Shaker Consulting Group
how success is measured™

➢Job Tryouts Go Virtual: Changing the Recruiting Paradigm

The role of the career web site for engaging and evaluating talent.

Joseph P. Murphy

June 10, 2008

IPMA-HR
INTERNATIONAL PUBLIC MANAGEMENT
ASSOCIATION for HUMAN RESOURCES

Learning Objectives

1. Examine four steps required to develop high fidelity simulations

2. Identify which types of jobs are good targets for high fidelity simulations

3. Discuss how to develop, model and present a business case based upon recruiting and performance metrics

4. Listen to four case studies where high fidelity simulations have been implemented

Four Steps
UGESP

1. Document Performance/Job Analysis

    Metrics First

    Simulation filter

2. Develop Content

    Multi-method evaluation – competency focus

3. Differentiation/Validation

    CEO Compliance – business case/ROI

    EEO Compliance – fair, job relevant, etc.

4. Deployment and Monitoring

    Recalibrate on performance drivers

Target Jobs

> Data rich performance environment
  – Objective measures of productivity

> High levels of staffing process waste and rework
  – 90 to 120 day failure rates

> High levels of performance variation
  – Wide range between low and high performance

> Where the Brand is People
  – Service, interpersonal competence
  – Brand Promise Delivery

Staffing Waste & Turnover Cost Calculator

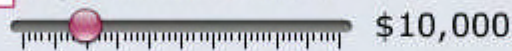An ROI Calculator from Shaker Consulting Group

Current State (Baseline)

1 Annual Turnover Rate

0.6

2 Current Headcount

1500

Quits & Terms

900

3 Replacement Costs

$10,000

Negative Financial Impact

$9,000,000

Reference Point: 90 days wages at $25/hr = $18,000

Future State

4 Annual Turnover Target

0.40

Current Headcount   1500

Quits & Terms

600
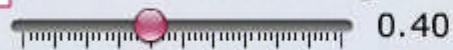
Replacement Costs $10,000

Negative Financial Impact

$6,000,000

Instructions: Put slide in 'play' mode, then:

1) Set current annual turnover rate
2) Set current headcount
3) Set approximate replacement cost
4) Set target annual turnover rate

Financial Gain

$3,000,000

Sales Impact of Better Selection

An ROI Calculator From Shaker Consulting Group

Top 80% Ave Sales

$1,500,000
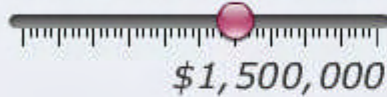
Bottom 20% Ave Sales

$300,000

Hires Per Year

50

% Bottom Performers

20%

Individual Gap

$1,200,000

No. of Bottom Performers

10

Annual Opportunity Gap

$12,000,000

➤Case Studies

Economics of Work Sample Based Evaluation

Process Yield & Variation

Inputs | Value Add Process Steps | Yields | Variation

Meets requirements?

Y

N

Workplace Forces

Quits

Terms

Stays

Roster	Output
Sally	421
Bill	402
Erin	389
Nichole	374
Jose'	370
Aundra	293
Cyndi	276
Emil	254
Yuliya	237
George	229

