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In this issue:

- Call Centers & Customer Service
- Call Center scams
- What happened to strategic HR?
- Reducing HR workload
- Learning to do it better!

CALL CENTER SCAMS: WARNING

A recent Google Internet search took 0.4 seconds to return about 4 million hits on the words "call center scams".

Wipro Spectramind learned the hard way that employees with less than ideal levels of integrity devised illegal schemes to make extra money at the company's customer service facilities. The lesson is clear and extends across industries and geographical locations. It is much less expensive to conduct pre-hire integrity and reliability screening of prospective employees than it is to suffer the consequences post-hire!

WE ALL RUN CALL CENTERS – CUSTOMER SERVICE ISSUES

To some extent most businesses function as customer service call centers. Where else will customers go for service when face-to-face contact is not feasible?

The success or failure of customer service delivery in any size organization depends on people. All of the information technology and all of the rigorous procedures in the world cannot convince callers that someone genuinely cares about their issues and concerns.

Statistics concerning customers who change from established business relationships to new ones are startling. 67% of customers who started new business relationships report that they were "satisfied" with their old ones. 85% of all "satisfied" customers indicate that they would be willing to try a new supplier. Why would *satisfied* customers *leave*?

In a majority of cases it is because at least once, they have experienced poor customer service. As businesses grow and customer bases expand, we face constant erosion in the personal relationships that form the foun-

ation for customer loyalty. Where the business has grown to the point of instituting a call center, the chances are minimal that any customer will speak to the same representative more than

once in the lifetime of the business relationship. Given the trend toward facelessness, the only real hope of conveying trust, empathy, courtesy and concern for the needs of customers lies in finding employees who consistently exhibit those characteristics themselves.

Employees must also be able to communicate verbal and numerical concepts effectively with customers. In addition, they must understand and espouse the company's customer service philosophy and culture, and deliver services within those parameters.

To precisely assess these characteristics, Profiles International has developed the Customer Service Perspective™. If your organization depends on a quality level of customer service, begin by hiring individuals who have the "right



stuff," i.e., the traits, skills, and understanding necessary for them to be top performers in your organization's environment. By combining an assessment instrument that incorporates the well-established concept of "job fit" with a tool designed to measure an employee's alignment with your company's customer service philosophy, you increase the chances that new employees will deliver the levels of customer service you strive to achieve. At the same time, existing employees can be assessed and coached to ensure that the entire team is focused on exemplary levels of customer service. You will immediately and dramatically increase in your employees the level of awareness and level of service necessary to reap the benefits of customer loyalty.

THE HR DILEMMA: HOW CAN I BE STRATEGIC, IF I NEED TO PROCESS ALL THESE TRANSACTIONS?

WHAT HAPPENED TO STRATEGIC HR?

HR Departments in most companies have been hard hit due to the economy driven cutbacks of the past few years. An eight person HR staff in an 850-employee company may have been pared back to one or two employees, while the single HR person in a 100-employee business may have vanished altogether. Yet another scenario is where HR departments have been disbanded, and the HR job functions are assigned to other positions within the organization.

Effects of these cutbacks may not be readily apparent. One symptom, however, is immediately evident - the

surviving HR employees are overloaded. They are overwhelmed with transactions including reviewing applications, conducting interviews, addressing employee complaints, and preparing paperwork for benefits enrollment. The list is endless! Transaction processing always seems to rise to the top of the priorities list as most are time-critical. The failure to meet deadlines can detrimentally affect employees and financially impact an organization.

Many times, strategic initiatives like designing a more efficient and cost effective hiring system, developing employees' leadership and

management skills, and tracking and improving performance and productivity are delayed. The immediate effects and costs associated with the delay of strategic initiatives are not obvious. Over time, however, the lost opportunities *will* impact the bottom line. A balance between processing necessary transactions and the development of strategic initiatives will pay huge dividends in the long run and impact long-term viability of an organization. Businesses will be healthier and more profitable in an increasingly competitive world.

REDUCING THE INTERVIEW WORKLOAD

Traditional hiring systems (application, interview, reference checks, selection) are notoriously ineffective in producing quality hires. Not as obvious is the amount of valuable time and productive energy that is wasted on outdated hiring systems. A recent survey of over 100 businesses recently produced enlightening results. Each new hire required interviewing between three and ten candidates, the number of interviews per candidate varied from one to four, and each interview required from one to four managers' participation.

Choosing low to mid-range numbers from each of these responses (5 candidates, 2 interviews, 2 managers per interview), and assuming that a minimum of 30 minutes is consumed in preparing, scheduling, and performing each interview, an astounding ten hours is consumed in a single selection! Considering the additional amount of time expended in reviewing

résumés, checking references, and verifying past employment, it's probably safe to say that the process cost the organization a minimum of \$500 while preventing several valuable employees from engaging in more productive tasks. If that number does not get your attention, consider that researchers say traditional hiring processes have only a one in eight chance (12.5%) of producing a top performer that will still be with the organization a year after hire.

