



## **How Not To Hire Turkeys**

Methodologies for recruiting right every time

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## Introduction

I recently researched CEOs and business leaders of small and large companies and asked just them just one question:

**“What is the single biggest factor that you believe will inhibit your sustained profitable growth into the future?”**

Close to 40% said that it was people - the recruitment, motivation and retention of people that was the biggest factor.

I see many, many businesses during one year and I am simply amazed how many people still use 'traditional' methods to recruit - maybe a couple of interviews, nothing more – together with a great reliance on the content of the CV and on references.

The generally accepted wisdom is that by using these methods you are likely to get it right just two times in five, i.e. a 60% failure rate!

Is there anywhere else in your business where you would accept that degree of failure?

You don't have to if you follow my proven methodology.

## Contents

<b>One</b>	Why Change What You're Doing Now? The Cost of 'Traditional' Recruitment Methods	3
<b>Two</b>	Let's Get Specific: How to Make Sure You Get Round Pegs in Round Holes	5
<b>Three</b>	Finding the Candidates for the Job	12
<b>Four</b>	The Selection Process	16
<b>Five</b>	Smaller Businesses Can Recruit to Win Too!	27
<b>Six</b>	The Final Details	30
<b>Seven</b>	The Summary	32

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## ONE

# Why Change What You're Doing Now? The Cost of 'Traditional' Recruitment Methods

As the 'CEO expert', many people know me as someone who focuses on the profitable growth of businesses, from the smallest size up to the largest corporate. This is what I talk about in my speeches, what I run workshops on and what I focus on with my clients when working with them as a business advisor or a non-executive director.

So you may be wondering why I'm getting involved in something like recruitment.

Earlier this year I did a piece of research. I spoke to chief executives, managing director owners – in other words, business leaders – from all sizes of business and I asked them just one question:

“What is the one biggest challenge to getting sustained profitable growth in your business?”

The results I got were surprising and, frankly, fascinating.

Out of all the responses I got, a staggering 37% said that it was people that were going to inhibit that sustained profitable growth. It was the recruitment, motivation and retention of people, above all else that was important.

On that basis alone it seems to me that it is something really worth addressing. However, there's another reason.

Let's look at the classic wisdom on recruitment. The majority of businesses currently use what we might term 'traditional methods' of recruiting. By that I mean a couple of interviews, one with the line manager and perhaps another, shorter one with the line manager's boss. Using these methods, it is generally accepted today that we get it right two out of five times.

In other words you get it right 40% of the time and 60% is wastage. Isn't that an extraordinary state of affairs?

In what other part of your business would you accept that sort of a success rate? If you were a manufacturing business would you accept a yield of 40%? With 60% wastage? In your accounts would you be happy that 60% of your debts become bad debts? Of course you wouldn't! There is no area of your business in which you would accept that level of failure. Because it is failure isn't it? But we live with it.

But we don't have to live with it. I believe if there is any method – and I believe there are many of them – by which you can improve that success rate then it must be worth it.

There has been some work done in America on the actual cost of these generally accepted recruitment results. Depending on the type of position it was estimated that the cost of getting it wrong could be something like four or five times that person's annual salary. That is a horrendous amount of money!

People say to me sometimes, "Well you know, if I use more sophisticated methods of recruiting it's going to cost me a lot."

Let me tell you, that sure as eggs are eggs it's not going to cost you anything like what it's costing you today using these traditional methods.

So let's get going and start to look at how you can make a vast improvement in your recruitment practices to save you time and money and get the right people for the job.

