

## Employer's Advantage

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*Getting to Know All About You*

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### **From Jim Sirbasku's Desk** *Getting to Know All About You*

One theme surfaces frequently these days in our presentations to leaders of organizations, and consumes those of us who are trying to help create best-practice companies that attract and retain top talent. That theme is, know your employees well, better than they know themselves.

Knowing an employee well is a key element of performance management, and we are stressing that heavily as we shed the traditional tools many organizations still use. These outdated tools include backward-looking employee appraisals that occur infrequently. Instead of that approach, we place our highest priority on coaching, a development-based strategy that looks forward by setting goals and establishing a plan to achieve them. This forward-looking kind of management asks coaching leaders to work with employees to set and reach their goals, after assuring they are aligned with the company mission.

A fundamental fact to acknowledge about this kind of coaching for performance is that although employees are alike in many key areas, they are different in significant ways. No single coaching/managing style fits all employees. This is a difficult idea for many managers to grasp, and it can be overwhelming if a conscientious manager believes he must memorize the names of his employees' children and spouses. While knowing all those names is a nice thing to do, it is not imperative. But getting to know employees is

an imperative, and it is less time-consuming and more enjoyable than playing the churn game – hiring employees for jobs they don't fit, leaving them to flounder, then replacing them six months or a year later and wondering what happened.

Let's use Fred as an example of someone we need to get to know. Through assessments, we already know that Fred has a high learning index and energy level, measures low on needing to control others or the situation, and high on manageability. What we do not know is whether the job we want Fred to do requires these competencies for successful performance. We also do not know:

- How Fred fits with the rest of the team.
- How Fred fits with his manager/coach.

Obviously, in addition to getting to know Fred's competencies, we have to comprehend fully what we want him to do and what makes people in that role successful. Knowing all of these things allows Fred's manager to form a coaching strategy that will close the gaps, if any, between his capabilities and job requirements.

Now let's look at the phrase "one size does not fit all" as it applies to managing people. Perhaps another way to say this is, don't generalize or make assumptions about people based on age, gender, ethnicity or any of the other qualities that make Fred appear similar to Joe. As similar as some employees appear to be, to presume that two women, two men, two young people or two people of the same ethnic origin will think and act like each other because they share some of the same traits is a foolish oversimplification. That kind of thinking ensures we will be mired in yesterday's management rut.

Here are some ideas about getting the right people into your organization from the start, then getting to know them:

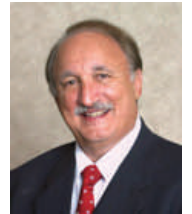
- **Know your organization's culture well enough to talk about it.** This includes the business strategy, the vision of top leaders, how employees view one another, and how workers treat each other.
- **Communicate with employees.** Go beyond regular meetings and memos. Take frequent walks through all departments.

Find out what is going on by talking to people. Figure out what they are thinking. How? Ask them.

- **Ask for feedback about resources and other critical issues.** Keep the channels of communication open and flowing freely.
- **If you want your employee rewards program to be effective, knowing your people is essential.** Instead of planning rewards around the CEO's interests and needs, find out what workers want. Special incentives should be tailored to recognize the person who performed well.
- **People change.** So do their job interests, their energy levels and their competencies. It's the coach's job to know them at every stage in their lives and to change the motivation program to match their changing skills and interests.
- **Know yourself.** It's much easier to understand other people if you get to know the inner you first, the things that make you tick, the job tasks that you enjoy and the ones that you do not, how you work with teams, and your compatibility with others.

In future issues of Profiles Advantage and in our white paper "Beyond Performance Appraisals," we focus on the five perspectives of the coach, including

- Does the employee fit in his/her current job?
- What motivates the employee in the job, and how will he or she respond to stressful situations?
- How compatible is the employee with the manager?
- How compatible is the employee with his/her work teams?
- How effective is the employee as a leader?



Jim Sirbasku, CEO  
Profiles International

**Assumptions are the termites of relationships.** - Henry Winkler, actor, director, author

## BOOK REVIEW: 'Perform or Perish' Is Theme of New Breakthrough Book



For purposes of THE BREAKTHROUGH IMPERATIVE, "breakthrough" as applied to general managers of organizations, means making progress fast. "Imperative" means suffer the consequences (termination of employment) if you do not.

Fast results apparently are the law now. Stakeholders have an expectation of new highs in performance. The average tenure of departing CEOs was about 10 years in 1999, versus about eight years in 2006, according to the authors. Furthermore, 40 percent of CEOs last about two years, they point out. The mantra of business today is no mistakes and no do-overs.

The authors are also consultants with a combined 50 years of experience who have been writing their insights for *Harvard Business Review* for years. They are Mark Gottfredson and Steve Schaubert, and they offer a solution to help topflight managers that follows a formula of diagnosis and planning that gets results.