Candidate Experience
Recruiter Experience

Business Experience
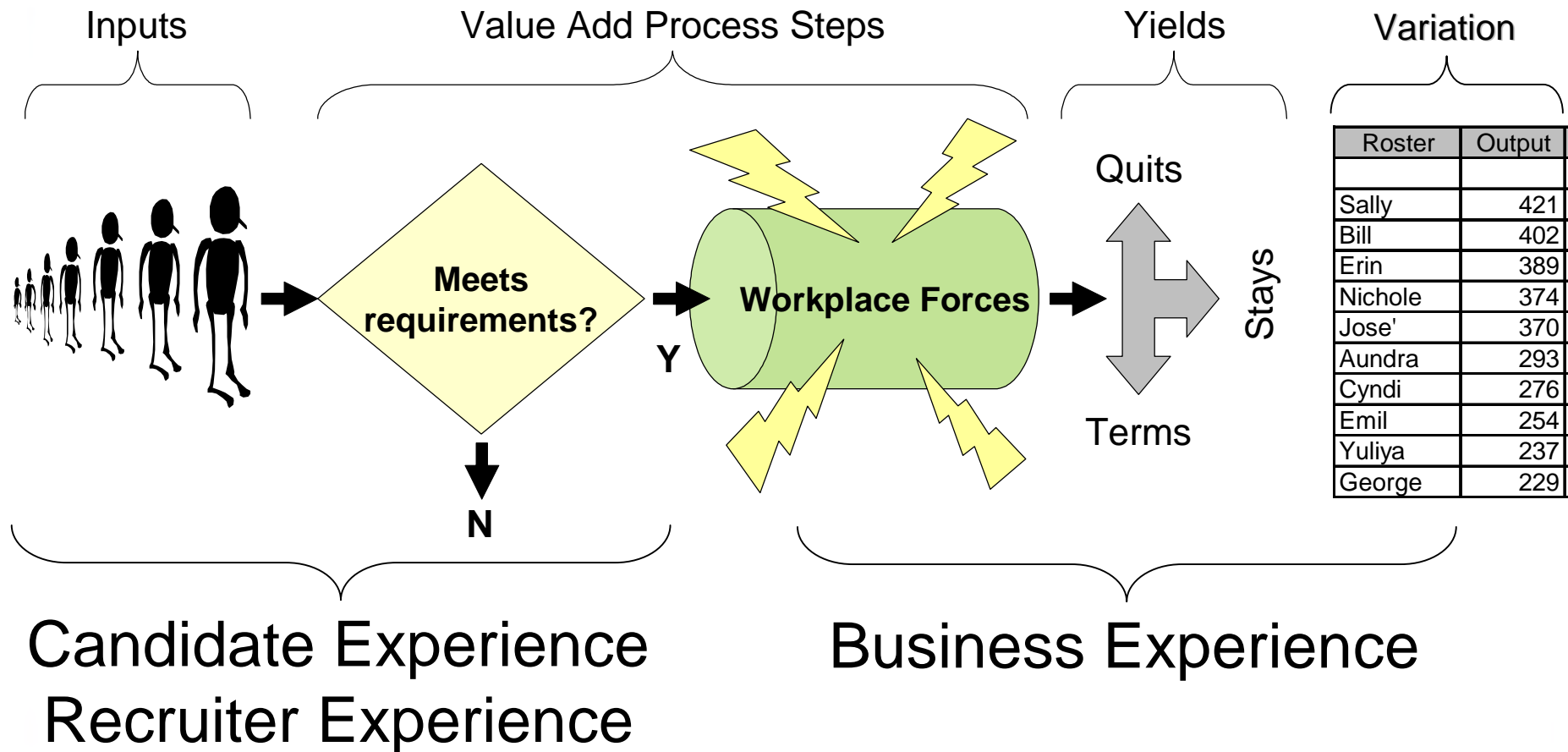
Objective Evaluation to Performance Measure

Job Performance / Simulation Experiences	Manager Ratings						Objective Metrics	
	Achieving Measurable Results	Creating The Environment	Customer Focus	Decision Making	Developing For The Future	Promotion Potential	Retention / Engagement	Year Over Year Comp Sales
Customer & Associate Connections		●	●		●	●	●	
Working With Metrics	●			●		●		
Everybody Has A Story	●	●			●	●	●	●
Actions For Success			●					●
Your Preferred Approach	●	●			●	●	●	●

Store Manager

> ## Situation

- High volume of applicants – recruiter overload
- Significant performance variation
- Leverage brand for candidate experience

> ## Solution

- Deliver brand aligned experience
- Predict 10% better employee retention
- Predict growth of store profit contribution
- Begin interviews with top 25% of candidates

Call Center

> ## Situation

- New hires must pass a license exam
- Yield – only 82 % of hires passed after 3X
- Approximately $15,000 wasted per failure