## TWO

### Let's Get Specific: How to Make Sure you Get Round Pegs in Round Holes

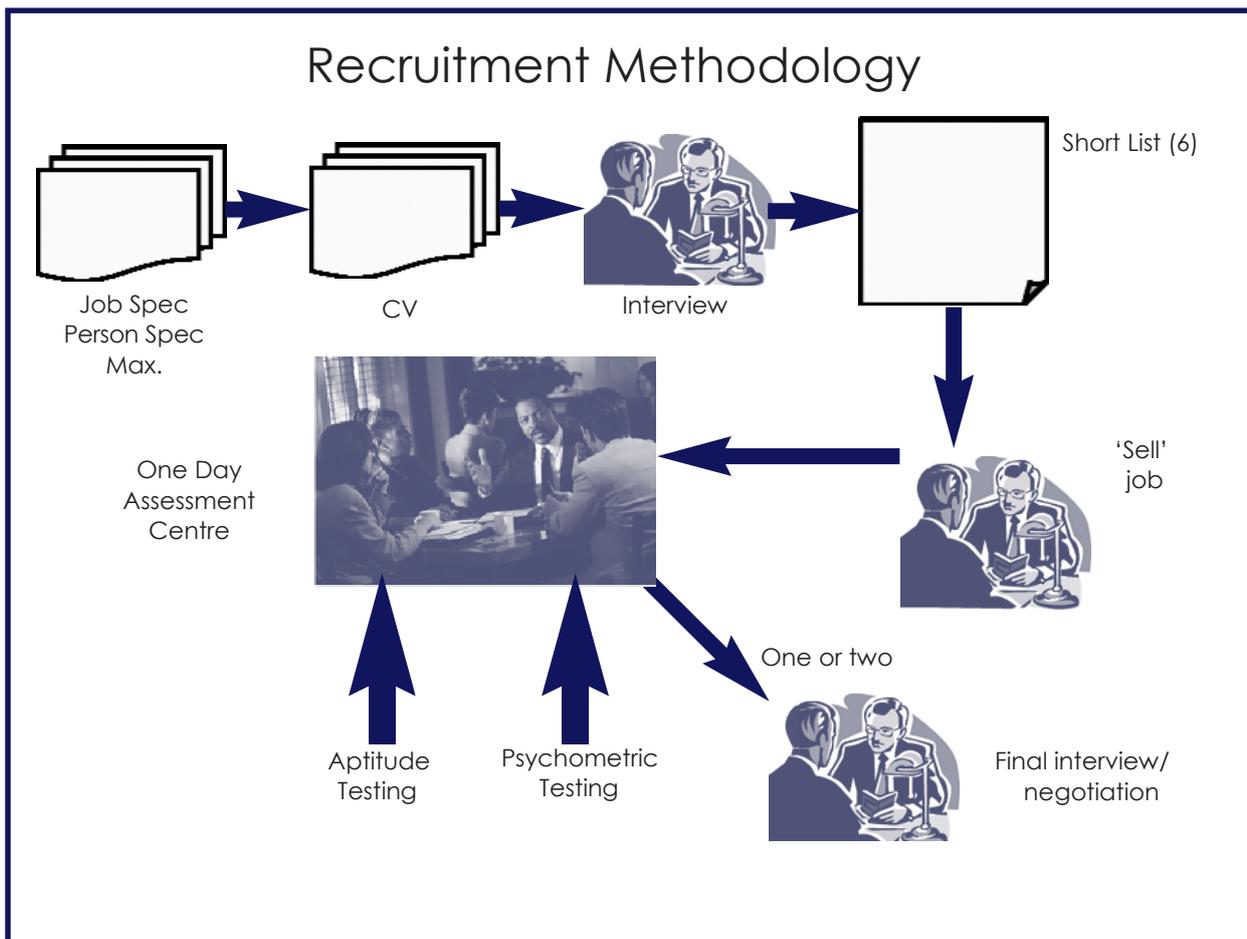
To get started you need to focus on getting the right people for the job – fitting round pegs in round holes, or square pegs in square holes, depending upon your requirements.

So the first thing you need to do is define the 'hole' or the job that you want them to do. And a very important discipline to adopt is to write all this down.

Sometimes people in smaller businesses say to me, "Well I really can't define the job like that. I might ask this person to do all kinds of things." It's true that you might, but in that case write that down.

**Roger's Golden Rule #1**  
**People need clear accountability and responsibility.**

It doesn't matter where people are in the organization, they need to know the box they are working in. They need to know exactly what parameters they are going to be judged by. If they have this knowledge, they will perform better and you will get what you need from them. So it is important that they know exactly what their accountability and responsibility is.



**Job Specification**

Write down the answers to the following questions, keeping in mind that you are describing the job, not the person.

**What is the job title?**

I recommend that you keep this as generic as possible. The more you give people titles that are definitive the more difficulties you may be making for yourself. For example, the title, "manufacturing operative" will leave you with more flexibility than "person responsible for supervising the filter line". And this works the same at higher levels too - the wider you can keep the definition of the position the better.

**Who will the employee report to?**

In my experience this is often not made clear. People need to know who their boss is. Who is the person who is going to exercise that first judgement on how

they're doing? Who can they go to for advice, guidance, help, mentoring, etc? Who is their boss?

### ***Who is going to work for them?***

Who are their subordinates, if any?

### ***Who are their peers?***

Who will they spend most of their time working alongside and interacting with?

### ***What are your expectations of the job?***

Focus here on your expectations for this job in a dynamic sense. Where do you expect the job to go?

Take, for example, a scenario in which you are recruiting a salesman or sales manager. You may say "We expect sales to increase in that region from x to y over the next two or three years." Or you may want to define that even more closely, for example, "We expect the job to include the development of prospects and the acquisition of new customers, as well as the growth of business from existing customers". You might add that you expect the person to do some form of marketing intelligence work for you, to find out what's going on overall in that marketplace.

Think about these things. Think about the ideal person doing that job and what you would expect them to give you and write it down. You can still of course include a phrase such as "This job can be as big as you want to make it." Then you will make it clear that if the employee wants to expand into other areas that will be something you are open to. You are not trying to inhibit people by writing down this job specification, but it is important for everyone that your minimum expectations are made clear from the outset.

## **Person Specification**

You then need to create a person specification. Again, it is extremely important to write this down.

It is common knowledge that before you go to an auction you must decide on your walk-away price. The reason for this is because you can get sucked in by

the emotion of the moment. I believe it's very similar with recruiting. And I'm not just talking about the money here. You are going to be dealing with a real person sitting in front of you. And because of the person sitting in front of you it is highly likely that you will compromise on your definition of the person you want for the job. And that may not be the right thing to do. If you haven't written it down you may compromise unconsciously. If you've written it down, any compromise you make you will make consciously and that's fine. You will know that you've made that compromise.

Answer the following questions to create your person specification:

***What qualifications does the person need?***

Define the qualifications that are needed. Once again, try and leave this as wide and open as possible.

Many companies that I go into will make statements such as:

“We're different, we're specialists.”

“You've really got to be a physics expert.”

“You've got to know the recruitment industry inside out before you can do this job.”

“You've really got to have a degree in sociology to be able to do this job.”

I would always question those statements. I am currently involved in recruiting a sales and marketing director for a chemical engineering company based in the UK. In this case we have said that the person needs a degree in science. We haven't said a degree in chemistry or a degree in chemical engineering, which might well have been our first inclination. With a degree in science we know that the person will have an empathy with the type of product we're dealing with. They don't actually need to have an academic background in that specific discipline.

