this position fill a vacant position?** If so, why did the last person leave? Knowing the answer might offer insight in the recruitment of a new employee. For example, if the former employee left because there was little advancement opportunity, make sure you hire someone who is not looking for career advancement. If the former employee had a difficult time handling the tasks of the position, identify what key skills that person did not have and what skills the new employee must possess to meet your expectations.
- **Did the last person leave because of the way the boss treated her?** This is the most common reason for employee turnover. If the answer is affirmative do you need to modify the manager's behavior before bringing in a new employee—or must you find an employee who will work well with this manager? The most accurate and successful hiring process in the world will result in failure if good employees are driven out of the workplace by poor management behavior.
- **Who will work with this person?** Who are the key people with whom this person must interact? Have you factored in their behavior styles and attitudes when you look at candidates for this position? Going a step further, what are the behavior styles and attitudes of typical client with whom this person must work?
- **Is this for a job classification that already exists?** If former employees did a great job, benchmark their behaviors, attitudes, capacity and skills to judge the new applicant. On the same note, what are the styles, traits or weaknesses that are intolerable for this position—things you do not want to see in any candidate for this position? You may find it useful to consider past strong (or poor) candidates when answering these questions.
- **Is this a new position?** If so, is there a job description with defined responsibilities? Who will train the new employee? Objectively determine the behaviors, attitudes, capacity and skills necessary for the position—let the position speak for itself. What are the key reasons for you filling this position? What does it need to accomplish for you? What are the key goals objectives or outcomes? Another way of thinking about this: what would NOT get done if you did not fill this position?
- **Do you need an additional employee?** Has there been a productivity assessment of existing staff? Would new technology reduce workloads? What does the business plan have to say or imply about the need for additional staff? Will the budget support a new employee?
- **Is this position full-time or part-time?** How about a temporary worker, or outsourcing all or part of the function? A classic example is hiring additional back office people when payroll and bookkeeping can be outsourced at a savings.

Prior to initiating recruitment efforts, it is very important to define the roles and responsibilities of the new employee. Create a detailed job description with objective and measurable performance standards.

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3. Recruitment

Before beginning the recruitment process, define the most important skills and knowledge you want the future employee to possess:

- **Relationship Results:** With what type of clients, employees, vendors or prospective customers will the candidate interact? Will the candidate's style match that of the organizational culture? How will the candidate communicate with others; how will she react to communication from others? Where you have assessed the position, your culture, and the supervisor's management style in the planning phase—you know what you need for soft skills.
- **Production Results:** What technical skills or educational background is required? Will the candidate match or exceed the required standards for production? Are they motivated to improve and grow their skills over time?

It is essential to define the characteristics that are most wanted in your new employee.

Your goal is to hire the applicant who fits your needs and your company's culture. Think about the capacities needed by everyone in your company. Capacity is a set of skills and characteristics required to successfully complete a task or achieve a goal. Ask yourself:

- What sets my company apart from the competition? What skills are required to ensure that we keep a competitive advantage?
- What do we do better than anyone else? How specifically do we accomplish our edge?
- What skills do we have in-house with our existing employees? Do we need to complement or supplement those skills?
- What skills and characteristics will you require from employees in the future? What does your strategic plan call for?
- How will you assure that the candidate meets these standards? How will you define these capacities?

Identify specific skill sets an employee needs to do the job well. Ask yourself:

- What previous experience is required in order to be successful in this position?
- What education or specialized training such as degrees, certificates, technical training is required to do the job successfully?
- Are there licensing requirements that must be met for this position?
- What specialized skills are necessary to do this job (e.g., computer software)?
- What type of learning curve (time required to get up to speed) can you afford?

Begin to recruit and interview. There are many ways to recruit without spending a lot of money. Free and inexpensive sources include:

- The most inexpensive and most often overlooked method is recruitment from within. Many employers often overlook qualified employees willing and ready to take on new challenges. How well do you know your current employees?
- Technical schools, high schools, colleges, universities and other educational institutions have bulletin boards and job placement offices.
- Community centers and libraries have bulletin boards with listings of available jobs.
- Friends, neighbors, professional contacts, accountants, bankers, salesmen, and others can direct potential applicants your way. This assumes you and your staff have

4. Prospective Candidates

Before scheduling the interview, critically analyze the resumes and cover letters to determine if the candidate meets your needs. Does the style and quality of the cover letter and resume represent the style and quality of the individual you want to portray your company?

Analyzing Cover Letters

Look for personalized cover letters with the correct titles, addresses and specifics of the position. By assessing the style of writing you can determine the applicant's ability to communicate in a written format. Even for a low level position written communication skills are essential; how many times must people make written notes to a file, leave messages for others or communicate to another shift? Are all components of a cover letter present? Does it include or meet the following criteria?