> ## Solution

- Reduced Interview to hire ratio by 50%
- Improved yield to 98% pass rate
- First year savings in excess of $1million
- 24 more policies per year sold

Branch Manager

> ## Situation

- Increase sales orientation
- Reduce administrative burden for recruiters

> ## Solution-

- Predict growth in core deposits
- Predict growth in loan portfolio
- Predict growth in fee based income
- Improve interview to hire ratio

Field Service Technicians

> ## Situation

- High training and on-boarding ($45,000)
- Significant post training failure rate (16%)
- Customer satisfaction low from poor hires

> ## Solution

- Predict training success
- Predict ability to achieve first time repair
- Increased customer satisfaction ratings
- Increased post training success rate

Plant Start-up

> Situation

– Traditionally high turnover industrial park (40%)

– Expected high volume candidate flow

– Limited staffing resources

> Solution

– Screening identified top 45%

– Simulation identified the top 25%

– 89% first year retention

– Hit production goal three months ahead of plan

Experience Objectives

1. The **candidate** experience – adapt to demands of the recruiting environment
2. The **recruiter** experience – tools for increasing efficiency and effectiveness
3. The **business** experience - ROI

"Are you Experienced?"

Jimmy Hendrix

The New Generation

"When it comes to talent, we are fighting a modern, global, war on terror with World War II technology and tactics."

Kevin Wheeler, CEO, Global Learning Resources

The New Generation

Deloitte.

Human Resources

Talent Market Series: Volume 1

Connecting Across the Generations in the Workplace

What Business Leaders Need to Know to Benefit from Generational Differences

MICROSOFT TAKES ON THE FREE WORLD

FORTUNE

"MANAGE" US?

PUH-LEEZE...

Today's twentysomethings have their own rules. You just don't understand them :-)