Also, think about whether it is really essential that the person is a graduate? If it isn't then say so.

***How many years experience should the person have and what precisely should that experience be?***

You may find that you then need to think about these two questions and how they may have a bearing on each other. Is there a circumstance where you would be happy with a highly qualified person who hasn't got more than a couple of years experience? Conversely, would you compromise on the qualification if you found someone who has done the job for 20 or 30 years? Think about that and be clear on this before you get near any candidate.

***What behavioural competences do you require in this person?***

These are definitions of the type of skills and the type of person that you need for this particular job. These are not technical skills. There are a number of behavioural competences, some examples of which follow:

- Commercial awareness
- Initiative
- Communication
- Leadership
- Teamwork
- Vision
- Management control
- Impact
- Decisiveness
- Problem analysis
- Creativity

And there are more...

The number you need to look at will depend largely on the type of person you are looking for. Essentially, the more you can define the better. I suggest you select nine or ten of these definitions that describe the person you're looking for and then highlight six of these as being absolutely key to the job. Ideally, later on in the process, you will want to assess the candidates you have against those behavioural competences that you've defined as a requirement for the position.

***Is the person's current location important?***

Do you want to only look at people who live currently within a certain distance of the company? For some positions, like manufacturing or clerical positions, you may want to define this by saying, for example, that you expect them to live within 20 miles of the company. For higher up positions you may be prepared to pay for the cost of moving people, in which case you don't need to put any limits on geography.

**Financial Package**

You should by now have a job specification and a person specification. The final document you need to prepare is the description of the financial package.

Again, it is important that you write down what you are going to pay. Write down as much information as you can and make some decisions now about what you are prepared to do and what you are not. The more you think these things through in advance, the easier things will be. Certainly when you're sitting with a candidate it impresses them if you've thought about all these things in advance and you're able to give a clear cut response to their questions.

***What is the range of the base salary?******Will there be a bonus and if so, on what sort of basis will this work?***

Will you give a guarantee in the first year/six months? Be specific about the conditions of the bonus.

***What are the other benefits that go with the package?***

Is there a pension scheme; car allowance; golf club membership; clothing allowance; any other benefits?

In the case of someone needing to relocate are you prepared to pay the total cost of their move or some part of their costs?

## Roger's Golden Rule #2

**Don't leave the financial package to your HR or your personnel department.**

Your HR or Personnel Department, or HR consultant will be able to advise you and they can give all the information about standard benefits and so on. However, the fundamental responsibility for setting these definitions must rest with the line manager. He or she **must** see it as a fundamental part of their job.

You should now have a written specification for the job you wish to fill, the person who you want to fill it and the rewards you're going to offer that person. Now you need to find yourself some candidates.

## THREE

### Finding the Candidates for the Job

How do we go about finding the candidates for the job?

#### Advertising – the shot gun approach

At one end of the scale you can place advertisements for the job. There are many types of advertising:

- National newspaper
- Trade mags
- Local newspapers
- Local radio
- TV
- Bulletin boards on the internet

Advertising is a perfectly reasonable method of recruiting and finding candidates. It is of course a shotgun approach. There will be many people seeing or hearing your advertisement who aren't in the slightest bit interested and indeed are not targets for you. However, what it can do is to bring out people you might not find by other efforts.

#### **Roger's Golden Rule #3**

**If you're going to advertise have the experts write the advert.**

Have your marketing department write the advert. If you don't have a marketing department but you have an outside agent, get them to do it for you. If you have neither, employ someone to write the advert for you. It's no different to any other form of advertising. Imagine - it is likely that the ideal candidate is probably very happy in the job he or she is doing at the moment.

They may have been there for some time and they may have very slightly itchy feet. Your advertisement needs to compel them to respond, to take action. You could waste a considerable amount of money advertising unless you use the professionals to write the copy.

So many times when I say this people look at me as if I'm a Martian! It never crossed their minds! Their HR department writes their adverts for them. Have a look at these ads from the potential candidate's point of view. Does the company sound interesting? Is the advertisement sexy, exciting? Does it sound as if they really want you? Does it sound as if you're going to be working in a winning team? Does it sound as if you're going to be working with people who are interesting to work with? Does it sound as if there are opportunities for growth and development?

The truth is that if it doesn't do these things you're not going to get much of a response. So use the experts to write and prepare the advertisement.

So what are the pros and cons of advertising?

### **Pros**

Advertising may well produce candidates you won't come across any other way.

It may be cheaper than paying the cost of a recruitment expert. Having said that, it isn't necessarily that much cheaper in my experience.

You have the advantage that only you are exercising judgement on the people that apply. You know the company, you know the job, you know what you are looking for better than anybody else. You have complete control over the choice of which applicants you see.

### **Cons**

You will be receiving every single application and these will have to be filtered by you, which can be time consuming. You may find that up to 80% of applications will not be compliant with what you're looking for.

## **Headhunting – the rifle shot approach**

Headhunting is a more focused approach – the rifle shot as opposed to the shotgun approach of advertising at the other end of the scale. Using a headhunter will probably mean that you know quite categorically where the ideal candidate is going to come from. They're likely to come from a certain company or industry. They are likely to be doing a specific job today. You may indeed know the name of someone you'd like to target. This is where a headhunter would operate. They would take all that information that you have and ring up people who are in this specific job today and say "I think you ought to be interested in this job". Headhunters would not generally be looking at people who are unemployed, although they may occasionally look at a databank. Most of the time, however, they are used by companies to tap a particular individual on the shoulder to say "Come and join us".