- Concise—no longer than three or four paragraphs.
- Contains an introductory paragraph that explains why the applicant is applying for the position.
- Contains one or two middle paragraphs highlighting accomplishments and experiences.
- Has a closing *take action paragraph*, i.e., the applicant states he or she will be calling to request an interview.
- Is sincere.
- Is readable and demonstrates correct grammar and spelling; has clear thoughts, avoids repetition, does not repeat the resume.
- Is persuasive.

Assessing Resumes

Various types of resumes exist, from chronological to functional. Whatever format the applicant chooses to use, the resume should include the following:

- Summarizes skills, accomplishments, education, and work experience.
- Communicates interest in the offered position.
- Serves as an advertisement to a potential employer.

Pre-Interview Cover Letter and Resume Evaluation Sheet

If you are inexperienced in evaluating cover letters and resumes or have a large number to evaluate, consider using the pre-interview cover letter and resume evaluation sheet.

- Cover letter (or email): personalized
- Correct letter format
- One page, three to four paragraphs
- No typos, correct grammar, readable
- Introductory paragraph
- Body explaining background
- Concluding action paragraph
- Enclosure stated (demonstrates attention to detail)

5. The Assessment Process

The dilemma in Human Resources has long been: We know exactly what we need, but how can we be certain this particular candidate can deliver? Back in section 2, you established the need to hire someone and exactly what you are looking for in a new employee. If you do not have the means to measure the job candidate's ability to meet all these requirements, then you are at risk of selecting the wrong candidate.

There are hundreds of tools on the market today to assess jobs and individuals. More and more companies use them because they can be highly accurate. Only the very best interviewers can match the result of a validated assessment and not every organization can afford to keep a talented interviewer on the payroll. More and more companies are using assessments because they are relatively cheap. When you consider that hiring errors cost 7-9 weeks of pay for an entry-level person, about a year's salary for a professional person and *several years'* salary for senior executives and senior sales people—an assessment package is a trivial cost.

Individual Assessments

The most popular assessments look at individuals. You need to consider 4 core assessments: Behavior, Motivation, Capacity and Skill. Look for assessments that are validated and have been normalized over time. Be wary of *free or cheap* assessments that do not include interpretation and support. Like any tool, assessments are only as good as the person who is using it. If you lack familiarity with these type assessments, you may proceed with false confidence and spend more money only to make the same old hiring mistakes.

Motivation Assessments—look at *why* the candidate does what they do and what motivates them. Its best use is to determine fit within the culture and the propensity to succeed in a particular role. Someone motivated to make money will be success oriented as a salesperson, but would be very unhappy as a social worker for example.

Capacity Assessments—look at *will* the candidate perform. It is best used to confirm that the candidate has the inner strength and drive to do the job. Someone may be motivated to make money, for example, but they will not succeed in sales if they have personal problems standing in the way of success or lack empathy for their prospects.

Behavior Assessments—look at *how* the candidate will communicate and get along with other people. Its best use is to determine communication style and relationship building approach. It is not predictive of success on the job. An extrovert will talk loudly and be comfortable with new people, but not all extroverts are successful salespeople for example.

Skill Assessments—*can* the candidate do the job. This may be the least important because someone with the right motivation, drive and behavior can be successfully taught. If you do not have the time or commitment to coach, train and develop the candidate—then you need to hire someone with the right skills, education, experience, track record or portfolio. Plan to assess for each skill set that is essential for the position, and for each skill set that you expect to require in the next 1-3 years.

6. The Interview Process

The interview process can be a difficult one, especially if there are a number of qualified candidates for a particular position. Being the sole interviewer can at times make the process arduous; it is very difficult to be objective after a few interviews. At times, it is beneficial to use other employees as part of the interview process. As an owner or person in charge of the hiring, you can always retain the right to make the final decision to hire or not to hire a candidate. Consider a two-step interview, where you invite only those candidates that did well on the first interview to come back for a second interview.

Pre-Screening, the Telephone Interview

Once you have determined which candidates are qualified by their resume, contact them on the phone and have a brief conversation about what they are looking for in the position. This will identify any red flags before scheduling a face-to-face meeting. Pre-screening can save you valuable time, enabling you to weed out those individuals who lack strong verbal and communication skills. During the telephone interview, ask questions like:

- What prompted you to answer the ad?
- What kind of working environment are you looking for?
- Why are you looking for a new position?
- Describe a situation with a difficult employee—How would you handle this?
- What would be your first reaction to <describe a common situation>?

If the candidate appears to be a good match, have them complete your assessments and schedule an interview.

