



# **Table Of Contents**

- 01 Introduction
- 02 Current Environment
- 04 Retention Is Key
- 05 Four Crucial Tips
- 07 Re-evaluate Your Process
- 07 Summary



- Next they did a job evaluation to assess how and where the job fitted into the organizational structure. Pay and conditions were established - especially compared with other jobs.
- Then Ads were created and posted. Applicants applied.
- Applicants were filtered through skills tests, reference checks, maybe personality and IQ tests. Short lists were established for interviews so as to learn more about them as people.

#### Introduction

As the economy in Australia starts its tentative recovery from the stresses of what 2020 delivered, one thing is certain – businesses are going to engage in more hiring of staff than at any time in the past. They'll have to if they are going to be able to keep pace with growing demand and not lose ground to their competitors.

They will never have spent as much money doing it, and, unfortunately for a lot of them, they will have never done a worse job of it!

To explain that last statement we need to, first of all, take a look back in time.....

For the post–World War II era (the era of lifetime employment), corporations filled roughly 90% of their vacancies through promotions and lateral assignments. Then, in the early 1970s, That started to change and the larger corporations went about hiring this way:

Those responsible for personnel (to become Human Resources over time) prepared a detailed job analysis to determine what tasks the job required and the attributes a candidate should have in order to perform the job at a satisfactory level.

The process was time consuming and expensive and not that accurate – many successful applicants lasted only a short time before they were terminated, left or moved on, ready for the whole process to start over.

Today the figure for internal promotions and lateral assignments is 30% or less. When they hire from outside, organizations don't have to pay to completely train and develop their employees as most of that has been done through previous employers (hence the premium for experience).

Since the restructuring waves of the early 1980s, it has been relatively easy to find experienced talent outside. Only 28% of talent acquisition leaders today report that internal candidates are an important source of people to fill vacancies—presumably because of less internal development and fewer clear career ladders.

In the first two decades of the twenty first century the process looks very different in a number of ways:

• The majority of people who took a new job last year weren't searching for one: Somebody came and got them (thank you LinkedIn!)



- More and more organisations have now outsourced much, if not all, of the hiring process to professional recruitment firms.
  Most of these have their own candidate databases, supplemented through LinkedIn and social media activities
- In those companies that still do their own recruitment and hiring, managers trying to fill open positions are largely left to figure out what the jobs require and what the ads should say. When applications come—mostly electronically—applicanttracking software sifts through them for key words that the hiring managers want to see.

#### Current Environment

The world of work as we knew it is changing – thanks to advances in technology and the economic tsunami that is Covid19

There is no doubt that the workforce has born the brunt of the Covid19 pandemic – either through being laid off due to their employer not being able to operate or having to work remotely (usually from home) as a consequence of social distancing requirements.

And the load that the workforce has borne is not just financial but also emotional and psychological. People do not go through such trauma without giving a lot of thought as to what has happened to them, why and what they can do about it.

Businesses too have had to reorganise, reposition and, for many, completely reevaluate their business model.





Hiring has become more complex and difficult as a result. For one thing, old command and control work environments didn't demand the kind of flexibility, adaptability, and broad business knowledge that new dynamic work environments do. Desirable candidates, even ones who have the right qualifications, must be flexible, rapid, and eager learners.

The second reason hiring has become so difficult is that retention has become tough: Companies hire from their competitors and vice versa, so they have to keep replacing people who leave.

It has been estimated that 95% of hiring is done to fill existing positions. Most of those vacancies are caused by voluntary turnover. LinkedIn data indicates that the most common reason employees consider a position elsewhere is career advancement—which is almost certainly related to employers' not promoting to fill vacancies.

As 2021 unfolds and our economy starts to shift into higher gears, the need to rapidly fill positions this will create is set to rise sharply. What no-one wants to see is a revolving door of candidates being appointed, leaving and then being re-appointed elsewhere.





## **Retention Is Key**

It's impossible to recruit the best you can if you can't tell whether the candidates you select become good employees and are contributing positively – not just in terms of productivity but also in terms of culture. If you don't know where you're going, any road will take you there. You must have a way to measure which employees represent the best fit candidates and that involves much more than simply matching skills, qualifications and experience to a job description.

Surveyed employers say the main reason they don't examine whether their practices lead to better hires is that measuring employee suitability for specific environments and teams is difficult – how do you really know how someone is going to fit in from an interview?

According to HRDive.com direct replacement costs for staff have been estimated as being a minimum of 33% of annual salary—with more senior and specialised roles costing far more.

When you consider that, Drake International has estimated that 87% of job failures occur because the person did not suit the organisational culture, rather than limitations in their skills or experience, you start to see an alarming picture as to just how much poor retention strategies are costing business year on year.

Organizations that don't check to see how well their practices predict the quality of their hires are lacking in one of the most consequential aspects of modern business.