You may well ask, "Why can't I just do that myself?". The first answer is that in some countries it is illegal to do it yourself. In fact in some countries headhunting is illegal anyway, so check on that first! Secondly, you will find that people are flattered to be approached by a headhunter. It makes them feel important, and indeed they can respond to and ask questions of a headhunter differently from the way they can respond to you merely ringing them up.

A headhunter will generally charge approximately 30% of an annual salary, perhaps more. In selecting your headhunter, again you need to be very careful because they tend to specialise by industry. This varies from country to country, but in most countries there are directories you can look at to get some advice on headhunters and their specialisms. Also don't forget to ask around. There's nothing like hearing that someone has done a good job in your particular field.

## **Recruitment Consultants and Agencies**

In between the two ends of the spectrum – advertising and headhunting – you have a number of options. There are a number of different types of recruitment consultants and agencies offering a variety of levels of service.

### ***Recruitment consultant or agency that doesn't interview***

These consultants or agents will take your specification and use it to trawl their own database. They will use their own advertising, do internet searches –

whatever mechanism they use they will come up with CVs for you that they believe match your requirements. This is a route I personally favour.

How many applications can you expect to get using this type of consultant?

Recently, I was recruiting a key account manager and we received 28 applications that were fairly compliant. From these I got a short list of 10 or 12 that I actually interviewed. Equally I recruited a finance director for another client a year ago and in that case I had more; about 40 applications that came through that were broadly speaking compliant.

This level of service will cost roughly 15% of first year's salary.

### ***Recruitment consultant or agency that interviews***

These consultants or agencies will also search for candidates by whatever means they can. Some of them may say that they will actually headhunt, but most of their searches will be done through databases and advertising. They will then interview candidates themselves and will guarantee a short list of whatever number you have agreed upon. Because you can leave all of this to them this level of service means the minimum amount of effort for you. There is a lot to be said for this approach and it can work well. However, my experience is that there is a danger that these people don't always understand the job as well as you might like so you don't always get the best possible candidates.

This level of service will cost you more. In the UK it will be perhaps 20% of the first year's salary or perhaps north of that.

### ***Recruitment agent and headhunter***

These agents will use all methods. They will advertise if you pay for it, they will headhunt, they will use databases and they will interview to get you your short list. For this service you will tend to pay something in the region of 25% of the first year's salary.

Whichever of these options you choose, for any position, you should be getting yourself a good number of people for your list of candidates.

## FOUR

### The Selection Process

First of all I'd like to outline the overall programme leading through to selection. There are four stages to the process.

- **Initial interviews** or some other mechanism to get down to a shortlist of between four and six. Interview the candidates yourself or use a recruitment consultant or headhunter.
- **Selling the job to the candidates** on a visit to your premises to meet you and the person they will report to. They will spend half a day with you in order for you to sell the job to them. This is often something that's missed, but they need to be convinced the company and the boss are right for them.
- **An assessment centre**, which will take place over a full day and is an objective method of selecting candidates.
- **Wash up interview with chosen candidate**, including a discussion with their new boss and clearing up any queries that have come up from the assessment centre. Or it may be simply negotiating and offering the job.

#### ***Prior to the initial interview***

You've now got a list of candidates. You've got CVs of people who, broadly speaking fit the specifications you laid down. The next stage is to decide how many of these people you want to see face to face. From there you will make a second cut down to a shorter list. I suggest that if you're looking for a short list of between four and six you need to have initial interviews with about ten to twelve. Your shortlisted candidates will then attend an assessment centre.

Prior to the initial interview you need to sort out the logistics. Your final shortlist of four or six people will need to be available for the assessment centre, so you will have to give them plenty of notice. Telephone or email them asking them to come forward for a first interview, letting them know that if they are shortlisted they will be expected to have a specific date available for the assessment centre.

### ***Initial interviews***

Be clear what your endgame is here. These interviews are not to find the person for the job, but to find your four or six for the assessment centre. At this interview I would not spend time going through people's CVs or getting them to tell me what they've done in the past. I would be trying to find out what sort of person they are. Are they the right sort of person to be considered for the position? I'd be asking them some pretty provocative questions related to the job so that I could make a judgement about whether they have the sort of competencies we are looking for. Are they are the right sort of person for the job?

Let me give you an example. I mentioned earlier that I was involved in the recruitment of a key account manager for one of my clients. During the initial interviews, I gave the candidates a scenario along the following lines:

We have heard from an external source that one of our key account customers has placed business with someone else. If this is true it will mean that we will no longer get the traditional amount of business from that customer. How would you handle this situation?

Once you have presented a scenario such as this to the candidate, you then need to close your mouth and listen. This is very important - there needs to be a lot of listening. The interviewer is not there to do the talking. The candidate is there so that you can hear what they have to say. Give them time. Wait.

In this scenario, I wanted to see how they would approach this sort of situation, who they would talk to and how they would establish the truth of the matter or otherwise. Also, I wanted to see how they would report the matter internally, how they would decide what they would tell their boss and when, and how they would decide who else to involve within the company. I wanted to be in a position to judge whether the candidate understood, intuitively or otherwise, how to handle key account management.

Also during this interview, you may have other probing questions based on their CV. You may have spotted some limitations, conflicts, discrepancies or whatever.

At some point you need to be doing a bit of a selling job on the company and the position. You will need to explain what the position is and who they will

report to. Also tell them a bit about the background of the company as well as its future. It's a good idea to show some enthusiasm about the position and hopefully begin to get the candidate excited about it.