BY NADIRA A. HIRA

BRAZEN CAREERIST
THE NEW RULES FOR SUCCESS

PENELOPE TRUNK

http://blog.penelopetrunk.com/
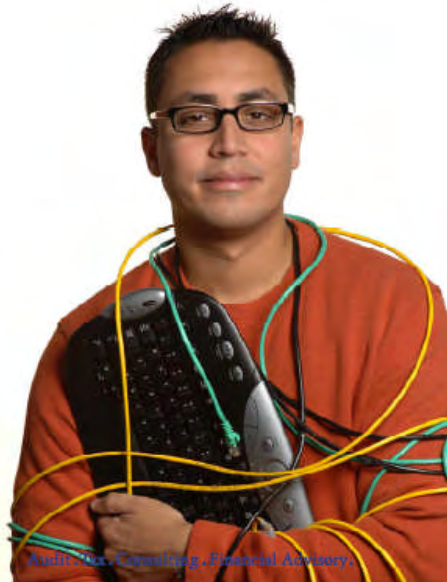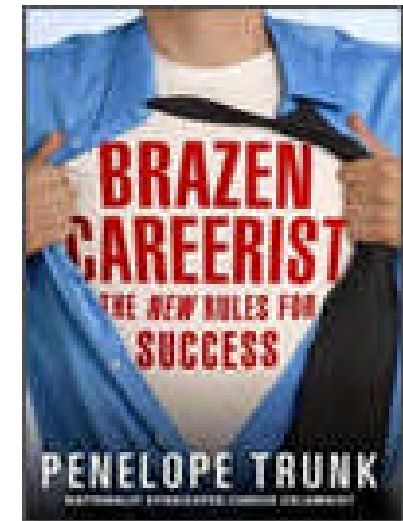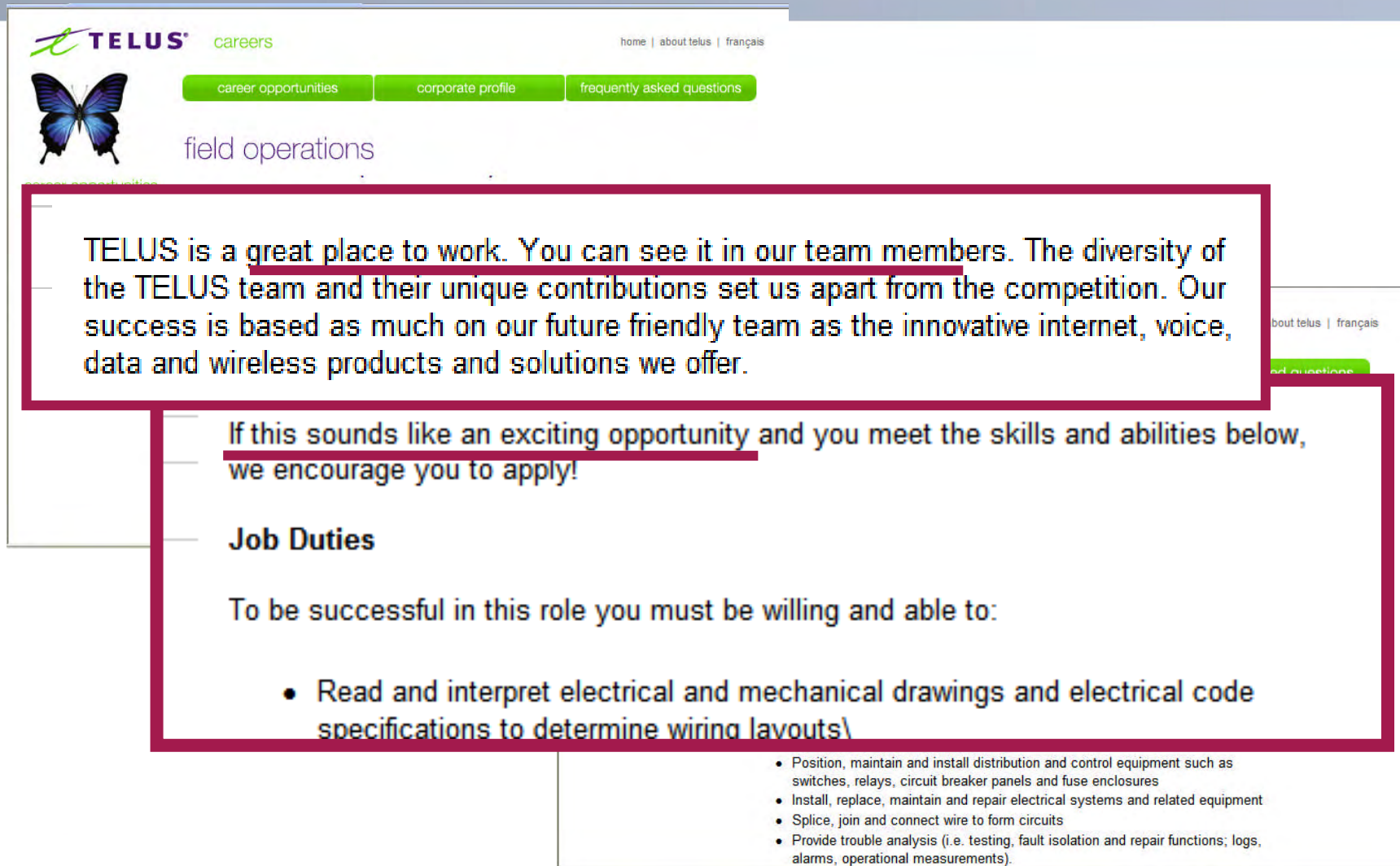
➢ The Candidate Experience

Engaging and Exchanging

NOW Career Site

TELUS careers   home | about telus | français

career opportunities   corporate profile   frequently asked questions

field operations

TELUS is a great place to work. You can see it in our team members. The diversity of the TELUS team and their unique contributions set us apart from the competition. Our success is based as much on our future friendly team as the innovative internet, voice, data and wireless products and solutions we offer.