## The Four Crucial Tips To Hire The Right Candidate

If you are going to be able to make the right decisions when selecting new hires in 2021 you are going to have to factor in how the environment has changed and how our community expectations are shifting.

And the right candidate isn't necessarily the person that's the right fit for the job today – they also have to be the right fit for next year and the year after. After all, how are retention rates going to be improved if you are not hiring the best that you can?

Here are four tips to take on board in order to improve your success rate in a very different world:

1. You simply have to go beyond simply evaluating qualifications, experience and skills. We live in uncertain and challenging times so your candidates need to be highly adaptive and flexible with a desire to learn and evolve.

For the immediate future change is the only constant in most organizational systems. Can the candidate offer you examples of how they were able to grow, shift, and evolve to workplace change in their last position?

Adaptability, the capacity to take on new roles and embrace new ways of thinking, are critical when old ways are resisting making way for the new.

2. Are they team players? Today's competitive business environment demands individuals who are deeply cooperative and have skills to help groups thrive and be productive. You don't want to hire "stars," who perform well as an individual but are toxic to the team. You are going to need more people who understand that their thinking and result is improved by collaboration and diversity, and also has the interpersonal skills to add to the team.



## FOUR CRUCIAL TIPS TO MAKE SURE YOU HIRE THE BEST FIT CANDIDATES IN 2021



Are they enthusiastic about people and relationships? According to business consultant Barbara Glanz. "Spirited workplaces" are filled with individuals who are creative communicators — who are affirming of others and attentive to how their interactions with other make people feel. Enthusiastic people tend to generate positive feelings and productive energy for their projects and initiatives, because they are creative in connection and savvy about their impact on others. You need this energy in your company. Do you feel it when you are talking to this candidate?

3. Are they (calculated) risk takers - can they admit to mistakes? Current research describes how adaptive learning requires mistake making — you can't go forward without experimenting. Really able learners regularly make mistakes – crucially, they are able to glean important lessons from them. Look for the candidate who can easily describe three failures, and what they learned from them. Be cautious about them if they can't readily describe their screw-ups.

4. Hire the person NOT the skillset! No candidate has exactly the right skills for the job or is perfectly qualified. Whilst you will need a certain skill level to fulfil the primary job functions, along with a certain amount of experience, ask yourself who is the person sitting in front of you, and are they someone you want on your team after a restructure or business crisis?

Do they have values and habits you respect? Can you trust them to do the right thing? Every employee is going to have to "learn into" any job they are hired for now. What you need more than anything else are people with the appropriate beliefs, values and attitudes as these are much hard to instil that a set of skills.





#### Re-evaluate Your Process

Albert Einstein is famously quoted as defining insanity "as doing the same thing over and over again and expecting a different result". Based on this definition there are far too many insane recruiters and organisations – they simply have not moved with the times and wonder why their results are below where they would like them to be.

Now is the time to re-evaluate your hiring processes from candidate attraction to evaluation, interview and selection.

Hiring mistakes are more easily made when we rely too much on definitive evaluation criteria – such as qualifications and skillsets and not enough on the subjective evaluation criteria such as personal qualities and personality fit.

The challenge is that often those subjective elements are harder to assess, evaluate and justify - and with our modern environment of non-discriminatory and equal opportunity hiring procedures, the "Gut feel" that many of these more subjective evaluation criteria contribute to cannot be relied upon.

Providing objectivity around personality assessment is what birthed the personality profiling tools which are now widely used in businesses across the globe - tools like Myers Briggs and DISC, for example. However, these profiling tools only present a partial solution.





What has been missing from the evaluation toolkit has been the ability to overlay whether a candidate is a "Fit" for the culture of the organization – better still, for the area of the organization that the candidate is seeking employment in.

When an organization has all of this data – the qualifications and skills of the candidate, their personality profile and their cultural fit – the risk of making poor hiring choices is going to be greatly reduced.

#### Summary

As our economy flexes and twists to accommodate changing market conditions, organisations across the country are going to have to grapple with change and uncertainty at unprecedented levels and each and every organisation is going to need the right people in the right places to be able to take full advantage of the opportunities this will present.

2021 represents a huge opportunity for organisations to reshape the mechanisms by which they make hiring decisions. This really is a "New frontier" which has the potential to revolutionise hiring processes.

As with all revolutions, there will be both the victorious and the vanquished – your challenge is to be able to put your organisation in the victorious camp and the best way you can do that is to re-evaluate your hiring processes in order that you are hiring the best you possibly can.





# Thank You

# We Welcome Your Feedback.

Feel free to get in touch with us for any feedback or questions you may have regarding your chalenges to achieve the objective of hiring the best fit candidates for your organisation in 2021 and beyond.

**Contact Us** 

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