So the two things you want to achieve here are that first, the candidate continues to want the job and second, you are making your first selection down to a shortlist of, say, six people.

I would expect this first interview to be very relaxed, not necessarily on site and probably to last a couple of hours.

### ***Selling the job to the candidates***

The next stage is all about selling the job to the shortlisted candidates. You should set up a programme for them to spend ideally half a day at the company with the person they will be reporting to. They should be shown around the company, be introduced to people and be allowed to ask as many questions as possible. This part of the process is about convincing them that they really want to go for this job.

Obviously there may be some questions that you have for them as well, but principally this is about giving them the information they want.

One of the reasons that you're doing this is that assessment centres can be viewed as being a little cold. Also they are often held offsite so this day at your premises is essential.

### ***Assessment centre***

At this point I'd like to remind you of the poor results we now generally accept using classic recruitment techniques of a couple of interviews. Using these techniques you will only get it right two out of five times. Every third person you recruit will leave or you will have them leave you because they are not right for the job. So any possible method for improving that performance is worth doing.

One of the key vehicles for improving these results is the assessment centre. There are many different types of assessment centre and I'm going to describe the one that I find the most effective in getting the success rate as high as possible.

Linked to the assessment centre, I would also use some other mechanisms for evaluation. These provide useful information that is secondary. You may find you need to use it in certain circumstances, such as when you've got a dead heat and you want to evaluate between two candidates.

I would use psychometric testing. There are many types of psychometric testing and they all have their merits, but I particularly value 16PF, accompanied by Belbin Team Roles Primary and Secondary. Assuming this person is going into a team you would be making some evaluation of the ideal Belbin team role on the job specification.

If you would like to explore Belbin Team Roles further, this is covered comprehensively in my Staying in the Helicopter half day workshop, which is available from [www.theceoexperts.com](http://www.theceoexperts.com)

I would also have candidates complete aptitude tests. These are normally verbal reasoning, numerical reasoning and diagrammatic reasoning and the results of these are set against a peer group appropriate to the job.

Plan logistically exactly when these tests are going to take place. In all cases they have to be carried out by a fully qualified practitioner.

Returning to the assessment centre proper, the one that I recommend is a one-day event. Generally speaking you would expect the candidates to come in the night before and indeed that may be when you run the secondary tests that I've just referred to. The day of assessment will probably run from about 8.30 in the morning until about 5 in the afternoon.

During the day, candidates will typically carry out four or five exercises of one sort or another, probably half of which will be individual exercises where they are working on their own, and then reporting back or giving a presentation to an assessor or assessors. The other half are joint exercises where all the candidates are together and they are being evaluated in a situation together.

Now I can already hear some eyebrows being raised at this. I have had situations, and indeed in the US in particular, where I've had candidates refuse to do this, saying "I'm not going to sit down with other candidates, that's not acceptable." In those situations I would have to tell the candidate that they will

not be considered. If a candidate really wants the position I believe it is perfectly reasonable to ask them to go through a day of assessment and that that does involve meeting the other candidates.

You might find the occasional candidate may raise the problem of confidentiality. They may not want people to know that they're attending the assessment centre and that's perfectly reasonable. In fact it is something that we make absolutely clear to candidates from the beginning that their attendance is confidential.

For the assessment centre, I favour using an outside facilitator who is completely neutral and remains objective throughout the day. I have found over the years that Bourton Group ([www.bourton.co.uk](http://www.bourton.co.uk)) are excellent at this. They have some very good exercises in their library and they manage the whole operation impeccably for you. Of course there are many other organizations that could do this for you.

The facilitator runs the day and sets up the agenda for the day to make sure it all operates smoothly. He or she handles the administration of the day, which can be quite complex. It is important to find someone with a cool head who is not actually involved in the selection process.

You will also need assessors. As a general rule I would operate on a 2:1 candidates/assessors basis. So for your six candidates you will need three or four assessors. They will need to be trained in how to be wholly objective and this will usually mean half a day's training that is usually conducted by the facilitator. In each of the exercises, they will have been nominated candidates to look at. They will make an evaluation against the particular competencies you are looking for – the competencies that you've recorded in the job specification. The exercises will have been carefully constructed in order to facilitate evaluation of those competencies.

They will use a marking system that scores from 0 to 5 with 3 being either a 3+ or a 3-. Generally speaking, 3 is an acceptable performance, 5 is an exceptional one. 0 means that the assessor can't see anything to evaluate. Occasionally you find that people stay silent, in which case an assessor would have to give them a 0.

Who should your assessors be? They should **not** be peer group members of the job that you are selecting. They should be at least from the next level up, maybe from the one above that. I would certainly expect you, as the chief executive, to be involved.

The assessor's job is not to get involved in the process, not to have eye contact with the candidates and not to show emotional feelings. They need to adopt a neutral position in order to evaluate the candidates objectively. This is all explained to the candidates at the beginning of the day.

There are many exercises that you might run through and here are a few examples.

#### Project planning exercise

You might start with a group session with all six candidates sitting around a table. Each candidate is given a list consisting of 23 parts of the planning of a project. They are asked to spend ten minutes on their own to put the items into the correct order for an effective project plan. Then they are given 20 minutes to discuss together in a group and to agree the order the list should be in. Assessors will be sitting at some distance and will each have been assigned one or two candidates. They are looking for particular competences. Any number of things may happen in this situation. You will find people who keep silent and do nothing, people who try to take over, others who will try to assert their will, others that won't. A lot can be gleaned just from this one simple exercise.

