

How to Use Benchmarking to Avoid Hiring a “Horror Story”

Many times the team here at AssessSystems are asked by hiring managers if we can measure their top performers – they want us to create a benchmark, to supply them with a “blue print” of their best person to enable them to hire a “clone” of this person in the current hiring round.

By using the Prevue assessment it is easy to create benchmarks that factor in all of the personality traits, cognitive ability, motives and interests we see in our current performers. But when we start hiring people against this benchmark, we, not surprisingly, discover that everyone is a little bit different and it is difficult to find applicants who are a *perfect match* (90% to 95% job fit) to the benchmark.

Although we improve upon our hiring decisions, we haven’t hired a lot of “clones”. So – how do we take benchmarking (using the Prevue assessment tool) to the next level?

Take a moment and look at your existing employee base - divided them into three distinct groups:

THE TOP TOP PERFORMERS YOU WISH YOU COULD CLONE
MIDDLE OF THE PACK NOT IDEAL BUT CAN BE DEVELOPED
THE BOTTOM THE GROUP YOU WISH YOU HADN'T HIRED

Over the past 10 years, I have asked dozens of managers to rank their employees in this manner – the ratios may vary, but managers can definitely rank them without too much difficulty. The only thing that varies is how many end up in each group. I bet it’s 20/60/20 – 20% are top performers, 60% average and 20% you wish would disappear.

Now – ask one question in relation to this grouping: **What is your objective in the hiring process?** A vast majority of employers will answer – **to hire somebody in the top 20%** i.e. your top performers. Like – a no brainer – right. Well - No – I would argue that you should give equal time to insuring that you never again hire somebody in the bottom 20%.

Like most managers, I think you'd be quite prepared to coach and develop the 60% of people in the middle group, but instead are probably spending about 80% of your management time dealing with the bottom 20% - with no return.

Your new objective should be **never again hire** someone in the bottom 20%.

Many managers hire candidates who are not an ideal fit in order to meet their objectives of filling vacant positions with the best candidates they can find – usually the best of a bad bunch. It would be unrealistic to *always* wait until the *perfect fit* was found. Having said this, care needs to be taken that we don't make an accommodation that crosses over the line on one of our required behavioural attributes and, in fact, gives us someone who we know will not work out based upon our previous experiences. So what does that mean in relation to using the Prevue assessment and developing benchmarks?

Starts by identifying the **key issues** that you've had with the bottom group – create a profile(s) of problem employees who historically haven't succeeded in this job. In all likelihood, you will identify several common themes of behaviour.

If it's practical, test these poor performers as well as your top performers.

Armed with this insight, you can add new dimensions to your decision making around applicant suitability and:

1. Make more effective use of Prevue's critical hiring range (the red zones) on your benchmark to place more emphasis on the importance of those results thus putting more power in your cut-off score.
2. Better understand the significance of applicant results that fall off the benchmark.

You will now be armed with information on those variances from the benchmark that you can't live with. So – when you have less than an ideal fit (say 80%) to the desired benchmark, you now have much greater insight into what you can or cannot live with should you make the decision to hire.

Try this out the next time you are creating or reviewing a benchmark for a job and you will have taken the first step to improving your hiring process and never again hire someone in the bottom 20%. Oh – by the way, as time goes by and your workforce average performance goes up, you will still be able to segment the employees this way with each review of the benchmark – to give you the opportunity to continually improve the workforce as the requirements of the position evolve.

Moral to this story – don't take the first benchmark you develop for a position as the ultimate end game – keep raising the bar as your hiring results improve – in all likelihood the position will be redefined with changing expectations for performance as the position evolves and you increase the ratio of effective performers. You will always be able to divide your employees into three groups and raise the bar by defining a benchmark that identifies both the profile of your most effective performer as well as the characteristics you don't ever want to hire again.

Like to experience the benchmark building process?

Just email office@assess.co.nz and we will send you our Job Analysis Survey to complete. You'll get a comprehensive report on the attributes required to be successful for the analysed role.