

## **Behavioral Interviewing**

“People get hired for what they can do and fired for who they are.”

Employment turnover cost the US economy a trillion dollars last year. What is it costing your company? The estimated costs of a poor hire run from three to seven times a person’s salary. With stiff competition, costs rising and margins shrinking, no company can afford \$300,000 in poor hire losses. When I say costs of a mis-hire, I don’t only mean in the wrong hires’ salary, I am talking about the management and training hours eaten up, the dissatisfied customers, the compromised processes, and employee morale issues - it all adds up.

Have you ever hired someone who WOW’d you in the interview, had a great résumé, said all the right things, even got good references – all in all you had a great feeling about them – only to find out after they start the job that they made excuses for not achieving objectives; they had poor follow up skills, they compromised your company’s values and they were either unaware of how to, or simply unwilling to, turn their performance around?

On the other hand, have you ever hired someone who is just a gem? No batteries or in-depth training required, they come in and hit the ground running just because of who they are, what they value and how well they use their strengths. These people take virtually no ramp-up time, everyone loves to work with them, and you count your blessings every day they come to work because you feel really lucky to have them. Every one of us wants someone like the latter; they are often self-starters, quick thinkers and believe in being proactive. Given these two very different scenarios, the question becomes, “So how do I get more of the great matches, steer clear of the not so great ones, and improve my hiring batting average?”

When you are aware of the costs associated with bad hires, and you choose to turn that around, you are one step ahead of the game. Then, by choosing a solid system, obtaining thorough training, and again being committed to changing the ways you hire – along with a good old dose of patience and discipline – your company will soon be geared up to eliminate the rest and hire only the best.

Putting a systematic hiring process in place, using it systematically, holding people accountable for the activities and objectives of the system, as well as identifying the core values that the position and company requires, is the only way I have seen, read about, or experienced to obtain more of the second example type of employees. With only four full-time people, my company has often knocked results out of the park, and when I look at the competitors in my industry, many other firms need three to four more staff members than Alliance to produce what we produce in margin. This is due to my ability to say no to the wrong people, terminating early when I get duped, and my unwillingness to compromise my company’s core values and processes.

Knowing the core behaviors and values of the person you hire, allows you to look into the future and know who the employee will be on the job after the initial 6-month “honeymoon” is over. This shortens ramp-up time, increases productivity, reduces turnover and decreases costs. When creating a behavioral interviewing process, first and foremost hold your company values

and operating standards in the highest regard, and ask yourself and the management team, “What are the non-negotiable operating standards that must be met for us to maintain our reputation (for whatever you are known for, as it is different for every firm), be profitable and continue to deliver a high-quality service to our customers?” After that, very methodically and systematically verbalize and define the smart objectives, or Key Performance Indicators, required to achieve in the role. Then, drill down and ask yourself and the management team, “What are the day-to-day big-picture activities or core functions that this person will need to fully engage in to effectively achieve these objectives in the time frames we expect?” Once you have this knowledge and you are crystal clear about what you expect from this person, then it is time to determine who they need to be, what they have needed to have done in the past, and what the mandatory *walk in* skills and talents they need to have are.

The part of the search planning process that I find most rewarding and fun, heck I even charge my clients to provide this service for them, is the drill down process. This creative and strategic type of thinking has the hiring managers and the recruiter really discuss and debate about who a person REALLY needs to *be* to naturally perform at the level of competence the company needs and requires.

In the system Alliance uses, and Keen Hire developed, we use a model that encompasses the four main categories of behavior; and it delves into the candidates’ approaches to thinking and solving problems, modes of acting, styles of interacting and core motivations - all very important things when you consider how a person will go about doing their job. Consider if you have someone who is very money-motivated but does not have much commitment to service, does not build solid relationships, and does not really believe in your core values or value proposition – uh-oh, beware of customer retention. What if you hire someone with lots of passion, but no organizational skills or poor planning and delegating skills? This person can mess up a two car funeral. How about if you hire someone who is all about the quality, but has no discernment and is not proactive in their day to day activities? They will certainly spend many hours a day making sure things are right, but they won’t initiate any training to prevent the wrong things from happening again. Often these types of people feel victimized on the job and work long hours; not because they need to but because they don’t see any other way. I can go on and on; I have seen almost every goofy scenario and often experienced it. I wonder how some of these people make it in business, and then I understand that most of their bosses probably have the same issues, which is why American companies are in such deep doo-doo and the American work force is predicted by so many to be headed for trouble.