Importantly, at the end of this exercise you also have the paperwork. From this you can see the listing that the person prepared and you will be able to compare it with the listing that was agreed by the group. From this you can see how much each person stuck by his guns or was flexible. Of course, there is also a school solution that you can compare the results to.

Similar exercises may involve a form of role playing. The candidates may be given a company situation together with a brief. They may be sitting around a boardroom table or in a management meeting and they have to get their view across and agree a joint way forward.

As far as individual assignments are concerned, these again are many and various and really will depend on the job and the competencies you are

looking for. To give you one example, if you were looking for a person who can keep many balls in the air – like a haulage company scheduler or a materials manager for a factory you might suggest a scenario like this:

“You have a plumbing business and you employ three or four plumbers. The background and the competencies of each plumber are given in the attached sheet.”

“Here is your planned work schedule for the week. However, a school has rung and they’ve got a leaking tank and at the same time one of your plumbers has rung in sick and the VAT inspector wants to visit you today [etc., etc.]”

“Please schedule the work on the attached work matrix – giving reasons for scheduling it in the way you have.”

When they are, perhaps 20 minutes into scheduling that out, the facilitator can say

“Right there’s an emergency call from an old people’s home where there is a major leak and people are at risk – please reschedule urgently.”

The completed matrix plus the questions you will ask at the end will very clearly tell you whether this candidate is able to cope with many balls in the air and with change.

At the assessment centre you do put candidates under a fair amount of pressure during the day. They don’t have much time to themselves and one of the other evaluations that is likely to emerge is a view of their staying power. It’s not unusual to find a person who’s very sparky in the morning and yet come the middle of the afternoon all their energy is gone ... and they just don’t have the staying power. And that will tell you something that you need to evaluate against the competencies in the job that you’re trying to fill.

There are two other projects or exercises that you always have in the assessment centre.

### Structured interview

The structured interview may take half to three quarters of an hour and is carried out by one of the assessors who will have a number of predefined, very probing questions. Every candidate will be asked the same questions.

For example:

“Tell me about the biggest success you had in your last job.”

“Tell me about the single item that in retrospect you wish you would have done better in your last job.”

Each of the questions is pre-prepared and relates specifically to the competencies that you have defined in that job specification. So, for example, if you are looking for change management as a particular quality in the individual then there will be a section on that.

### Business case scenario

In most cases you will also have a bespoke activity designed specifically for the job you are seeking to fill. For more senior jobs this is often a business case scenario that you give to the candidate to consider. You will ask them to give a presentation at the assessment centre of their views, analysis and opinions on the information they've been given. Often you will send the information to the candidate a week before so they have time to prepare their presentation for the day.

I mentioned earlier that I was searching for a finance director last year. For this particular section of the assessment centre, we had a set of accounts prepared. This had been sent to the candidates a week before the event. We asked the candidates to review these accounts and, as part of the assessment centre, to make a presentation as if it was to the board, on their evaluation from these accounts of the position of the company and the recommended future actions you believe that need to be taken.

The candidates would therefore be attending the assessment centre fully prepared to present back to one or two assessors and to answer questions. By doing this you are giving the candidates a scenario that is absolutely relevant to the job and as close to reality as possible.

In conclusion, I'd like to address those of you who still may have some doubts about assessment centres.

I've been involved in assessment centres in many, many companies of all kinds of sizes. Generally speaking chief executives or managing directors can

be fairly sceptical beforehand about them. Often they can't see the cost and the time involvement are really worth it. Frequently, they are rather nervous about putting candidates together.

One chief executive I was working with, Richard Evans, was really sceptical. He said to me, "Look I've done that first interview. I know who's going to get the job, I absolutely know it. He's head and shoulders above the rest. But okay, we'll go through it." And very interestingly, that particular person was quite a star - at the beginning of the day. But he was one of those people who didn't have the staying power and he really did crash and burn. By the middle of the afternoon he was just blown out. He was hardly getting involved in anything and he was clearly taking some erroneous decisions. There were two others who came through strongly throughout the day who, when we had our wash up session, were clearly a head and shoulders above this guy. And that evening Richard said to me "Roger, I've got to apologise, you were absolutely right. If I had employed that guy this morning it would have been a mistake, without question, and he probably would have gone within six months. I am now wholly convinced that the assessment centre process is the right way to go."

### **Wash-up session**

Okay, so our day is over. These candidates have been put under a lot of pressure and a lot of stress. Again, I don't apologise for that at all. What do we get? Throughout the day, assessors have been giving marks of 1 to 5 against particular competences for each of the candidates in each of the situations. When all the candidates have gone and the facilitator has completed his or her work in putting all the figures together, you have a wash up session.

I always find this fascinating.

For each candidate a matrix is put up – often on an overhead projector on an acetate sheet. This matrix shows each of the projects they've done during the day, together with the assessors' marking against specific competences. You will also have information about their 16 PF, their Belbin profile and their scoring on verbal, numerical and diagrammatic reasoning. All the information will be up on this one sheet in front of you.

For the vast majority of candidates you will see instantly that every one of the assessors has come up with a similar view in different circumstances of a

particular competency. There will be marks of 2 and 1 and 0 and the occasional 3 minus and you can see so clearly where the problems with a particular candidate lie.

Sometimes there is a mark that stands out. In that case the facilitator will ask the assessor to explain why it seems inconsistent with what other people have said. This sort of evaluation often provides more information that helps you make your judgement. This process is gone through one candidate at a time. Be prepared for this to take time. There have been occasions where we've still been doing this at 11 and 12 at night. Occasionally it's a lot quicker because it's so clear.

