

# GETTING RECRUITMENT RIGHT: 3 STRATEGIES FOR SUCCESS

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The frenetic talent war combined with high costs of talent acquisition makes 'hiring right-fit candidates' a critical challenge for recruitment leaders today. According to a Manpower report, Indian employers report solid hiring intentions for the first quarter of 2018 - 24% of employers forecast an increase in staffing levels while 57% expect no change.<sup>1</sup>

In today's ultra-tight labour markets, the negative impact of a bad hire on the bottom line and the culture of a company is extremely critical. 65-70% of the cost structure of a business is typically payroll costs, and a bad hire results in substantial expenses without generating any value in return. The opportunity cost of a bad hire is especially high in revenue generating roles such as sales and customer success. In addition, a bad hire in a senior management or leadership role can easily upset organisational culture that typically takes years to build and transformed to perfection. Amidst the middle and lower level employees, a low performer can have a demoralising effect on the entire team. For start-ups or organisations that are structured like start-ups, lean teams make each employee's contribution critical, and a bad hire can mar the growth prospects of the company. Finally, a revolving door kind of situation where the management is constantly hiring and training, results in burnout.

**Here are three strategies to enhance the recruiting outcomes:**



“ The number of analytics job openings nearly doubled in 2017 – with over 50,000 open analytics positions in the country. ”

## **#1 Use assessments across the employee hiring cycle, starting early**

Even before HR managers develop job descriptions, they must define the key competencies they are looking for, in order to develop effective assessments. One way to do this is to examine the organisation and determine the key attributes of the most productive employees. By building a competency-based model for assessments, organisations can ensure that assessments measure qualities that are directly relevant to the job.

How early should HR deploy assessments in the hiring cycle? In our opinion, the earlier, the better. Even before a candidate applies for a job, screening tools can help sift through resumes and social profile data to identify potential candidates based on job and cultural fitment. Deploying a four step-process can further enhance results exponentially:

1) Develop assessments using job-related criteria to drive accuracy in shortlisting candidates for a given role, and eliminate unfit candidates based on job performance requirements.

2) Create a centralised candidate database and provide all stakeholders access to the database to improve the decision-making process.

3) Probe potential issues that come up during the hiring cycle based on assessment results – do this as early as possible to optimise the hiring process.

4) Finally, calibrate the assessment processes by mapping the assessment results with employee performance at pre-determined points across his/her lifecycle.

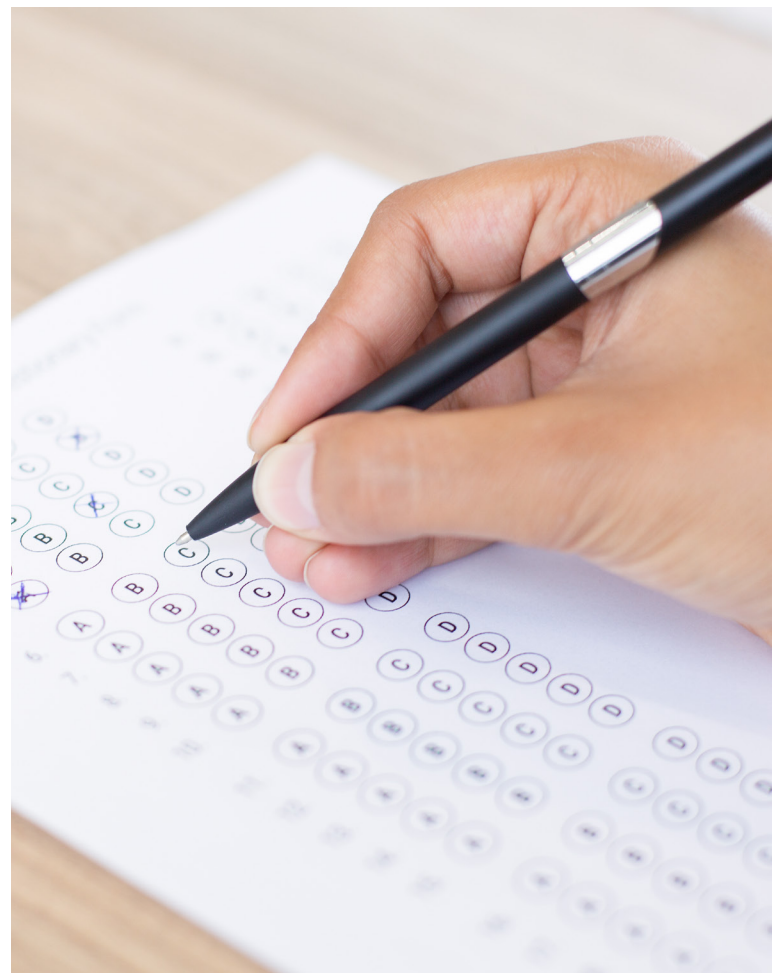
## # 2 Customize assessments across different types of recruitment

