NEXTAFF

Structured Recruiting Process:
Perfecting the Perfect Hire

With its long list of accomplishments, Mike's resume quickly rose to the top of the stack, and he sailed through the interview process. Everyone involved was impressed with his knowledge and excited by how well his experience fit the highly specific job requirements.

Within weeks of Mike's appointment to production supervisor, however, Human Resources (HR) began to receive a growing number of transfer requests from the shop floor. The company's high hopes for Mike turned quickly to regret as the search began for his replacement. Read on to find out how this hire could (and should) have been prevented in the first place. . .

AS GOOD AS IT GETS?

For decades, the hiring process has involved three primary components — resumes, interviews and references — culminating in a single event: the selection of the best match of candidate and job requirements. Following the decision, HR closed out the process by making the offer and bringing the new hire onboard as smoothly as possible. Yet, as the introduction points out, the outcome of this process is not always the "perfect hire." It may even produce a "bad hire." The more obvious ones, like Mike, show up immediately; others could remain in an organization for months and years before the mismatch is recognized, whether by employer or employee.

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Whatever the timing, the bottom line is the same: there is no longer an acceptable failure rate for hiring in today's competitive business environment. Average costs to hire and train a new employee are estimated conservatively at two- and-a-half times the combined annual salary and benefits budgeted for the position. Add indirect costs and ripple effects of disgruntled employees and unhappy customers, and the true price tag of a bad hire can run substantially more.

THE QUEST FOR THE PERFECT HIRE

In the absence of a crystal ball, the HR industry has continued the search for ways to increase the likelihood that a new hire will "work out" (i.e., perform effectively, stay beyond the average employee tenure of 3-to-5 years, feel committed to their organization and contribute to its success on a daily basis). To that end, more and more technology has been incorporated into the hiring process in the form of personality profiles, skills tests and other assessments designed to provide greater insight into candidates and their capabilities. Nonetheless, the risks of failed hires have not been eliminated completely. Clearly, technology remains but a part of the solution. The question then becomes: what additional amount and/or type of information would increase the success rate of the hiring process?

In her recently published book, *Seven Hidden Reasons Employees Leave*, author and HR consultant Leigh Birnham cites the primary factors that drive good employees to find work elsewhere:

1. The job or workplace was not as expected
2. Mismatch between job and person
3. Too little coaching and feedback
4. Too few growth and advancement opportunities
5. Feeling undervalued and unrecognized
6. Stress from overwork and work/life imbalance
7. Loss of trust and confidence in senior leaders

With the exception, perhaps, of #7, each of these reasons offers evidence of hires that did not "work out." They reflect critical areas in which employees' expectations of support, recognition, leadership and more were not met by their employers. In doing so, these hidden reasons also bring to light a missing piece from the traditional hiring process: a way to determine whether the right person for the job is also the right "personality" long term for the attitudes, values, beliefs, norms and customs of the organization.

The #1 reason people fail after hire is due to lack of organizational culture fit.

that person might be. The concept, known as culture fit reflects changing dynamics of the workplace and labor markets that have led to a fundamental rethinking of the hiring process.

An aging workforce and the need for increasingly specialized skill sets have helped to shift the balance of power from employers to prospective employees. Consequently, arriving at a sound, high quality hiring decision is no longer achieved with a one-sided interview, but through a two-party conversation designed to put as much information on the table as possible. At the conclusion of that exchange, both the employer and the prospective employee need to be confident that they are making the right decision about their respective futures.

There is also bottom-line impact to consider. Research has shown that organizations that hire for culture fit see significant improvement in job performance, job satisfaction, retention, organizational commitment and reduced turnover. Assessing

culture fit, however, does not negate the importance of diversity and inclusion to maintaining a dynamic, competitive workforce. An organization that always hires in its own image and fails to seek and value diversity faces considerable legal liability and risks to sustainable growth.