Put simply and being rather brutal about it, those candidates with an average below 3 really haven't made the grade. Don't compromise at this point, even if you find all of your candidates have an average marking of below 3. None of them are up to the job and you will need to start the whole process again. Whatever you do, don't compromise. Don't tell yourself that you just can't wait any more, that you're desperate for this person. If you do, you'll find yourself back to the success rate we talked about at the beginning of this book.

Don't despair! This rarely happens in my experience. Often you will find that there is one candidate who absolutely stands out and it's as clear as day in front of you on the matrix. Or there may be two. What you're doing in this assessment is not selecting 'the candidate', you are selecting the candidate or candidates who get over the bar - those who meet the criteria we have set. So you may have a couple that come through and that's fine.

To choose between the two, you might then start looking at the PF and the Belbin profile to see if you can differentiate between them on that basis. It may be that this individual is going into a team where you know that ideally you are looking for a Completer/Finisher. If you were to have a look at the two candidates and find that one has a strong Completer/Finisher rating and the other does not – perhaps they have a strong Creative rating - then you might decide to choose the first one. Or you may look at their diagrammatic or verbal reasoning and find, for example, that one candidate's verbal reasoning is really below par. And if this was a sales job, which really does require a lot of verbal reasoning, that may help you to choose the other candidate. If in doubt, bring

both candidates forward for the next stage of the process, bearing in mind any deficiencies or anomalies that may have emerged from the assessment centre.

Finally, the one or two candidates come forward now to a meeting with the person who will be their boss. He or she will probe any areas that need it and make a final choice if there is more than one candidate. At this point they will make the job offer. It is best not to delay the decision any longer; it's already been a very long process. Make the decision there and then and offer the person the position, giving them the terms of the job and ideally negotiating the details and shaking hands on that same day.

Congratulations! You've got your new employee.

You've gone through a process that is wholly objective, that puts people into a position relative to the job they have to do. You have involved a number of people in the assessment process and you have used various methods of testing to supplement that. The results of this, without exception, are that your success rate will be considerably better than the 40% that you might have achieved using the traditional interview routes.

## FIVE

### Smaller Businesses Can Recruit to Win Too!

Many smaller business may feel that they can't afford the assessment centre. Typically a day's assessment centre, excluding the cost of internal assessors' time and so on, could cost you \$12-13000 and this will probably be on top of fees you're paying a recruitment consultant or for advertising. I would say that **every time** the payback is very quick indeed. But if you are a very small business and you don't feel you can afford it, there are still elements you can take out of this.

The most important element is the structured interview, which you can still do with a number of candidates.

Also, the 'business case scenario' mentioned on page \* is a useful tool that anyone can use. If you present the candidates with a scenario to look at in advance and you ask them to present their views back to you - that's as close as you can get to putting them into a situation that is like the job. Think about it for a moment. If you're recruiting, let's say, a sales person, you want to know whether they can sell or not! How are you going to judge that? Is it good enough just to take references, ask previous employers? Surely it's much better if you can put them in a genuine selling situation in front of you so that you can evaluate how they go about doing it.

Here is an example of a business case scenario that I sent to each of the candidates for the job of key account manager one week before the interviews:

"The company's, and your, largest customer account is Fulcrum Industries – a UK based major multi-national company principally supplying the defence industry worldwide with the MOD being a major Client.

The Fulcrum Division with whom we generally deal supplies bio detection and other systems to military and civil defence clients and have traditionally incorporated our sensors in systems supplied by them.

These sensors utilise laser light scattering technology whereas US competitive equipment uses fluorescence technology. We are in the advanced stages of developing our next generation sensors incorporating both technologies.

In discussions with Fulcrum in the past you have always been advised that they would be interested in such products and would purchase them from us but that in the longer term (5+ years) they believed another embryonic technology would overtake both and it was this on which they were focussing their efforts.

You have just returned home from a visit to a Government research organisation with whom we have close relations and have been told confidentially by one of your contacts that she has heard that Fulcrum have placed a development contract with an outside firm of consultants to develop a fluorescence sensor for them."

If true the consequences might, of course, be extremely serious for us. You have a Management Meeting starting at 9am the next day.

Please prepare a 15 minute presentation to that meeting outlining the situation, the potential risks to the business and your recommended plan of action (with timings).

Your presentation will be followed by up to 10 minutes of questions.

There will be a white board, flip chart and LCD projector available."

You can do the same thing with almost any job position, including financial people. The first time I gave a candidate for an accountant's job a set of accounts and asked him to evaluate them he was shocked! He said "I've never been asked to do that before." That amazes me! It seems so obvious doesn't it? Just because they've got letters after their name, doesn't mean they can do the job you want them to do. You need to see how they put across the information that they've gleaned and the analysis they've done from those figures.

Some time ago, I was recruiting a managing director for an Indian company and we went through an assessment. Only recently, I met with the successful candidate, Achu Achuthan, who reminded me of the process we went through. He said, "I've never told you this before, but I had two other job offers, which were both more attractive than yours in terms of remuneration and prospects. But I was so impressed with the process that you went through to

select me – that's the main reason why I joined you and your company. Because it seemed to me so professional and so much the right thing to do and indeed it's what I have adopted ever since in terms of recruiting people."

## SIX

### The Final Details

That's about it, except for the final details and a last golden rule.

