# Hiring right the first time

# Minimize the costs of poor hiring decisions

BY MERGE GUPTA-SUNDER III

Sound interviewing techniques help you hire the right person, and make the time and effort to train a new employee well worth the energy.

The cost of not hiring correctly can be high. It takes time to recruit, interview and get an employee on to the payroll system. Once there, you invest time and energy in training this person. And if, when all is said and done, you find that this person wasn't the right choice, you have to either start all over, or make do with a sub-optimal worker. Depending on which sources you consult, the total cost of turnover is estimated to be somewhere between 30 per cent of the annual salary of hourly employees (Cornell University) and 150 percent as estimated by the Saratoga Institute (Price Waterhouse Coopers). Let's do the math. Assume you hire a full-time employee at a wage of \$11 per hour and he works a 40-hour work week. But you discover, too late, that you made a poor hiring choice. The cost of this blunder: anywhere from \$6,600 to \$33,000. That's a lot of cash to let slip through your fingers! You'll agree then that it's worth your while to get it right the first time! The good news is that sound interviewing techniques can greatly increase your chances of success.

How are you presently deciding which employees to hire? Did you hire John because he's Mary's brother, and Mary does very good work? Or did you hire Ellis because he's your

second cousin? Perhaps you use a more formal approach - you bring potential employees in for an interview, ask them some questions, have them tell you about themselves, and then make your choice. If that's true, then Kristin probably came on board because she loves gardening and working outdoors, and she's good with people. Rico probably joined your team because he's a clean-cut young man who's pulling off good grades in university, and needs a summer job to pay his tuition. If any of these situations sound like you, then you might be throwing your money away. You'll get a much better return on your time and dollar if you invest some energy to understanding behaviour descriptive (BD) interviewing. With some BD knowledge as a foundation and some simple preparatory work, you can significantly improve your interviewing process and thus your hiring success.

### BEHAVIOUR DESCRIPTIVE (BD) INTERVIEWING

Research has shown that BD interviewing is superior to traditional forms of interviewing. This method was first popularized by Dr. Tom Janz in the mid-1980s, and is based on the premise that past behaviour is an indicator of future behaviour. Formal BD interviewing consists of four basic steps:

- 1. Determine core competencies for the job
- Design behaviour-descriptive questions to assess the core competencies
- 3. Conduct the interview
- 4. Evaluate the interviews

Even if you don't follow all four steps completely, using the steps to at least some degree can improve your hiring success.

### DETERMINE CORE COMPETENCIES FOR THE JOB

Start by figuring out what skills are needed for the job. Think about what the person's duties will be, who she will work with, and whether any formal training is needed. For example, if you're a garden centre manager looking for seasonal customer service staff, then you might decide that the core competencies are practical knowledge of gardening, strong customer service skills and a positive attitude. On the other hand, if you're a landscape contractor seeking labourers, then the core competencies might be team work, attention to detail, and the ability to multi-task. Other possibilities: leadership, communication, business focus, creativity, conflict resolution, sales

prospecting, sales closing, telephone skills, judgement, and the ability to apply learning. Now you might say to yourself, "Well, I need all those skills in all my employees." If so, go back and re-evaluate. Core competencies need to be just that: core. Consciously separate the required from the nice-to-have. If you identify more than five core competencies, then you have too many! Also remember that the more core competencies you identify, the more work the interviewing process will be. So it's in your best interests to simplify up front.

#### DESIGN THE BEHAVIOR DESCRIPTIVE QUESTIONS

The main difference between traditional interviews and BD interviews is the tense of the questions. In the first, you usually ask "what would you do if ...?" In the second, you need to ask "what did you do when ...?" For example, a traditional what-would-youdo-if question would be: "What would you do if you were faced with an angry customer?" The problem with this type is that most people would answer with what they thought you wanted to hear. In other words, they are likely to fake their response. Contrast this to the second type: "Can you tell me about a time when you had to respond to an angry customer?" Here, (assuming the person is not lying), the potential employee has to describe what he or she actually did, and because past behaviour can be used as a reasonable predictor of future performance, you are getting a much better idea of the true person. Here are some examples of good BD type questions:

 Team work: When working in a group, sometimes people disagree. Can you

- relate an incident when you had to get two people to agree?
- Attention to detail: Describe for me a particularly complex project you had to work on.
- Conflict resolution: People work at different speeds. Tell me about a time when you were very frustrated because you had to work with someone whose pace was different from yours?

Plan on having at least two BD questions for each core competency. Time constraints mean that you'll probably only ask one, but it's always a good idea to have a backup question in case your first one really stumps the interviewee.

#### CONDUCT THE INTERVIEW

Think of the actual interview has having three phases: the opening, the questioningprobing loop, and the closing.

In the opening phase, spend a few moments putting your potential employee at ease. Interviews can be nerve-wracking, and it will help if you explain the BD process. Say "I'll be asking you to think of specific situations from your past experience, and it's okay to take a few minutes to think of a response." Let the candidate know that you'll be taking notes.

In the questioning-probing loop, ask your questions and let the person talk. Don't be too ready to jump in if there is silence, as the pauses can be powerful tools to get a genuine insight into the candidate. Take notes. Be sure to probe initial answers with questions such as: "So what did you do then?" "And how did he respond?" "What was the result?" This is where the real value of BD questions becomes evident. It is true

that candidates can fake responses to BD questions, just as they can to traditional interview questions. However, when you probe effectively, you'll discover rapidly whether the responses are descriptions of actual events, or just made up to give you the answer they think you want to hear.

In the closing phase, let the person know the next steps and when he can expect to hear from you. Whatever you do, don't offer a job on the spot. Make sure that you go on and complete Step 4.

#### **EVALUATE THE INTERVIEWS**

Immediately after each interview, score each core competency from 1-5 based on your notes. If you're doing several interviews that day, do not wait until all the interviews are over; score each one as you go along. However, don't add up the total scores until you have finished all the interviews. Once you have done all the interviews for that particular job, add up the total score for each person, determine who has the highest score, and then make the job offer. That's it, you're done!

Try to use the principles of BD interviewing the next time you have to recruit, interview and hire an employee. You'll find that not only will your selection process improve, but your turnover will decrease.

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