If this sounds like an exciting opportunity and you meet the skills and abilities below, we encourage you to apply!

Job Duties

To be successful in this role you must be willing and able to:

- Read and interpret electrical and mechanical drawings and electrical code specifications to determine wiring layouts\

- Position, maintain and install distribution and control equipment such as switches, relays, circuit breaker panels and fuse enclosures
- Install, replace, maintain and repair electrical systems and related equipment
- Splice, join and connect wire to form circuits
- Provide trouble analysis (i.e. testing, fault isolation and repair functions; logs, alarms, operational measurements).

WOW Career Site

The "E"ase of a Selection System

> **Engage** the best fit talent

> **Educate** the talent

> **Experience** the job

> **Express** the culture and brand

> **Exchange** of information

> **Examine** the fit

> **Explain** the results

> **Easy** for candidates to provide feedback

Candidate Overview

Responding To Customers

Rule Based Problem Solving

Job Relevant Work History

Contextual Creativity

Data Handling Proficiency

This is not actual patient data
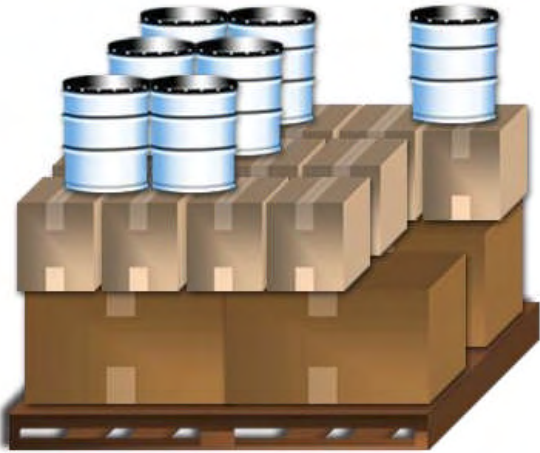
Shipping Procedures
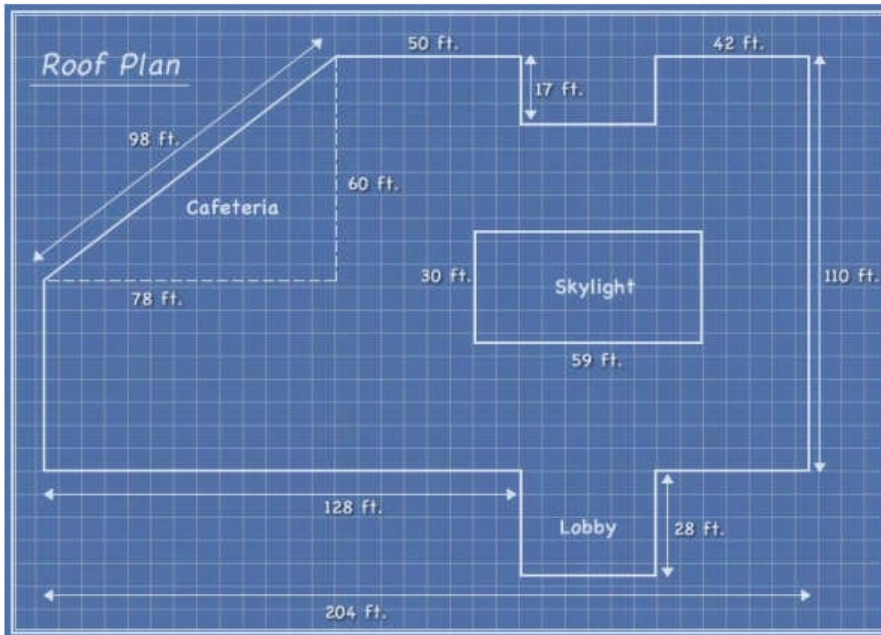
Solving Numerical Problems

Your Preferred Approach

Typical Applicant Reactions

"This was very different and interesting. It was enjoyable and I learned much about <company>. For instance, I didn't know you had been in business since 1845 or that you were a sponsor of my Detroit Pistons. I am seriously considering switching my banking because I feel I know you now. I don't have the sense of family with my current financial institution."

