

AaronWallis Sales Recruitment

The Tools for Recruitment:

How to Ensure You Recruit the Right Staff into Your Business

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1. Why is it important to get the right person?

Staff are at once the most important resource and significant cost for the majority of businesses.

Make the wrong recruitment decision and you could be spending around 3.75 times the annual salary of the employee in question to put it right.ⁱ

The Chartered Institute of Personnel and Development's recent Resourcing and Talent Planning report estimated that the median recruitment cost of filling a manager's position is £7,500, and £2,500 for other employees.ⁱⁱ

Every round of recruitment carries its own direct and indirect costs.



Top Tip: Plan to Succeed

Ensuring that you know exactly whom you are targeting together with a planned and agreed recruitment process is the first step to recruitment success. Use a [recruitment process template](#), or checklist, to ensure you don't cut corners.

Direct Costs

Many factors can contribute directly to money effectively being poured down the drain if recruitment is not handled effectively. These direct costs range from the additional training time that is needed for a below-par recruit, to the money lost from the resulting dip in productivity. The loss of clients for the same reason is another direct cost, which can also lead to lost market share and potentially irreparable damage.

Indirect Costs

There are also indirect recruitment costs, ranging from application and interview expenditure such as lost time quizzing potential candidates and issuing rejection letters, to lost business opportunities and the overall negative impact on co-workers' morale and productivity.

Making the right decision can have major implications for the overall performance and efficiency of an organisation, whatever the scale. At start-up level each member of staff has a huge influence on the success of the business, while the biggest organisations, such as Central Government, have a vast cumulative investment in recruitment (see inset).ⁱⁱⁱ

Cost of Recruitment: Central Government

- Central Govt spends **55%** of running costs on staff
- Up to **52%** of staff leave and need replacing within 12 months of being appointed
- Cost of non-recruitment staff time in the recruitment process can account for **40%** of total costs
- Central Govt could save **£35 million** pa if their recruitment process were more efficient
- Outdated, paper-based recruitment process creates a labour-intensive process adding **£225,000 pa** to overall costs

Source: National Audit Office

Casino Culture



It is clear that a 'casino culture' still exists when it comes to recruitment, as many organisations base hiring decision on unquantifiable factors.

Oakleaf's recent Raising the Bar in HR Recruitment report found that companies are still taking a punt on new employees, with only 11 per cent of companies fully satisfied with staff 12 months after their start date.^{iv}

The reason may have something to do with the fact that more than half of recruitment decisions are made for reasons that cannot be specifically quantified, even though there are several tools and practices that can help to ensure the right

candidate is being chosen for the job.

2. Which methods can help ensure you find the right recruit?

With competition for jobs higher than it has ever been, hiring managers can be presented with a number of appealing candidates for each position. Now more than ever, the right screening processes are crucial to making the right decision.

For many organisations the “traditional triad” of application form, interviews and references is the well-worn recruitment route.^v Within industry sectors there are variations – with public and voluntary sectors said to be more likely to use more formalised techniques – but few make use of all the tools at their disposal.^{vi}

Here is an overview of some of the options recruiters have when it comes to selection.

Standard Recruitment Tools

Interviews

Interviews are a tried and tested means of sounding out candidates and assessing their performance and their personality. However, standard interviewing only goes so far. While they can be an effective tool in vetting applicants, formulaic or generic questions can be answered by savvy candidates, and queries that are too broad in scope will not deliver the desired outcome.

In his industry defining report *Validity and Utility of Alternative Predictors of Job Performance*, John E Hunter calculated that a standard interview process with standard reference applications only has a 26 per cent chance of success, and this statistics holds true today.^{vii}

According to CIPD figures, 30 per cent of all companies still did not have a set interview format in place last year, while almost half of organisations do not have any kind of formal resourcing strategy – a proportion that rises to 74 per cent among firms with fewer than ten staff.^{viii}

References

References are another part of a recruiter’s toolkit. Surprising, then, that just nine per cent of organisations currently use pre-interview references from academic or employment sources, down from 16 per cent in 2010 and 19 per cent the year before.