Different types of hiring require customized assessments to maximize outcomes:

**Campus hiring:** The need to physically recruit a large number of candidates onsite within a short period of time increases the risk of recruiting the wrong candidate. Objective assessments of culture and job fit are difficult to conduct in the onsite mass testing mode, leading to high turnover later on. Using an online assessment solution not only reduces time and costs of hiring, but also ensures better recruitment decisions. An advantage of this type of assessment is that recruiters can easily configure and administer a test – without involving line managers or subject matter experts. The flexibility of assessment also increases as recruiters can add multiple kinds of tests into one single assessment process. By generating results and evaluating candidates through analytics, recruiters can improve the quality and speed of decision-making.

**Case study:** A leading Indian bank introduced a flagship campus initiative – a game based evaluation round - in addition to group discussions and interviews during the hiring process at premium B-schools across India.<sup>2</sup> The bank's highly interactive gamification app helps evaluate key competencies of digitally savvy millennial candidates and is customized to align with the bank's core ethics including customer focus, quality focus and professional entrepreneurship. The next-gen assessment measures how candidates behave by taking into consideration every single decision the candidate makes during the game. It captures over 3,000 data-points in a 25-minute session, estimated to be 150 times more than a traditional assessment. The assessment also provides candidates with instant, easy to interpret feedback.

**Fresher recruitment:** As in the case of other types of hiring, an experienced assessment partner can help design highly scientific



assessments for specific requirements, while hiring freshers. Gamified assessments can help organisations quickly understand why they should hire a particular fresher and the kind of role that he/she should be hired for. Organisations can combine the knowledge of psychometric testing experts, statisticians, and subject matter experts with an online assessment solution to optimise testing.

**Real world impact:** A global FMCG giant recently overhauled its entry level candidate assessment process across 68 countries. The assessment is conducted in 15 languages using early stage brain games and AI.<sup>3</sup> Candidates are subjected to 12 neuroscience games for about 20 minutes. If their results match the required profiles of certain positions, they are then interviewed on another platform which records responses to pre-set interview questions. The technology, which is delivered through a smartphone or tablet, analyses key words, intonation, and body language. Candidates who clear these two stages then go through a day-in-the-life scenario at their office, at the end of which the manager makes the hiring decision. Using this approach, the FMCG company has been able to:

- Ensure more diverse hiring including higher numbers of ethnic minorities, employees drawn from wider economic strata of society, and better balancing across gender.
- Double the number of applications year-on-year within the first 90 days of posting.
- Reduce time to on-boarding to four weeks from four months, saving 50,000 hours of candidate time and reducing HR time spent on applications by 75%.

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- Increase rate of final round offers to candidates from 63% to 80%, and the acceptance rate from 64% to 82%.

**Lateral hiring:** Lateral hiring involves hiring professionals with prior work experience in the relevant field. It is important to gather accurate data about candidate personality types to ensure proper assimilation of lateral hires into the company. Even before starting the lateral hiring process, firms need to conduct a thorough needs assessment. This helps enterprises avoid short term decisions and ensure that lateral hires match the firm's strategic goals. Using psychometric assessments and personality tests, enterprises can match lateral hires with the right roles to ensure faster assimilation and retention. Behavioural assessments on how prospective employees tackle particular situations, based on their past experiences, provide deeper

insights. As with other roles, the use of an online and mobile-enabled assessment platform results in higher efficiency in lateral hiring to make optimal hiring decisions.

**Real world impact:** A large multi-national professional services firm, considers thousands of applications for every job posting. The consulting firm's recruitment process is divided into five parts, simplifying the process and reducing time and costs. It includes game-based psychometric assessments to weed out poor fit candidates.<sup>4</sup> Some of the areas tested through the psychometric tests include communication and problem solving skills, ability to achieve goals, career motivation, planning and organizational skills, and adaptability. The online assessments are then followed up with competency-based interviews and presentation exercises.

**Leadership recruitment:** Turnover at the executive level is extremely costly for any enterprise and also has the potential to severely damage the corporate brand. Robust succession planning is essential to business continuity and performance. Integrating assessments early into the hiring process helps predict if a candidate is the right fit for the role, while also indicating their potential for promotion and ability to take on more challenging responsibilities.

Well-designed personality and behavioural assessments help hiring managers understand how executive candidates make decisions by identifying the candidate's leadership and thinking style - in both formal and informal settings. A structured interview such as a behavioural event interview is ideal for senior executive level hiring. Enterprises can use the assessment centres of services providers to conduct executive hiring through a combination of behavioural assessments and interviews. Important criteria that a

comprehensive leadership assessment must measure include: emotional intelligence, contextual thinking, directional clarity, reciprocal communication, people empowerment, creative assimilation, and change orchestration.

