



Assessments

By **Margaret Graziano**, CPC, CTS, CERS

After 22 years in recruiting and staffing, I am energized by what I see ahead for our industry. The future is both exciting and distinctly different from where we have been in recent years. I feel there will be room for all kinds of services, offered by professionals who provide the traditional employment agency service -- those who head hunt and represent only employed candidates, and those who choose to expand toward more of an organizational development approach to their clients' talent needs.

What I have read, heard and observed from the Wall Street Journal, to CNN, to CEO's suggests that a top strategic initiative of many companies is hiring not only new talent, but the right talent.

The diminishing available talent pool in this country and the compelling message about the lower skilled labor and processes of off-shore providers, I anticipate employers will put their money in hiring people, and creating positions that leverage opportunities to innovate, compete and achieve corporate objectives. In my experience, as a result of this talent 'shortage,' clients are demanding more, not less, and are unwavering in their expectations to attract and hire 'difference makers.' The days of - "if they breathe, they're hired" are over, and won't soon return. If a company is in desperate need of a body, they won't need to pay large placement or staffing fees, they can settle for a body from a '\$1000.00 per hire' off-shore recruiter. For that matter, if the job can be done remotely; what would prevent them from hiring someone who lives in Asia or India, willing to do the job for a whole lot less than the rest of the world? I believe that a recruiter who learns to master the organizational development aspects of their customers' talent needs and who practice a holistic recruiting and hiring methodology will catapult not only their reputation, but they will also increase their marketability, credibility, bandwidth and income.

In every industry things change. The innovators and early adapters ride the wave and are agile enough to deal with the ebb and flow, while the old schoolers often get left behind. Industries that have gone by the way side, or have been replaced with faster, more efficient, and in many cases higher quality services and products include textiles, software development, and telecom industries. Someone else, somewhere else, can do it better, faster and cheaper. It is a deep concern of mine that as an industry we must band



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together to raise the bar on what we expect from ourselves. Otherwise, there will be no value proposition differentiating us from the many other alternatives that provide similar services. To some extent, we already compete with our clients' internal HR departments, and their established hiring systems, processes, assessments and instruments. Additionally, many of us are fighting price battles against over promising, under delivering low cost providers. If we intend to stay out of the Wal-Mart game – something's got to improve.

The branding expert, who aided me in creating Alliance's value proposition, convinced me to redefine my company as an HR consulting firm specializing in the acquisition and assessment of top talent. It took some time, but now when I look at my business and client list, I see the difference this has made in my business. Our clients continue to call us because candidates, who pass our assessments, will pass their's. We have even developed benchmarks for entire departments, so that we have influence over the fit of that department, and have the access to 'replicate' the fit, over and over again. We do this by first knowing how to attract the right person, then by knowing what traits they need to have walking in the door to be a natural fit. The beauty of this type of differentiator is that no other resource can accommodate our clients' needs as efficiently or as effectively as we can.

The assessments we utilize evaluate everything from a candidate's motivations, values and behaviors, to their communication style, personality traits and organizational abilities. In today's competitive talent market, with candidates demanding top salaries -- companies have the right to know what they are getting, and have the right to expect a return on investment with each hire. As the specifications continue to get tougher and tougher to meet, I continue to position myself as an organizational development consultant. My aim is to partner with my client companies in creating the specifications for who the person needs to be, what they need to accomplish and how they will interact in the company, rather than to be another recruiter chasing the 'perfect' resume.

There are many choices available in assessments. I recommend you start by familiarizing yourself with the categories of assessment that exist in the market place. Some are hiring tools that focus only on one dimension of a person's ability, like mental acuity, while others focus on a person's motivation, others hone in on a person's communication style and others on personality traits. It is imperative that you choose the right assessment for your service delivery



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and for your customers' specific needs. I strongly recommend interviewing your clients and finding out what they want, as well as finding out what would leverage your placement and consultancy power with them. You may find that it is most important for your customer to utilize a management oriented assessment tool that enables them to better communicate with and mentor their newly hired employees. You may find what they really need is a formalized, comprehensive assessment that encompasses all 10 dimensions of personality to aid in the candidate evaluation phase of the hiring process. You may find that your clients really need people at a certain mental capacity because their business process is rapidly advancing; requiring someone with very strong conceptual reasoning skills. The bottom line is that every business has different needs. Knowing and understanding your clients' assessment needs helps you choose the right assessment wisely.