Interviewing

During the interview, *keep in mind that you will tend to be attracted to people who share your behavior style*, and that behavior is a poor predictor of success on the job. Attitudes are a highly accurate predictor of success on the job; but this can be difficult to judge during an interview—particularly if your view is clouded by an attractive behavior style. Refer to a more extensive review of this subject in STM's *Interview as if Your Bottom Line Depends on It!* booklet.

Ask behavior-based questions to help you identify how an applicant will perform when faced with a situation in your company. Behavior questions have three components: Situation, behavior and impact.

Situation—Ask applicants to describe specific situations that they have encountered that are similar to those found in your organization (e.g., questions related to securing a new client, managing a challenging employee, or dealing with an unhappy customer).

Behavior—Ask applicants to tell you in detail what they did in one of the situations described above. Probe for specific examples.

Impact—Ask them how the situation came out. What was the result of their decisions, actions or strategies?

- As you are speaking with the applicant, look for verbal and nonverbal signs that will help you identify the candidate's ability to communicate. Know what behavior you are looking for and looking at.

- When interviewing, incorporate open-ended questions in which the candidate is required to expand upon closed-ended, yes/no answers. Remember, you want to attain a realistic picture of your candidate.
- Keep in mind that it is better to have five or six good questions or scenarios than 10 or more vague questions.
- Use a second interview to affirm your choice in an applicant and to attain the opinions of others. Avoid discussing anything that could be considered prejudicial (e.g., race, sex, family status, sexual orientation, physical disability, arrests and criminal charges).
- The *only* way to compare applicants is to have pre-determined questions and a ranking system on an interview sheet with room for notes (for a sample interviewing sheet, refer to the article [Hiring Wisely](#) available on our website www.StrategicTalentManagement.com or in our booklet, *Interview as if Your Bottom Line Depends on It!*). Keep in mind that the responses are not all that is critical. Make note of body language, eye contact, and the applicant's preparation for the interview, their questions, interest and interpersonal skills.
- Take consistent notes for each interview.

Some gross interviewing errors that are easy to identify are:

- Applicant is late.
- Applicant gets lost finding facility—did not prepare.
- Body language does not portray interest.
- Does not know interviewer's name.
- Unfamiliar with company—did not do their homework.
- Applicant asks about salary.
- Not prepared—lack of depth to questions.

The qualities of the applicant's questions are essential in assessing the applicant's interest in joining your team. Remember to get input from the staff that helped during the interview. They may provide invaluable information about the candidate.

Often before the reference checks are completed, the interviewer may receive a *thank you* letter for the interview. This may enhance your opinion of the applicant.

Reference Checks

- *Always check references.* Reference checks may unveil potential problems in applicants, especially when there are conflicting statements between the applicant and the reference. The applicant can be asked specific questions about the discrepancies. Reference checks may be difficult because many companies avoid providing detailed information regarding the applicant. Michael's *Personal Communication* recommends that you should start the reference check by attaining factual information verifying employment. From there proceed to more detailed information regarding the applicant's behavior, attitude and capacity. Ask about communication skills, satisfaction of co-

7. Job Offer and Onboarding

After you make a verbal job offer and the applicant accepts the offer, write a formal letter offering the applicant the job. Be sure to include a copy of the employee handbook, company policies, and job description, work hours, start date, length of probationary period and an orientation schedule. If you are including clauses like a non-compete clause and a letter of agreement to be signed by both the employee and the employer, you should have your attorney review or draft the letter.

In the meantime, be sure you have prepared the new hire's supervisor for managing this unique and valuable individual. Switch gears now to the Management Process to assure a regular and open channel of communication between them. Remember the number one cause of employee turnover: *Poor day-to-day management behavior.*