Successful leaders, the authors discovered, have two traits that allow them to get where they are:

1. They understand the fundamental laws of business.
2. They can identify and follow a path to improved

performance based on an assessment of their organization's potential.

The authors' work is the result of interviews with more than 40 CEOs from both industry and the nonprofit sector. They offer four principles that leaders need to follow to realize the fast performance growth so desired today:

1. Costs and prices always decline
2. Competitive position determines options
3. Customers and profit pools don't stand still
4. Simplicity gets results

Mastery of this quartet of theories, they say, is the path to mastering great management and the foundation of management strategy.

*Gottfredson is a director of Bain & Company's office in Dallas, which he founded in 1990. He is the global head of Bain's Performance Improvement Practice. He is also a leader in the firm's business strategy, airline, manufacturing, and retailing practices. Steve Schaubert is a director in the Boston office. He joined the firm in 1979 and was elected to the partnership in 1980. Find out more about THE BREAKTHROUGH IMPERATIVE at [www.thebreakthroughimperative.com](http://www.thebreakthroughimperative.com).*

### ABOUT THE BOOK

THE BREAKTHROUGH IMPERATIVE: How the Best Managers Get Outstanding Results

Authors: Mark Gottfredson and Steve Schaubert

384 pages Publisher: Collins ISBN: 978-0061358142

## STRATEGIES FOR WINNING: The New Art of Hiring Smart\*

### Good People Grow Business

It's the best of times and the worst of times too – if people problems are coming between you and the commercial success that you see your peers enjoying. If you're either experiencing excessive staff turnover or finding that the people you're hiring simply don't fit in, use the following six steps, *The New Art of Hiring Smart*, to ensure that you get more of the people you need.

#### 1. Determine the Cost of Turnover

Take the annual salary for any job where you have excessive turnover, add a typical 30 percent for benefits, and calculate 25 percent of the total. That's the absolute minimum it costs you every time that position turns over. If you provide any other benefits or incur any other costs, it's actually much more. Multiply this figure by the number of times the position turns over. Do this for every job where you have turnover.

Scary, huh? Add other costs (agency fees, advertising, travel, etc.), training costs, lost production/opportunity cost while the position is empty, and morale costs. Now that we have your attention, let's do something about the problem.

#### 2. Identify Hiring Problems and Mistakes

Identify any part of your organization that's having people problems and find out what's causing them by:

- Asking your department and human resources managers why, in their opinion, these departments have turnover, why people quit, get fired, or become problematic.
- Conducting exit interviews. Ask each person who leaves what you could have done to help them succeed and to prevent them from leaving. Don't be fooled by "pay more money."
- Asking your top people what they like about their jobs and how you can make their jobs better – try to replicate whatever they like throughout the organization.
- Looking at the people doing the hiring, and asking them (or asking yourself): Do they need training? Do they have a system that works? Do they take hiring new people seriously?

#### 3. Recruit People Who Fit Your Jobs

**First, You Must Understand the Job and Develop a Competency-Based Job Description.**

It is critical that you document the competencies required by all of your jobs from a technical, educational, experience, and industrial know-how basis – otherwise, how can you know what you're looking for?

### Match People to Jobs

*Harvard Business Review* conducted a huge study – 360,000 people in 14 industries during a 20-year period – in an attempt to identify what made for job success. The study discovered the people are successful only when they are matched to their jobs. They must have the right level of learning abilities, have a motivational interest in the work, and their behavioral makeup or personality must equip them to do the job well.

You cannot get the information necessary to match people to jobs from candidates' resumes or from conventional interviews. The only way you can uncover this information is by formal assessment of candidates using assessments designed specifically for this task – you can find more information about this at: [www.personnelinsights.com](http://www.personnelinsights.com)

#### 4. Prospect Innovatively for Candidates

Consider additional sources you may not be using, such as:

- **Employee Bonus for Referrals of Candidates you Employ**
- **Physically or Mentally Disadvantaged & Senior Citizens**

The retired community is a rich source of motivated candidates for many empty positions.

- **Companies that Have Announced Cutbacks**

Contact the personnel and department managers in organizations announcing cutbacks and describe the candidate you are seeking.

- **Set Up Educational Relationships**

Find the universities, colleges or schools that support your industry through their curricula, and develop relationships with them.

#### 5. Prepare for and Conduct a Winning Interview

Preparing for an interview is just as important as the interview itself.

- **Review the Job Description**

In advance of the interview, clarify in your mind the job requirements, and the kind of competencies you expect to find in the person who will fill the job.