Compare that system with a strategic hiring system that incorporates assessments designed to increase the quality and quantity of information available to decision makers. Assuming that there are enough applications, and that the organization does not use the "fog the mirror" selection method, a choice may be made not to interview the bottom third (or half, or two-thirds) of the applicants. Richer inter-

views will result by using the assessment information in concert with the traditional sources of information (application, reference checks, etc.). Using all of these resources, research indicates that the odds of obtaining that elusive top performer who will stay with the organization long enough to turn a profit increase to three out of four (75%). Managers are able to reclaim about half of that wasted time! In a recent demonstration of a strategic hiring system based on the ProfileXT™, an organization was able to expand its sales force by 40 representatives in less than 60 days in order to take advantage of the release of a new product. Nine months later, 86% of the new hires are still employed with the company, and 81% of those still selling are producing at greater than 100% of their sales quota! (Full case study to follow in another issue – watch for it!)

Using assessments in addition to traditional information sources increases the odds (to three out of four) that you will obtain that elusive top performer who will stay with the company long enough to make it profitable.

PROGRESSIVE IMPROVEMENT IN HIRING SUCCESS – LEARNING TO DO IT BETTER!

A medium-sized hotel sits of the banks of a beautiful river in a metropolitan area of about 250,000 people. It has earned the reputation as a leader in its market for over 15 years. The hotel houses a fine dining restaurant and extensive meeting and banquet facilities. It enjoys a good relationship with the nearby university and major local manufacturers who regularly lodge their clients and guests and hold their meetings at the hotel.

Unfortunately, the people side of the operation was a bit more troublesome than was apparent to the casual observer. The new hire – failure rate exceeded 85%, with 74% of those new hires failing in less than six months. In fact, 50% left voluntarily or were fired within the first 60 days.

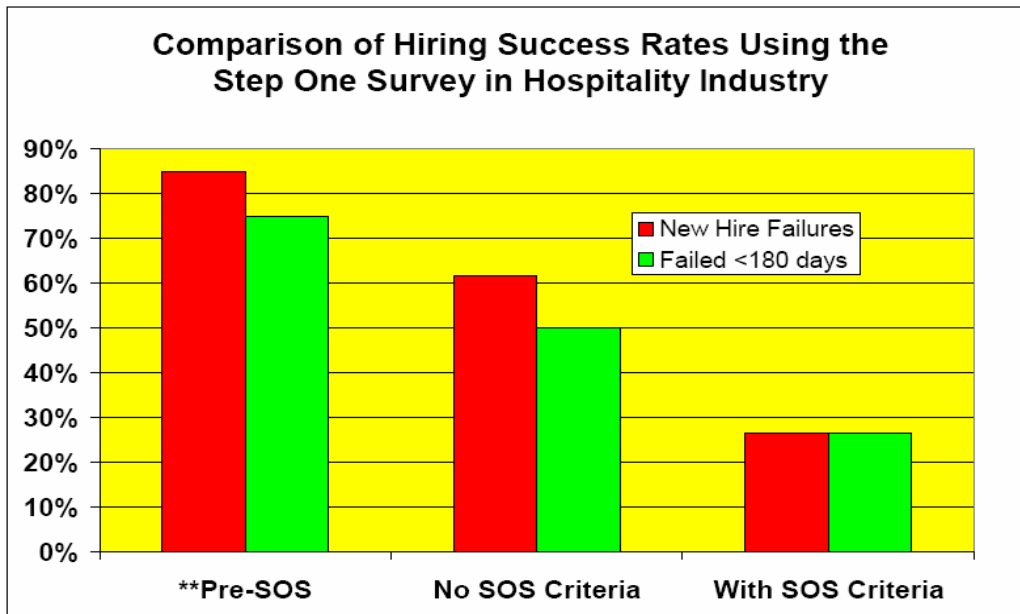
Early in 2002, management at the hotel began using the Step One Survey™ in their hiring proc-

ess. Management used the SOS reports to guide the interview process and used assessment scores as a guide for hiring decisions. Occasionally the hiring team occasionally decided to hire individuals whose patterns of scores were in the low range, when offset by a good reference from a previous employer, or a personal relationship with a hotel employee. This process resulted in a reduction in the new hire – failure rate to 62%, while the rate of six-month failures dropped to 50%. While the reduction was certainly a positive effect, and the cost-benefit ratio was a favorable number, the hotel felt that continued improvement was possible with a more systematic approach, and their Profiles representative agreed. The data from the first year was analyzed, and criteria for hiring was established based on the data. In order to be considered for hire, an applicant could not

have a distortion score below four, or any two scale scores below four. History evidenced that applicants that fell below the criteria were 40% more likely to fail than applicants above that level.

The graph below illustrates the outcome. When the criteria scoring approach was combined with the SOS interview tools, the hotel reduced new hire failures to 26% (well below the industry average), with virtually all of the failures occurring in the first six months of employment. An analysis of the new data illustrated that another adjustment of the criteria could be accomplished within the limits of the applicant pool and still allow the hotel to fill jobs as necessary. This new criteria (no single score below four) is expected to further reduce the new hire – failure rate to about 19%. Cost-benefit ratios for the assessment program are now about 1:38, and improving!

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***"A prudent question
is one-half
of wisdom."***

- Sir Francis Bacon



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