These figures are even more alarming considering how many more staff are being taken on this year compared with the last 24 months. In all, the Recruitment and Employment Confederation has calculated that turnover in permanent recruitment

reached £2.5 billion last year, which is a massive 37 per cent increase on the £1.8 billion recorded in 2009/10.^{ix}

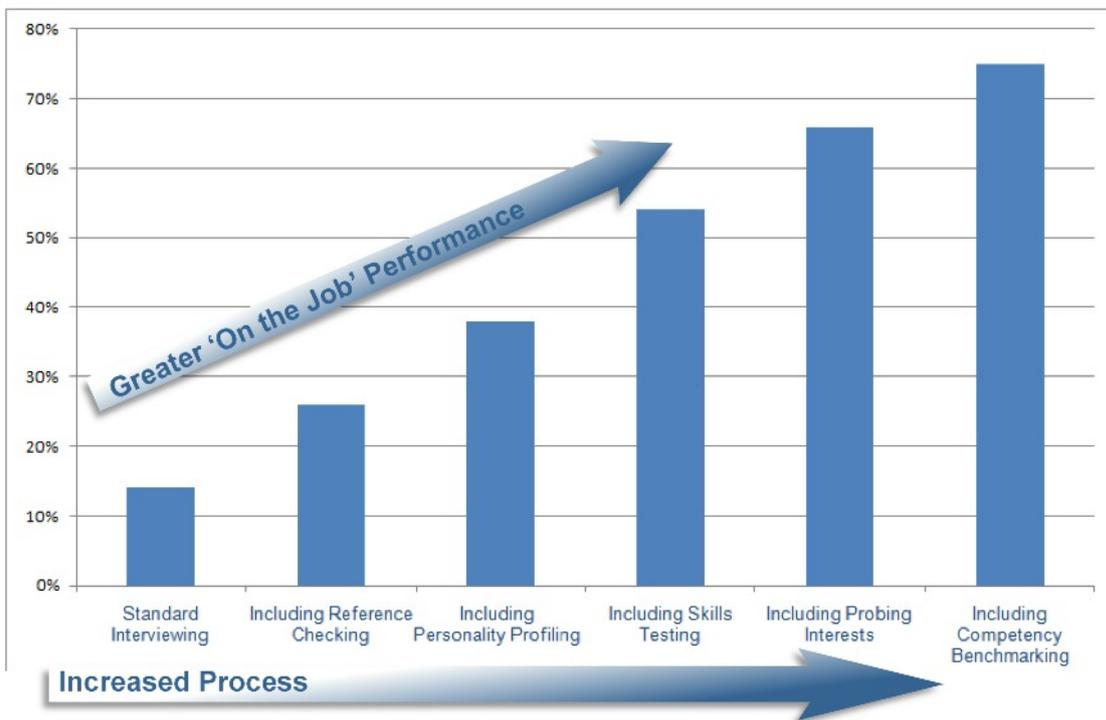
Furthermore, temporary/contract staffing has returned to the 2006/2007 levels of £22 billion, compared to its low point last year of £17.8 billion in 2010, which is a rise of 24.1 per cent.

Advanced Recruitment Tools

While interviewing and reference checking can get you so far, the chances of selecting the perfect candidates based solely on these criteria are slim. As a measure of eventual on-the-job performance, a number of processes can help to separate ideal applicants from those who are simply 'good'.

So if we look beyond the 'standard' tools, what other resources are there for recruiters looking to get beyond the 'interview facade' and gain a true insight into a candidate's genuine persona and performance capability?

John Hunter's assessment of alternative predictors of job performance



Bespoke interview questions driven by a self-completed psychometric personality questionnaire

Bespoke interview questions can probe deeper into the candidate's thought process and discover what drives them and keeps them motivated. Their responses to

questions can be referenced against a set of criteria to determine their suitability for the role, based on key personality traits.

These range from qualities like assertiveness and drive to their confidence and sensitivity, as well as their sense of structure and willingness to accept change and adapt. By establishing 'what makes candidates tick' and their chosen ways to operate at work, it is possible to determine how they will fit into the organisation.

The Oakleaf report found that 74 per cent of respondents believe a poor culture fit is the main reason behind unsuccessful hires, which illustrates the effectiveness of ensuring that the individual is not only right for the job, but right for the company as a whole.^x

Skills Testing

While examples of previous work and verbal accounts of a candidate's prowess can be impressive, the ultimate test of their talent is skills testing, which can not only analyse their aptitude, but their ability to operate under pressure.

With a vast array of tests of varying difficulty available, candidates can be assessed against the global average and the results of fellow applicants to rank them in terms of suitability.

Psychometric Profiling

These tests go hand-in-hand with psychometric profiling, an increasingly popular form of personality assessment that can act as an excellent interview aid by allowing the recruiter to get to the core of an interview right away.

By again looking at key personality traits in the workplace, the candidate's answers are typically cross-referenced with a sample batch of the working population in order to build a profile of the applicant, including their preferred working environment and how they would operate in that workplace.

Historically there has been a clear trend towards more formal testing among HR professionals.^{xi} However, the use of profiling remains a hit-and-miss approach. Last year, personality questionnaires were used in just 35 per cent of recruitment processes, down from 44 per cent in 2010, suggesting firms are potentially missing out on a valuable resource.