#### **Roger's Golden Rule #4**

**Make your job offer subject to references and a medical (physical)**

#### **References**

These days, I seem to be regularly rung up by potential new employers asking for a reference. Often these callers ask me all about the person but then say, "Well she's joining us on Monday". And I feel like saying, "Well why are you talking to me then? You're actually telling me that what I say is wholly unimportant, because this person is actually joining you on Monday!"

Please, if you're going to take references, mean it! Make the job contingent on the references. Or don't! One or the other! I think it should be contingent on the references. You need to say to the individual, "This job is subject to satisfactory references being taken by me". Also, please do take them over the telephone. I really don't think a written reference is worth the paper its written on these days, because people are reluctant to put down anything negative at all on paper in case it comes back and bites them. If you telephone people you can hear the nuances, perhaps you will hear the hesitation before they answer a question. And ask probing questions. Ask, "What was their strength? What was their biggest weakness when they worked for you? Ask those sorts of questions and make a real evaluation. And once you've taken all the references and you are satisfied, write to the candidate and say, "We have now received satisfactory references and the offer is unconditional."

## **Medical/physical**

I would also recommend that the job should be contingent on a medical or physical as it is known in the States. It is possible that you might find that your candidate has got some major illness that even he or she doesn't know about. And if that means major surgery and the person is going to be out of action for the next 9 months you may feel that makes a difference. You may not want to confirm the offer to them.

Equally you may, but it's a decision that you need to make consciously - with the information in front of you. It doesn't matter what the job is, the job offer should be subject to satisfactory references and a medical/physical examination.

## **Probationary period**

Employment legislation varies around the world and you do of course have to comply with your own legislation. However, no matter what the position is, try in some way to include in the contract some form of probationary period, whether it's for three or six months. At the end of that period of time you will be able to confirm or not that the job goes ahead. This is just affording you some protection, some insurance. If during that period, for whatever reason it isn't working, you can get out with a minimum of consequences.

## **Contracts**

Here again the legal obligations will vary from country to country. However, you do need a contract. A contract needs to be quite simple – get the lawyers involved as little as possible. It needs to state what you are expecting from that candidate, what they should expect from you and what happens in the event of a dispute. Those are the key ingredients. It may merely be a letter, in which case send two copies, one of which they should sign and return to you. You will then have a binding contract between you. Or you may have a formal written contract that is signed by both parties and witnessed, etc. But please don't ignore the formalities. They are important no matter what the size of the business, no matter what the circumstances. You really don't know what's around the corner and that document may be very important indeed.

# SEVEN

## The Summary

Define what the job is. Decide upon the hole you want the peg to fit and create the job description.

Define the peg. Be clear about who you are looking for (person specification) and what you will be rewarding them with (financial package).

Go through the best possible process to make sure you have the right person for the job.

### Four stages

- Refine initial candidates down to a first shortlist of a dozen people to meet and interview;
- Make a second shortlist of between four and six who will go through to the
- Full one day assessment centre and testing programme;
- A final interview, discussion with line manager and job offer.

Of course with recruitment at this level there is a significant investment of time and money. But if you go through this process I guarantee you are recruiting to win.

I guarantee you will see consequences that have a bearing on the sustained profitable growth of your business, which is I think what each of us is seeking to achieve.

### Conclusion

My plea to all CEOs and business leaders is, therefore, to get in your helicopter and ask yourself the question :

**“Can there be anything more important to the sustained profitable growth of your business than recruiting right?”**

And if there isn't then please listen to your HR people and invest enough of your time and finance into the methodologies you've just been through to ensure that you recruit right every time!

## **Biography: Roger Harrop BSc(Hons), CEng,**

### **FIMechE, FCIM, FInstIB, FPSA**

Roger is an Accredited SME Business Advisor,  
former plc CEO, author, international speaker,



non-executive director, mentor and consultant focused on sustained profitable growth.

He has extensive experience across a broad spectrum of businesses - from small start-ups to large multinational corporations; from high tech manufactured products through basic commodities, to people-based-services businesses.

Roger spent seven years as Group Chief Executive of a fully quoted, high tech industrial instrumentation group with twelve operations over three continents. The company was listed in the UK Government's 'Competitiveness' White Paper and gained a reference in the US Forbes magazine as one of the top 100 'small' overseas companies and has been used as a benchmark case study by two business schools on Culture Change and Business Re-Engineering. He has run businesses for major multi-national companies and has been a tutor with one of the leading leadership and teambuilding programmes for over 20 years.

Roger is a Fellow of The Institute for Independent Business, a Speaker of the Year with The Academy for Chief Executives, a Member of Faculty of the Institute for Management Studies, a former Vice-President of The Institution of Mechanical Engineers, a Liveryman with The Worshipful Company of Marketors and a member of the board of the Professional Speakers Association. He is a trained assessor and coach, and is on the chairman panel with a number of private equity houses.

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## Can we help you?

Here are some of the things that people say:

**“Roger, we have seen a sustained increase in revenues and profits as a direct result of attending your workshop. Thankyou !” Martin Mulligan, CEO, Martin Mulligan Group Limited**

**“Experienced! Authentic! Articulate! Roger wowed the crowd in Singapore and it was a pleasure to work with a truly professional individual!” Dave Rogers, Director, XL Results Foundation**

**“It is no coincidence that the Group’s dramatic improvement in performance, over the past 18 months, relates directly to Roger’s association with us. His informed detached views, delivered in a supportive manner were key to assembling a high performance top team, and setting a deliverable strategy for the Group.” Ian McKernan, Chairman, Molecular Products Group plc.**