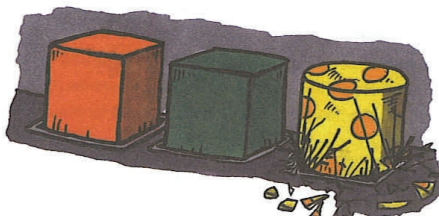
- **Develop Lead Questions**

Lead questions are based on the job description – designed to bring out answers that will lead to follow-up questions.

The interview itself has three parts:

- **The Open**

No candidate likes doing interviews – they are viewed simply as a necessary evil.



The Open has two objectives: first, to put the applicant at ease and build rapport. The better the rapport you create, the better the information you receive. Second, you want to set the agenda and timetable. Explain the sequence for the interview and approximately how long you will be together.

Your overall objectives for the Open are to create excitement about the job and put your candidate at ease.

- **The Body**

Ask your lead questions here. When doing so, think: *Can this person do the job?*

Has he or she the necessary qualifications, experience, and competencies that you know are necessary for success in the position? Do his learning abilities match those the job requires?

*Will this person do the job?*

If you are satisfied that the candidate has the qualities to do the job successfully, your next task is to ensure that he or she is motivated to be successful in the position. Is the nature of the work sufficiently motivating for him/her to ensure success? This can usually be determined only through assessment of the candidate's motivational interests, using assessments like The Profile (mentioned above). The purpose of the interview in this regard is then to probe any areas of concern uncovered by the assessment process.

*Will this person fit our corporate culture?*

Being capable and motivated to do the job well is sufficient only if you are confident that the candidate will also be a good fit to your company. Again, the extent of this match is best determined using a pre-interview assessment, with the interview providing an opportunity to probe any areas where the candidate seems to be a poor match to the position. Listen carefully and take notes. Later, review your notes and form your opinions.

- **The Close**

The Close is no less important than the two previous stages of the interview, allowing for both sides to summarize and agree on next steps.

In a book we highly recommend – *Hire with Your Head* by Lou Adler – there's a suggested closing statement that can be used with all candidates, especially those who will make the next cut:

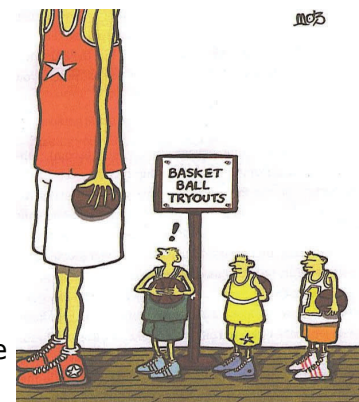
*"Although we're seeing other fine candidates, I personally think that you have a very fine background. We'll get back to you in a few days, but what are your thoughts about this new position?"*

This close creates a sense of competition and job

attractiveness, expresses sincere interest in the candidate, and allows the interviewer to gauge how much interest the candidate has in the position.

## 6. Continually Refine Your Practices

Books like Lou Adler's *Hire with Your Head*, and seminars and workshops on best-practice hiring, run by organizations like Profiles, will help you continually refine your skills in this area. Your local Profiles office can let you know what events are scheduled in your area (find your local representative by sending an email to [profiles@profilesinternational.com](mailto:profiles@profilesinternational.com)).



People are your most important asset. Shouldn't you invest at least as much effort in attracting, recruiting and retaining them as you invest in winning and retaining customers?

\* From the book *40 STRATEGIES FOR WINNING IN BUSINESS* by Bud Haney and Jim Sirbasku. © S&H Publishing Co., 5205 Lake Shore Drive, Waco, Texas 76710-1732. All rights reserved. Contact S&H Publishing Co., (254) 751-1644, for reprint permission.

**Always recognize that human individuals are ends, and do not use them as means to your end.**

- Immanuel Kant, philosopher

## **CASE STUDY: Increasing Sales, Reducing Turnover with the ProfileXT®**

Two case studies in a travel agency reveal how the agency or similar employers can save money in training budgets while enhancing sales performance, and reduce turnover as well.

The first study showed how the agency could increase sales by 349 percent per week. The second resulted in a reported savings of \$330,000 in hiring costs. Both results came from choosing candidates that best matched a job fit pattern using the ProfileXT®.

### **Study 1: Performance Issues**

The travel agency's first study covered a period of nine months. Its intent was to identify trends based on performance data and the relationship of the trends to the overall job match percentage on the ProfileXT. The study included 153 sales agents who had finished a trial employment period.

Using a job match pattern developed with the ProfileXT, the travel agency decided that 76 percent represented a good overall job match score. To arrive at the score, the agency chose top performers based on their weekly sales average. Ten of these top-ranked employees averaged 76 percent on overall job match, or competencies that travel agency managers wanted to see. Ten bottom performers averaged 69 percent. Sales for top performers averaged five times greater than for bottom performers.