**Real world impact:** Many businesses consider "integrity, the ability to communicate, confidence, commitment, and the delegation of tasks and responsibility" as important leadership traits. Behavioural and personality tests can help identify these skills and characteristics. It is, however, important for organisations select their psychometric instruments and tests that are aligned with their objectives. According to The Aberdeen Group, a review of over 250 international companies indicated that the use of objective recruitment assessment, such as psychometric tests, resulted in 47% improvement in hiring manager satisfaction and a 12% increase in revenue.<sup>5</sup>



### # 3 Optimise assessments for specific roles and responsibilities

Not all jobs are easy to fill and every job role requires a different approach to hiring. It is therefore important to customise assessments to specific roles. For instance, when hiring for sales roles, it is essential to look beyond the resumes of candidates, and use a thoroughly validated predictive assessment. Predictive assessments shorten the hiring cycle and get the most qualified candidate through the gate. By leveraging the data obtained in the assessment test, recruiters can further customise interview questions to ensure that the candidate does not provide canned answers. Effective assessment of sales candidates helps prioritise people who are able to engage customers in productive discussions and act as consultants to boost sales.

Customer service executives and personnel, on the other hand, should be assessed for their ability to deep-dive into the root cause of problems, make sound judgements, as well as communicate abstract concepts. The most critical attribute for candidates applying for customer service roles is - empathy - the ability to understand customer objectives even if there is lack of clarity in customer communication. Interview questions for customer service candidates should include hypothetical customer complaint scenarios to test candidates on-the-job problem solving skills.

**Real world impact:** A global hospitality major, had to recruit up to 5000 customer service executives a year worldwide with a system that didn't scale.<sup>6,7</sup> Their traditional customer service hiring assessment involved 100 questions and took in excess an hour to complete. With this assessment model, the HR managers were struggling to keep pace with hiring demand. More importantly, they had to ensure that customer services reps had the

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empathy, patience, and perseverance to make a tangible impact on customer experience and loyalty – key to driving demand, brand loyalty, and profitability.

They used a third party HRTech solution which combined the flexibility of an on-demand interview platform with data science and predictive analytics-based analysis of candidate performance. With the new assessment method, they were able to drive tangible recruitment benefits:

- achieved candidate net promoter score of 84.9
- slashed time to hire to just five days from 42 days
- improved candidate quality in terms of the required traits

#### Choosing the right online assessment tools: Best practices

Recruitment assessment tools span a wide-array of tests, including cognitive ability, behavioral, and personality. Flexible tools

provide customized tests for specific skills such as sales, software engineering, customer service, or data entry. How should businesses choose the best fit solution? Apart from cost considerations, here are a few questions to keep in mind when picking assessment software:

- **What do you want to test for?** Think about whether you want to test candidates for attributes such as intelligence, personality and reasoning. Or do you want to focus on testing for skills for particular roles?
- **Does it offer good user experience?** Good candidate experience is critical to building and strengthening the employer brand. Make sure the tests are easy to understand and complete to create a positive candidate experience.
- **Is the tool scientific?** The tool you choose should offer the capability to administer scientifically designed tests to ensure accurate and reliable results.
- **Can it be integrated with application tracking systems?** Assessment tools that can be easily integrated with application tracking systems can save significant time and effort.
- **How strong is its reporting capability?** Do you want basic software that tests candidates, evaluates answers and presents the results? Or do you prefer assessment tools with extensive reporting, analytics and recommendation capabilities?

- **Is it capable of scaling?** Is the tool geared to Indian conditions where the volume of candidate applications is significantly large? Can it scale to requirements?

### **Scientifically designed assessments: The path to better hiring outcomes**

Scientifically designed assessments are proven to improve candidate quality and recruitment efficiency by enabling data-rich interviews that thoroughly measure the strengths and weaknesses of candidates. They streamline the hiring process and build robust teams by increasing the chances of employees succeeding at their jobs. The result: superior business outcomes such as lower staff turnover, higher sales, and enhanced customer satisfaction.



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## About MeritTrac

MeritTrac is India's premier pure play testing & assessment services company providing innovative assessment services to leading Educational Institutions, Government organizations and corporate entities. Since inception in the year 2000, MeritTrac has garnered significant expertise in test research, test development, and test delivery & administration for computer based as well as pen and paper tests. Leveraging its rich experience and robust technology framework, MeritTrac has streamlined the examination process for a number of leading government bodies, educational institutions, examination boards, universities, and corporates. With a wide range of best of breed offerings, MeritTrac has successfully helped organizations automate the examination processes – from application form processing to test administration, including candidate authentication and digital evaluation of answer scripts.