There are people everywhere that can and will do it better, cheaper and faster, and given the opportunity, they will. My 22-year staffing veteran’s philosophy is that we are the people supplying corporate America with their people – we need to not tolerate this craziness and ineffectiveness in the hiring process within our own firms. We need to ante-up our inside hiring practices so that we can deliver the same level of service on the outside. Frankly, our people need to be better than these mish-mashes of bad habits all rolled up into one person. Our people need to be exemplary models of what we say we do, otherwise there is no integrity in what we say we do.

Getting back to selecting better people: The next step is to facilitate a conversation between the key decision makers for this role about what the critical behaviors are that lead to success. Many times, taking a good look at the best performers, literally watching them operate on the job or having them in-depth behaviorally interviewed, will pull forth a magnitude of critical information about what right looks like. The biggest challenge that I find is that as soon as someone gets a glimpse of the power of this industrial psychology model, they want someone that has every great trait under the sun; then I need to remind them that there is no job that someone that powerful would apply for – they either already have their own company or they are a self-development Guru like Jack Canfield or Stephen Covey. I then need to coach them to pick only the most important traits. In the behavioral interviewing and industrial psychology industry, I have been told that the average trait selection is between six to nine traits per role, and when the role is the utmost senior level, then maybe 11 traits, at max. To narrow the gap of wanting everything, often further education or coaching makes all the difference. A thorough understanding of each trait, and what compliments and leads to other traits, can help narrow the list. For example: if someone is naturally proactive and has a desire to be the best in the work place, they will often develop a love for learning, and mastery will be a natural self-expression for them. Or if a person is proactive, loves to serve people and enjoys seeing people progress, they will often grow to become great developers of people.

Once you get flat on the six to nine or so traits that you are choosing, with at least one trait coming from each of the four main categories of behavior (thinking, acting, interacting and motivations), you are ready to choose which questions and answers best hone in on your company and position specification needs. The whole process of isolating the right traits, debating about it (I highly recommend that. I find that the best critical thinking is done in a group of 3-5 committed people with similar values, yet unique points of view.), and developing a behavioral questionnaire takes about three hours when you do the first one, and much less time after you get good at it.

The good news is that a solid behavioral interviewing system not only has behavioral traits, it has solid questions and real time answers with coaching tools to aid you in determining if your candidate's answers are an appropriate indication of them truly possessing that trait.

At Alliance HR Network we do Behavioral Interviewing for the following reason: Behaviors, more than experience, will predict success. Experience is only one dimension of a person's profile, and every company has a different infrastructure and a different set of operating practices and core values; one size certainly does not fit all. In all actuality, experience is very often the least predictive of a candidate's fit or success in the role or the company. Another reason we conduct behavioral interviewing is to capitalize on management's time; most companies spend 80% of their time trying to fix the bottom 20% of performers. This happens because companies are always behind the eight ball with hiring, managers are desperate to fill their open positions and quality suffers – and in the long run, so does the manager. It is much easier, rewarding, and lucrative to practice behavior selection versus behavior modification. Additionally, the purpose of any staffing process is to identify and choose those individuals who can deliver the behaviors needed to successfully perform in a given role, and we need to evaluate and select the whole person. Furthermore, we would rather hire slowly and fire quickly because hastily made hiring and promotion decisions usually lead to big problems later

and, predominantly, these problems could have been avoided had a deliberate, thorough process been followed upfront.

Yes, it seems like a lot of pre-planning time and preliminary work, and it is. The advantage is as a professional in the staffing and placement industry, understanding and possessing the ability to integrate behavioral interviewing with your recruitment process will not only leverage your personal service delivery power, it will increase your market share, your operating margin and decrease your headaches and misery. Even better news, when you get really good selecting your talent through a model like this, you can even recoup your training expenses and charge your client's companies for this level of consulting service. Isn't your future gain worth the investment?

Great Success to You

Margaret Graziano  
The 5% Factor  
Alliance HR/KeenHire