Using Assessments to Hire, Develop and Retain Great Talent

Helping you weed out "stayover" performers is an added benefit

By Nancy E. Roberts

Behavioral assessments can give you more predictive employees and a more profitable business. That may seem a rather bold claim. Some business owners and managers may see personality profiles or pre-hire assessments as merely fun or interesting. Some may even think of them as nothing more than pop psychology—nice, but hardly a critical business strategy.

They couldn't be more wrong. Increasingly, businesses outside of the laundry industry are finding compelling reasons for using behavioral assessments, from reducing turnover to recognizing and developing leadership potential.

What could this mean for the laundry industry? Let's review a couple of instances where assessments have been used in laundries and how they have improved productivity and ultimately—the bottom line.

Hiring the right managers

David Gross, CEO of Gulf Coast Laundry Services (GLCS) first used assessment tools as a way to discover the strengths and qualities of his leadership team. His company, based in Gulfport, MS, was on a rapid growth track. He wanted to ensure that he had the right people on board. In essence, he wanted a second opinion. What did Gross find? He affirmed that his general manager had the leadership potential and entrepreneurial spirit he was looking for. Gross saw the manager's strengths, as well as opportunities for development.

Leaders of companies that go from good-to-great don't start with "where" but with "who." They start by getting the right people on the bus, the wrong people off the bus, and the right people in the right seats, and they stick with that discipline—first the people, then the direction—no matter how dire the circumstances.

— Jim Collins, "Good to Great"

In another case, Sam Garofalo, owner of Technical Consulting Co., Syracuse, NY, reported similar results. "I'd like to share how an assessment was proven to be more effective than a headhunter who sent a general manager to a client of mine touting a 'perfect fit,'" says Garofalo. "My company was called in to evaluate the operation several months after the hiring of the GM. The GM's shortcomings were quickly realized, and an assessment was completed to substantiate the misfit. The GM was reassigned, and the headhunter refunded the $7,000 fee based on the strength of the assessment. The headhunter was so impressed by the system that he inquired about using it in his service. If you visit our Web site (www.technicalconsulting1.com), you will see that behavioral assessments are part of the services offered to my clients."

Benchmarking drivers

While many assessment tools might be used only in acquiring and developing leaders, GLCS discovered an opportunity to use them in an unlikely place: Dispatch & Delivery.

The turnover of the driver position was the highest in the plant, and the company was seeking a solution. They knew that drivers had a direct link to their customers and that it was important to improve retention. GCLS decided to tackle the problem using assessment tools.

First they created a benchmark for the driver position that included the behaviors the job requires, as well as the work habits and mindset necessary for success. The benchmark defined the job as needing someone patient, process-oriented, friendly, careful and attentive to detail, but also internally driven by return on investment, efficiency and practicality.

Once the benchmark was complete, GCLS validated it by comparing it with top performers. Sure enough, the best drivers at GCLS fit the benchmark in at least 8 or 10 characteristics. (Typically, a benchmark can predict top and bottom performers in a position with 95% accuracy.) From that point on, they only hired candidates who fit the benchmark and fulfilled all the other hiring requirements. The company estimates this effort reduced turnover in the position by 25%.

Developing effective teams

Besides using assessments in the hiring process to screen potential candidates, they are a useful tool for developing employees and teams.

David Gross

Sam Garofalo

Hand Craft Services Inc. CEO Keith Nichols had used assessments over the past few years to profile certain staff members. But this past year was different. "I realized there was more I could be doing with this information," he says.

Nichols, based in Richmond, VA, had what he believed to be a dynamic group of people on his leadership team. Except, he says, "We weren't always acting as a team."

Dynamic and diverse personalities often led to communication breakdowns and competing agendas. "We were producing results, but at the expense of feeling good about each other and the team," he says.

Keith decided to put his entire leadership team through an assessment process. The results were enlightening. The first thing he found was that he did have a great team in place. All the different personalities and competencies were in the right functions.

The second thing he noticed was how inherently diverse the team was. Different values, behaviors, perspectives and communication styles contributed to the feeling that, at times, the team members were at cross-purposes. The team members went through a one-day workshop to understand their personal assessments, as well as the team dynamic. As a result, they were able to:

- Understand the unique perspectives and how these are valuable to the team.
- Clearly discern sources of conflict and how this difference of perception can be beneficial.
- Create a foundation for building team trust and communication.

Strategic applications

Of course, assessment tools aren't a panacea for all organizational issues. The information contained in them is only as good as what you do with it.

For example, a laundry in the Midwest went through a benchmarking process to create the template for a production manager. Unfortunately, when it was time to make a hiring decision, the owner of the company went against the advice provided in the benchmark and hired someone who didn't fit the behavioral criteria. Within a few months, the owner saw behaviors he didn't want—hesitancy, passivity and lack of initiative—which the new production manager's pre-employment assessment had predicted. After six months, the production manager was let go.

By paying attention to the criteria in the benchmark and waiting to find the right person for the job, that company could have saved itself six months of frustration, wasted training dollars and the costs associated with rehiring another manager.

The price of failing to benchmark can be high. Most business owners know the cost of turnover. Yet, there is something else that can be even more costly. Let's call it "stay-over." This is when the wrong person gets hired (or promoted) into a job. This employee is a mediocre performer at best, but not quite bad enough to fire. Over time, if this "stay-over" type fills many positions in a company, the impact can be devastating.

Knowledge isn't power. Only action taken as a result of accurate knowledge is power.

— Nancy Roberts

Assessment tools can be used to identify who the top performers in a position will be. They can help you hire and promote people to the right positions and guide you in their development. Having the right people in the right positions who are receiving the right kinds of training and development sounds like a formula for significant improvements in retention, productivity and profitability.

Now who wants to talk about pop psychology? ■

Nancy E. Roberts is a certified behavioral analyst and consultant to the laundry industry. She is the owner of Profiles Connect Inc. Contact her at 585/381-4551 or visit www.insightgps.com or profilesinsights@rochester.rr.com.