Validation is a key factor. If you offer one single assessment tool you really need to have evidence that it has passed a validation process and that the assessment you are choosing to market has broad application and appeal. Some assessment companies state in their marketing material that their offerings are not to be used as a hiring tool, while other assessment tools fail the 4/5th rule. The 4/5th rule is a mandate that states if 4/5ths of a protected class cannot pass the assessment, then that assessment is most likely a discriminatory assessment. Another form of validation is benchmarking. When an assessment is given to over 100 top performers in a specific role the benchmark validation is the average sum of the results in each category. Another form of validation is a measure on the assessment that indicates the amount of times a candidate distorted their answers. When a candidate distorts on the assessment, the validity of that assessment is greatly diminished.

Partnership is another aspect of picking the right assessment to represent. Consider carefully how the assessment company views your business specifically and our industry in general. Do they see you or our industry as their competition? Do they consider you a high level strategic partner, who they are counting on to leverage and grow their market share? Over the past 8 years I have taken, sold, represented and administered over 22 different assessments. Each company has their own specialty and their own philosophy. Some love our industry, some hate our industry; some are waiting for our demise so they can swoop down and chomp on our clients' staffing budgets. Some refer to our business in "less than" professional terms and others categorize us the same way they would a used car salesman. I caution



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you to take your time and partner with someone who respects what you have built and the livelihood you intend on maintaining. Find out about their training and certification courses, research their programs, and discern how they will integrate with your current business practices. Selling an assessment you know nothing about and using it to determine a candidate's ability is akin to walking around with a loaded gun without reading the instructions or getting fully trained in its use. I strongly encourage you, if you choose to offer an assessment as an element of your business; choose wisely. Be prepared to answer tough questions and to sit in the hot seat when a candidate that the CEO wants to hire has many red flags and he or she wants your advice on how to proceed.

Commitment is another key element in the decision to utilize assessments in your business. Are you prepared to get certified and operate a unit of your company that specializes in assessments? You will need to have someone on staff that can learn these assessments, understand the validation process and is conversant in the results that they provide. I am not suggesting you will need someone full time initially. If you are a big producer, sitting on the phone reviewing assessment after assessment with your client will eventually get boring, or get in the way of you selling. I personally review key candidate assessments with my clients when the role is significant, or when I have been hired specifically for the purpose of evaluating the top 3 in the short list, or if I am being paid as an assessment consultant. The other element to consider is the training and development of your recruitment team. If you are selling and marketing assessments and they are being fully integrated into your business offerings, the people searching for, assessing and representing the talent must be knowledgeable so they can make educated business recommendations. As an alternative, you can simply offer your clients another tool and pay a price to have a third party do the analysis. This way you don't have to get wrapped up in training and developing your team to interpret and integrate the assessment with your existing business systems. You can buy assessments on an "as needed" basis. You will merely need to have a high degree of confidence in a person who you select to aid you in interpreting the assessment.

Determining your pricing model is an important step in your process of using assessments in the placement process. Are you offering this service as a "value add," or as an additional fee for service? I do both. In some cases, we charge a slightly higher fee for our placement services, or a retainer, and all



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the assessments are included. In other cases the employer purchases a group of assessments from Alliance and then we are available to interpret those assessments as they are administered.

My goal in offering assessments is to distinguish myself as a prominent talent assessment firm first and a recruitment company second. This type of messaging frequently gets me the search assignments that previously may have gone to someone else. Additionally, this differentiated offering affords me the opportunity to be perceived as a single source consultant and as a true partner. I often find myself explaining to a client why I am not presenting a candidate who looks really great on paper; this leads to instant credibility. My advice to you in choosing to assess or not to assess is to first, hire a coach or an advisor who is not trying to persuade you to buy their assessment. Using an unbiased third party will enable you to make the right decision for you and your company. Secondly, take your time and conduct due diligence. There are scores of people every day that jump in, pay the fees, sign up, take a web-based seminar, and are off and running, only to find out that they are running in the wrong direction. Assessments should not get in the way of your business; they are a tool to aid in your business. If you are not fully attuned to how you will use them and how much value or revenue they will generate, then hold off until you are clear. Third, get yourself training and learn to interpret all levels of these assessments. Knowledge is power and lack thereof is a ding to your credibility.

Many client companies are familiar with and utilize some sort of assessment tool or assessment methodology in their hiring process. Several of these companies are partnering with assessment consultants in their hiring and leaving us out of the final decision making process. These companies are confiding in and taking advice from a 'different' 3rd party, who has not necessarily had the depth or breadth of understanding of our clients' business and personnel needs as we have.

In conclusion, I recommend partnering with an assessment company who you trust. The sooner you expand your ability to serve your clients in a more holistic manner, the sooner you will gain the ability to leverage yourself as the key consultant in all of your clients' hiring decisions.



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