Clearly, when all the issues are considered, the traditional model of hiring for job fit alone no longer measures up for consistently selecting and retaining the best candidates. Employers need a way to ensure that the right person for the job and the right personality for the organization are one in the same. In this new hiring model, a structured interview is one of the keys to getting the complete picture of each candidate, and in turn, giving candidates a whole picture of the job and the organization behind it.

As a result, structured interviewing has evolved from being an administrative activity to becoming a critical business capability of high performance organizations.

For example, an entrepreneurial organization that expects employees to be hard-charging "self-starters" could be perceived as one that provides too little coaching and/or recognition. Similarly, a competitive, "do whatever it takes" environment may not provide the desired work/life balance for an employee with a young family, no matter how capable

INTERVIEWING...WITH STYLE

As the most highly researched aspect of hiring, interviewing has been the subject of much debate. Conventional wisdom has long held that past performance is the best indicator of future success, leading to the emergence of behavior-based interviewing. Behavior-based questions require the candidate to relate specific actions they took in the past to solve a problem, complete a project or otherwise do their job on a daily basis. For decades now, HR professionals and managers have used this approach effectively in evaluating candidates with similar or related job experience to the position being filled.

Successful interviewers incorporate at least three different types of questions to help gain a complete picture of the candidate.

Since the introduction of *Behavior-based* interviewing, several other styles have gained popularity in an effort to extract more information and develop greater insight into candidates' potential:

- *Situational* interviewing questions are based on a hypothetical situation rather than a specific past experience. This allows people to translate what they think, feel, know and have done into a future-focused situation. Candidates are asked to share actions they might take to solve a problem or complete a project specific to the job requirements/functions for the position being filled. This approach has proven effective for evaluating candidates whose experience is not directly related to the job (e.g., recent college graduate or someone changing careers).

- *Self-evaluation* interviewing questions simply ask the candidate to describe his/her own personal attributes. These types of questions are useful in establishing rapport as well as assessing candidates'

personal perceptions and beliefs about their knowledge, skills, abilities and attitudes. Candidates' responses provide an indication of their personal priorities and expectations about the job and work environment.

- *Simulation* questions ask the candidate to actually show or demonstrate a skill. This approach is useful to establishing if and how well a candidate can perform a specific task required for the job. It also helps to indicate a candidate's willingness to respond to requests, take direction and perform under pressure.

Despite the long-standing debates about which style of interviewing is more effective (most notably, behavior-based versus situational), all have their strengths. Regardless of style, It appears that the most important aspect of the interview process is that it contains more structure than style.

STRUCTURE TRUMPS STYLE

With no clear "winner" among interviewing styles, does that mean employers should abandon the quest for making every hire the right hire? The definitive answer is, "No!" Research has shown that a consistent, structured interviewing process is one of the most important factor in hiring and retaining the right candidates.

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Structure, not style, provides the necessary framework essential for making quality-driven hiring decisions time and time again. Only a consistent, repeatable process can generate the appropriate amounts of accurate information required for sound assessments, "apples-to-apples" comparisons and fair and legal treatment of all candidates.

The process itself encompasses three sequential steps-Prepare, Conduct and Evaluate-each critical to ensuring the validity, integrity and effectiveness of the whole. The first step serves to distill and clarify the job requirements, surface organizational culture considerations and consolidate candidates' background information. The second step is comprised of the interviews themselves, yielding a consistent set of candidate assessments while providing candidates with a clear picture of the job and the organization. The third step involves pulling all the information into a coherent format in order to arrive at the best possible hiring decision. The following bulleted information provides an overview of the primary activities in each step of the process.

1. Prepare

- Get an in-depth understanding of the job (required skills, knowledge, attributes)

- Assemble a set (15-20) of job-appropriate and legal questions including behavioral, situational, self-evaluation and, if warranted, simulation/demonstration

- Review candidates' resumes and applications; note "red flags," areas to probe, etc.