"You have gone beyond all employers. I have never seen so much information given during an application process! I think it is great!"

>"I wish more companies had this format. It indicates <company> cares more for the hiring process than others. They give the applicant more than just a few paragraphs about the company and the Virtual Job Tryout gives the applicant more than just the resume to show who they are."

>"I believe more companies should go this route before someone is offered an interview and a position. Once someone is offered a position and later they realize the position is not what they expected, so they quit. This way, both the prospective employer and individual do not waste each others time."

Attracting Candidates

Based on my experience, I would gladly tell my friend(s) about employment opportunities at

2%
0%
0%
32%
66%

- Strongly Agree
- Agree
- Disagree
- Strongly Disagree
- Did Not Respond
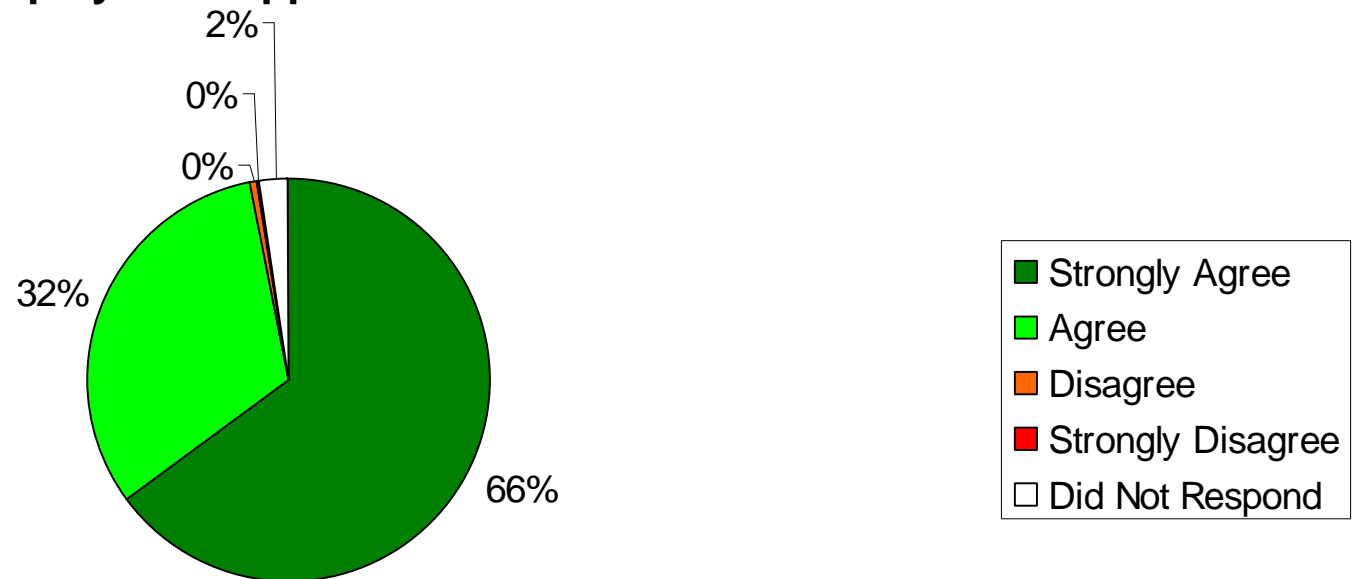
➤The Recruiter Experience

Efficiency and Effectiveness

Competency Profile Reports

Section 2: Follow Up Probes

During the Work History section of the assessment, the candidate answered a number of questions about his/her relevant past experiences. The report below includes responses to these questions that are deemed 'red flags' which should be explored further before moving the candidate forward in the hiring process. These red flags represent areas that merit further discussion and are not intended to be knock out factors. If there are multiple questions in any one category, you need not ask all of the questions. Instead, ask as many questions as needed to adequately explore the red flag. For your convenience, questions within each category are in order of importance such that the ones appearing first should be asked first.