There are a plethora of organisations which provide a vast range of testing solutions for recruitment purposes. Some are tailored to specific marketplaces or industries,

with Kenexa, Myers and Briggs, Thomas International, and Saville and Holdsworth among the most well-known.

For recruiters the key is to establish a process which is highly validated, relevant to the specific role you are looking to fill and something which can be benchmarked against wider UK data.

Competency Benchmarking

An effective means of tying these elements together is competency benchmarking, which utilises competency interviewing techniques to vet candidates and then scores these against their profile, giving a rounded assessment of the individual.

Currently, four-fifths of companies are calculating their recruitment costs based on estimates, but for many the gamble will not be worth it if the people taken on board do not have the skills, experience or savvy to do the job, or are simply not the right fit for the organisation.

Example Forms and Further Information on Competency Benchmarking

- [More Information on Competency Interviewing and Benchmarking](#)
- [Example Competency Interview Questions](#)
- [Competency Interview Template Form and Example Scoring Mechanism](#)

4. Takeaways

Utilising the latest techniques can not only help to keep recruitment costs down and eliminate unnecessary direct and indirect outlay, but offer significant mid- and long-term gains by ensuring the best possible candidate is joining the company.

Remember:

- 1 Recruitment decisions have a fundamental impact on a business's costs:
 - Direct Costs
 - Indirect Costs
 - Opportunity Cost
- 2 Recruitment decisions are fundamental to a business's success:
 - Staff are your most valuable asset
 - Decisions have a long-term impact
- 3 There are a range of tools at your disposal to help make better decisions:
 - *Interviews*
 - *References*
 - *Bespoke interview questions*
 - *Skills Testing*
 - *Psychometric Profiling*
 - *Competency Benchmarking*
- 4 Using a combination of tools enhances your ability to find the right candidate and significantly increases your chances of making the right hiring decisions

We hope that you've found this white paper useful. [About Aaron Wallis](#)

5. References

ⁱ [David Lett, Lead Consultant at New Meaning](#)

ⁱⁱ <http://www.cipd.co.uk/hr-resources/survey-reports/resourcing-talent-planning-2011.aspx>

ⁱⁱⁱ http://www.nao.org.uk/publications/0809/recruiting_civil_servants_effi.aspx

^{iv} <http://www.oakleafpartnership.com/HR-News/787/Raising-the-Bar-in-HR-Recruitment/>

^v

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^{vii} Hunter, J.E., Hunter, R.F. (1984), "Validity and utility of alternative predictors of job performance", Psychological Bulletin, Vol. 96 pp.72-98.

^{viii} <http://www.cipd.co.uk/hr-resources/survey-reports/resourcing-talent-planning-2011.aspx>

^{ix} <http://www.rec.uk.com/about-recruitment>

^x <http://www.oakleafpartnership.com/HR-News/787/Raising-the-Bar-in-HR-Recruitment/>

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About Aaron Wallis Sales Recruitment

Finally, There's a Better Way to Recruit Sales Talent.

Tired of the same-old recruitment service, not knowing how much it will cost you and no compensation if the candidate leaves you in the first twelve months?

Aaron Wallis are a business dedicated to helping your business succeed by taking the guesswork out of recruiting the best sales talent. Designed for today's competitive marketplace, we offer to you a unique service and the tools to help you build a top-performing sales team.

You will get all of these benefits, within a fixed fee:

- [12-month rebate](#) - protecting your valuable investment in new staff.
- [Psychometric profiles](#) on all candidates, including a full overview guide and bespoke interview questions
- [Candidate Skills Testing](#) - choose from a selection of over 1100 tests and a wide range of customising options, so we'll adapt our service to serve your specific needs.
- [Fixed Fee](#) - No nasty surprises at the end of the project. Aaron Wallis will fix the recruitment fee so you'll know the total cost of our service from the start of the assignment.
- [Our Fees](#) - Aaron Wallis is a name you can trust; unlike most recruiters, our Terms of Business are freely available through our website and a link to [our Terms of Business can be found here](#).
- Unrivalled database - With have one of the largest marketing budgets within our sector, we are typically able to provide you with the initial shortlist within five working days.

I invite you to take the Aaron Wallis Challenge - give us a fair trial for two weeks on an exclusive basis and experience the difference. All we ask for is a detailed specification and a few days to draw up the first shortlist. If you don't agree that we're better than what you've ever experienced before, then you are free to move to a multi-agency basis, and our lower exclusive rates will remain.

What have you got to lose? It won't cost you anything to find out, and our fee will only apply when you hire our candidate. [Submit your vacancy here](#) or call us on 01908 764280 for more information.

We look forward to serving you.

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