Details included these:

- The top 10 sales agents' weekly sales average was \$2,648
- The bottom 10 sales agents' weekly average was \$482
- The difference between the two averages is \$2,166 weekly.
- For every dollar a bottom performer earned, a top performer earned \$5.50.

Using the overall match on the assessment, replacing a poor sales performer with a top sales performer would result in a sales increase of \$2,166 per week, or 349 percent.

### **Study 2: Turnover Issues**

The travel agency's turnover study covered a period of 12 months and included 181 sales agents. Managers gathered turnover rates throughout the study period. Before the study began, turnover was 28 percent.

Managers developed a job match pattern using the ProfileXT and found 60 top performers with a job match percentage of 75 or greater. They matched the results of the entire group of 181 workers against the pattern, and then used the same pattern in the employee selection process. At the end of the study period, turnover had dropped from 28 percent to 16 percent.

Details included these:

- Reduction in turnover: 43 percent
- Average cost of hiring: \$15,000
- Cost of 28 percent turnover (51 people times \$15,000): \$765,000
- Cost of 16 percent turnover (29 people times \$15,000): \$435,000
- Savings: \$330,000 in reduced hiring costs.

During the study period, the agency hired 181 new employees. Twenty-nine left, reducing the turnover rate from 28 percent to 16 percent and giving the agency the \$330,000 in savings.

### **Summary**

In both areas of study, the job match pattern proved to be a valid and reliable means of selection and retention.

## **10 WAYS TO COACH BY EXAMPLE**

1. Envision good performance and communicate your vision.
2. Don't just nod your head; *listen* to your direct reports.
3. Don't ask employees to do something you are not willing to do yourself.
4. Treat everyone with fairness.
5. Recognize and reward exceptional performance.
6. Never assume; always ask.
7. Say please and thank you.
8. Under-promise and over-deliver.
9. Leave the frown behind when you enter the office door.
10. Keep your sense of humor in good repair.

## PRODUCT FOCUS: ProfileXT® Coaching Report: First, Envision What You Want

Great coaches have a way of envisioning what they want to see and then communicating the information in a way their players understand. Great leaders in business can be great coaches, too. One tool that many have found effective is the coaching report offered as part of the ProfileXT® system.

To see how the coaching report works, we will use the assessment given to Mary Sample. First, a little background. Managers gave Ms. Sample the ProfileXT to assess, among other things, her thinking style, behavioral traits, and interests. Managers also gave top performers already in the position Ms. Sample is interested in the same assessment to determine how they scored in these areas. Leaders then used their scores as a benchmark for other candidates.

What happens if Ms. Sample scores below the job pattern rank of top performers in the position she wants? If her score is low in only one or two areas, the coach must recognize that Ms. Sample needs help developing in certain areas. The ProfileXT coaching report helps by giving him detailed information on how to coach her to get the performance he wants.

For example:

In one area, verbal reasoning, Ms. Sample scores below the designated numerical profile that top performers reached. The appropriate range on a 10-point scale is between 5 and 7, and Ms. Sample scored a 4. This means that her ability to solve verbal problems is below what the position typically requires. Perhaps her score indicates that she will have a problem efficiently processing communications. These are the steps a coach could take to help her develop in this area:

- Keep instructions simple and direct.
- Watch her as she solves problems and offer help when necessary.
- Make sure she understands verbal information by asking her to repeat the information in her own words.

Review the information she writes and ask questions to ensure understanding. If clarity is lacking, show/tell her where.

Second example: Ms. Sample scored a 5 in manageability, when top performers for the position scored in the 6-9 range. Does that mean her manager is not capable of managing her? Not necessarily, especially if the manager has a coaching report. The lower score suggests that her willingness to follow standard procedures is less than the position normally requires. The coach should have a discussion with her to find out her potential frustration points.

Other steps to take:

- Clarify the options available for her behavior and the specific consequences of her choices.
- Spend one-on-one time with her, especially if she appears confrontational about authority. Stress the importance of her compliance with authority and a willingness to facilitate as a group leader.
- Reward compliance with opportunities to express her freedom in other areas.

These are only two examples in which coaching can help develop an employee, reduce turnover, and increase productivity. That's because the technologically advanced ProfileXT allows managers to see the total person, including reasoning styles, occupational interests and behavioral traits.

The most valuable feature of the ProfileXT may be its job match function, which allows managers to analyze a person's job-related attributes and compare them to the qualities required to perform successfully in a particular job. In this way, the ProfileXT fine-tunes the process of putting the right people in the right jobs.

Coaches who can envision what they want but need a little help putting that vision into action will find the ProfileXT to be a reliable aid. Call Profile Strategies at (800) 406-0087, to stay on top of your game.

***Profile Strategies***

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