Keep in Mind:

The purpose of an interview is to obtain **job-related** information about a candidate being considered for a particular position. It is unlawful for interviewers to ask questions which can be interpreted as discriminatory against a person's age, race, color, religious creed, sex, national origin, citizenship, ancestry, marital status, sexual preference, veteran status, non job-related disability/handicap or medical condition, or any other legally protected classification.

Stability	• Has left a job due to dissatisfaction with pay. • You indicated that you left a previous job due to dissatisfaction with pay. Tell me more about that situation. How did you express your dissatisfaction before you left?	
Stability	• You indicated that you left a previous job due to finding a better job. Tell me more about that situation. What was better about the new job? How long did you stay with that job?	
Stability	• Has left a job due to dissatisfaction with pay. • You indicated that you left a previous job due to dissatisfaction with pay. Tell me more about that situation. How did you express your dissatisfaction before you left?	
Reliabilty	• Was absent at most recent job or school less than 1 time per month without providing notification. • What types of things caused you to be absent from your last job aside from injury, illness, family issues and vacation? What prevented you from providing notification that you were going to miss work?	

➢ The Business Experience

Return on Investment

Documenting Performance

Staffing Efficiency

> Time to offer

> Staffing Waste

– 90 day failure rate

– Cost of on-boarding

> Staffing Re-work

– Recruiting effort/$

– On-boarding effort/$

Staffing Effectiveness

> Performance Data

– The Bell Curve

• Average,

• Standard Deviation

– Pareto Analysis

• 80/20

> Time to Proficiency

Addition By Subtraction

What is the impact from hiring fewer of these?

Mean = 10146.7447
Std. Dev. = 22759.09158
N = 150
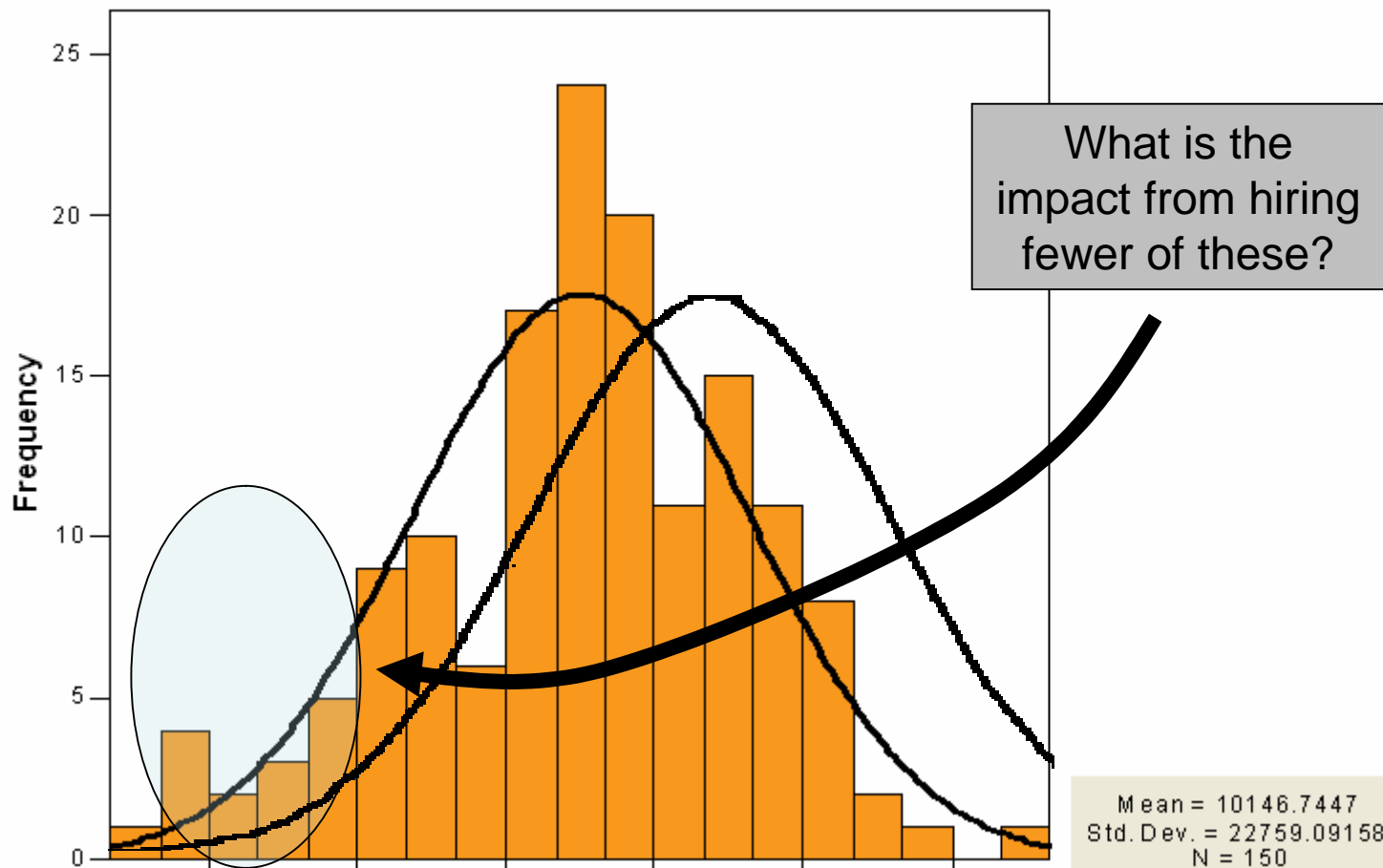
An Illustrative Example