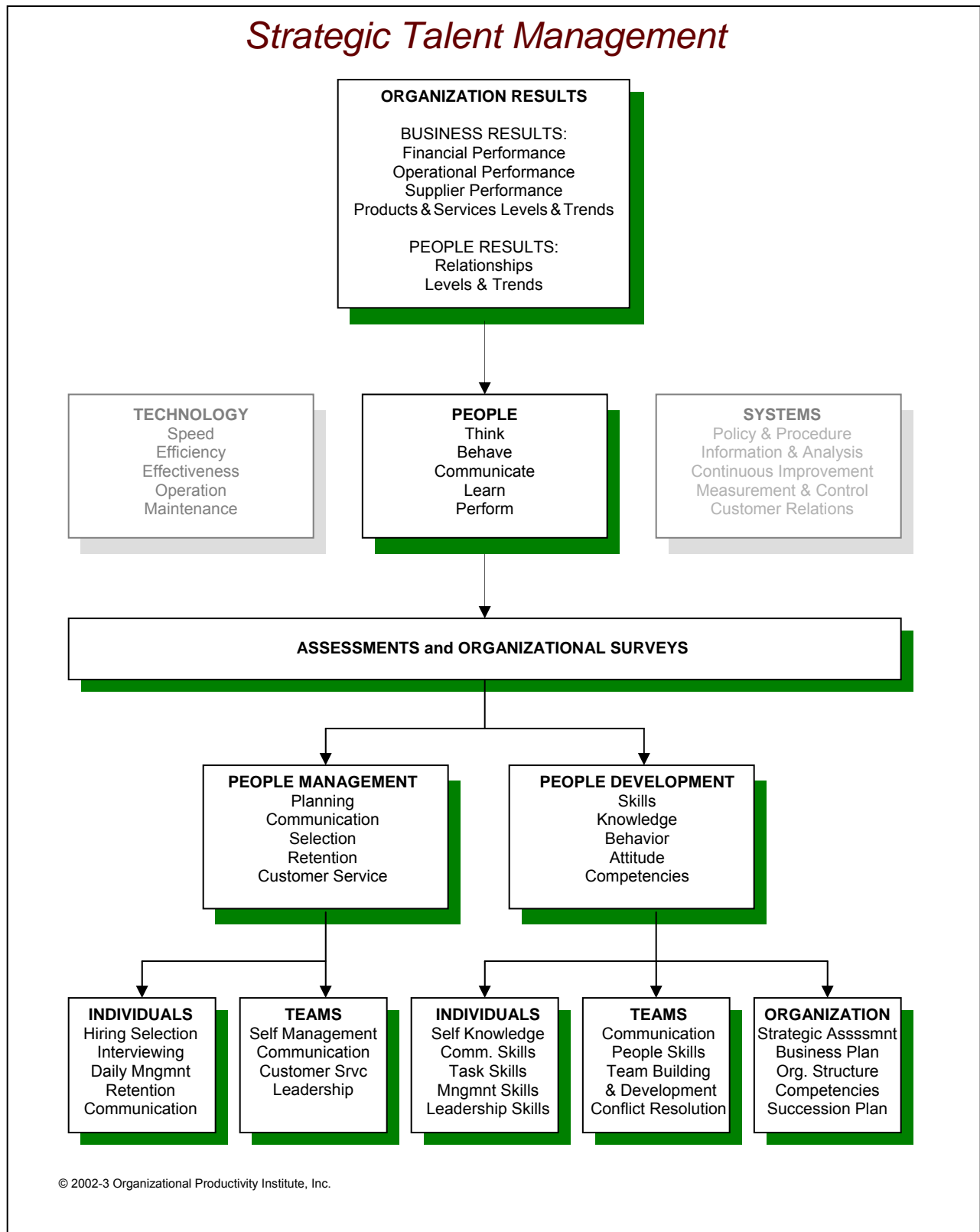
The last thing to complete the hiring process is an onboarding process that is meaningful, thorough and complete. Keep the door open for communication during the first ninety or more days of employment. Any problem that arises from either the organization's perspective, or the new employee's perspective should be resolved immediately. The objective is that the new employee discovers they are valued and they made the right decision in joining your organization.

Components of an effective employee onboarding program:

- Human Resources designs a formal orientation program, manages an orientation checklist, evaluates orientation activities, places the employee on the payroll, and explains benefits, company organization, and provides personal tour of the plant.
- The manager prepares coworkers to warmly receive the new employee, introduces the new employee to coworkers, and provides an overview of the job setting, department plans and work rules. Where appropriate, the manager provides personal introductions to key customers, vendors and people inside or outside the organization with whom the employee will interact.
- The major underlying theme is to define good communication, maintain open and meaningful communication, and demonstrate by example and by your systems exactly how communication is managed and valued in the organization.
- Senior Managers introduce themselves; provide organization history, future plans, and important information about customers, products and the organization's competitive advantage.

Notes

8. Appendix



How the Assessments are Related

Behavior
(Success Insights™)
How will they perform?

Motivation
(Personal Interests, Attitudes and Values™)
Why will they perform?

Capacity for Performance
(Personal Talent Skills Inventory™)
Will they perform?

- ❖ Skills and Behaviors are visible and observable. Behaviors shape Skills or *how* people will go about their work. Motivation and Capacity for Performance are internal and not easily observable.
- ❖ Motivators shape Behaviors as they determine how people see the world and answer the question *why* they do what they do.
- ❖ Capacity for Performance shapes Behavior and Motivation as they determine how people *think* and answer the question *will* they perform.
- ❖ Together these instruments are highly predictive of success on the job and provide specific and deep insights on development and growth.