- Line up an appropriate site for the interview

2. Conduct

- Establish/build rapport as an ambassador for the organization

- Present planned set of questions; take notes to assess/document during interview

- Provide a clear/accurate picture of the job and organizational culture

- Control the interview throughout by probing/redirecting for more complete answers, allowing silence, encouraging candidates' questions and concluding professionally

3. Evaluate

- Create candidate summaries including job-skill match, culture fit, expressed career path and on-boarding considerations

- Consider "red flags" and their impact on ranking/recommendations

- Check references

- Make recommendation and/or hiring decision

Off-Limits Interviewing Questions

The following are examples of questions that have been ruled illegal to ask in a job interview. Check with legal advisors for additional guidance.

1. Where were you born? Do you have children?
2. What's your age or your date of birth?
3. What is your political affiliation?
4. How is your health?
5. Does your family approve of your travel?
6. Have you ever been arrested?
7. Are you divorced?
8. Is that "Miss or Mrs."?
9. What is your race?
10. What is your native language?
11. What religion are you?
12. Is your husband or wife employed?
13. How will you handle the long commute?

GUIDELINES FOR STRUCTURED INTERVIEWING

A typical structured interview focuses on 15-20 core questions and runs 30-60 minutes. The same initial questions are presented in the same order to each candidate. Within each topic area, questions should naturally progress from simple to more difficult or complex. Rating each candidate in "real time" during the interview contributes to accuracy, impartiality and legality. Notes taken during the interview should focus on responses and factual observations rather than on conclusions or opinions. Asking candidates to hold their questions until the close prevents a candidate from having undue influence on the interview and assessment. Evaluating each candidate using the same rating scale/process maintains the fairness and objectivity that are hallmarks of structured interviewing.

While there is no definitive evidence that a group interview is more effective than a single person interview, multiple interviews using a small panel (maximum of five people) or a series of interviews with different people have been shown to improve legal defensibility. Using interviewers of different genders, races and cultures also improves candidates' perception of an inclusive workplace.

There is no evidence that shows whether a panel versus a serial interview process generates better results. For example, the benefit of everyone hearing the same response at the same time in a panel interview may be outweighed by the fact that panels can be intimidating to some candidates and, as a result, impact their performance in the interview.

ADDRESSING LEGAL ISSUES

As hiring and promoting become increasingly litigious, employers need proactive approaches to managing risk and liability. The use of a consistent, structured interviewing process provides a natural first line of defense against regulatory penalties and lawsuits. Ensuring legality is a key function of the process, helping to prevent interviewers from asking potentially illegal questions or otherwise discriminating against candidates. By formulating questions based on the specific requirements of each job, skilled interviewers can still get meaningful information without crossing the line. For example, while it is illegal to ask about a candidate's place of origin or birthplace, it is legal to ask if the applicant is fluent in another language, so long as a second language is relevant to the job.

The fact is, if all candidates are asked the same questions, and if interviewers take written notes during each interview—these and other features of the formalized interviewing process give hiring organizations plenty of evidence that will hold up in court.

WHAT ABOUT MIKE?

A series of questions exploring Mike's attitudes and opinions about the best ways to manage people could have sent up a red flag before he was hired. Mike's references to "getting the job done, whatever it takes," for example, would suggest a possible conflict with the values of a family-owned and operated manufacturing company. The accompanying table offers additional insight into the parameters that candidates and interviewers can use to help define "culture fit."

PRACTICE MAKES PERFECT HIRES

Like any sophisticated business capability, a structured recruiting process will yield its greatest benefits over time through commitment, training and practice. As supervisors and managers individually build their interviewing skills, they become more confident, comfortable and better prepared for each subsequent interview. The organization, in turn, consistently gets and gives the complete picture needed to select the best candidates based on job requirements and culture fit. With each new "perfect hire," the organization reaps the limitless rewards of a workforce that is increasingly stable, competent and productive.