A customer recently purchased a new piece of equipment and has reported multiple problems with it since it was installed. Your company's credibility is in question as are future equipment sales to this client.

Assuming all options are feasible, what would you be most and least likely to do?

Prepare for possible system replacement in case the problem cannot be resolved.

Bookings = $1,118

Spend time on site to identify whether you're dealing with a user issue or a true technical problem.
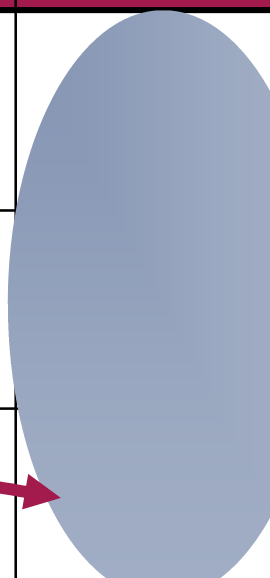
Bookings = $4,717

Inform the customer this is a service issue and beyond your area of expertise, but you will stay on top of the service team to make sure the problem is resolved.

Bookings = $3,663

Confess that while you've never heard of this happening before, you will make certain that your company makes things right.

Bookings = $3,299

Performance Variation

Overall Simulation Score	Supervisor Ratings				Objective Metrics
	Customer Satisfaction Rating	Technical Rating	Leadership Rating	Overall Rating	First Call Repair Rate (Standardized)
Top 80%	Almost three times more productive			4.95	
Bottom 20%	4.16	3.97	3.34	3.53	
Difference	0.92	0.71	1.22	1.42	

About Shaker Consulting Group

> Pioneers in on-line, work sample based candidate evaluation

> Developers of the Virtual Job Tryout$^®$

> Specialists in linking candidate evaluation to delivering the Brand promise

> Sought out by organization seeking to improve the yield of the staffing process

Virtual Job Tryout®

> A measurement system for the business process of staffing

> A company branded, web-based, work sample based candidate evaluation

> An opportunity to let candidates take the job for a test drive, while collecting data that predicts on-the-job performance

Thank You

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Please e-mail me for a copy of the
ROI Calculators and a white paper on
the Use of Objective Candidate Evaluation Methods.