



# ROI: BIG Results in a Small Growth Economy



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**TTI - The Assessment Company**

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# Introduction

*Return on investment is more important than ever in the slowly recovering business climate of 2010. Every dollar counts double as employers require that investments in talent pay off in performance improvements that will propel growth.*

*For a decision-maker, the focus is almost exclusively on cost related to results. “Does the return on investment make this worthwhile? It’s going to dip into precious budget and staff time. Will it be worth it?” For an employee the question is, “How is this going to affect me? Will it help or hurt my boss’ perception of my value to the organization?” After picking up the additional workload as staffs shrunk, employers and managers alike are concerned with how their own performance will be affected when they take time from daily activities for assessment surveys, to participate in professional development and on job benchmarking task forces. A frontline or mid-level manager may legitimately wonder, “How is this going to affect my workload?” ROI of time spent has become as vital a measure as ROI on dollars invested.*

*What actually happens when a TTI Value Added Associate conducts job benchmarks, employee assessments and professional development training in a business? This article uses several examples from businesses small and large, for profit and nonprofit, to show the savings in time, energy and resources that are available when an organization invests wisely in research validated, proven technologies for benchmarking jobs, hiring and developing superior performers.*

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# Responding to a Changing Business Landscape

Beverly Belury of John Hersey International responded to the challenges of a shrinking economy in 2009 by shifting marketing emphasis from Speaker For Hire contracts, which usually comprise at least 60% of activity at Hersey International, to small business services.

She built on a robust relationship with her local Chamber of Commerce, where she offered to give a talk on how smart small businesses are adapting to the changed economy. She educated the group on how understanding their own workplace behavioral and motivational styles and the styles of their employees will improve communication and team performance to be more efficient, a key factor in a down economy. As a result of that talk, Hersey International was hired by a relatively small but highly profitable retail jewelry business.

The clients sold high-end jewelry and had just been honored as one of the top four coolest jewelry stores in the nation by an industry trade magazine. They always had a commitment to excellence, but now hoped to build on that brand perception by becoming known as the best of the best. Months earlier, after hearing John Hersey give a speech on the business value of creating unforgettable customer experiences, one owner was impressed. As a veteran retailer, she knew that most retail experiences are

ordinary at best, and in a highly competitive economy, that kind of blending in with the pack could be the kiss of death, as even large national retailers discovered in 2009. She was determined to create a brand awareness of the store as the most fun and memorable shopping experience available to jewelry shoppers.



As the owners brainstormed ideas for unforgettable shopping experiences, they asked their bookkeeper how much money was still available in the 2010 budget for marketing activities. When the bookkeeper could never give an answer, they realized that they had let an uncomfortable internal talent situation go unaddressed for too long. After hearing Beverly speak at the Chamber of Commerce, she recalled this situation and



hired Hersey International, not only to guide them on taking the business to the next level of excellence, but to straighten out the internal situation that was hampering growth.

Hersey International began by having the owners and their staff complete TTI Success Insights® Management-Staff™ Assessments. This gave a well-rounded picture of each person's behavioral style and the values that motivate them to action. She debriefed each individual on their assessment report and used a communication workshop to show them how they can use it to improve their team communication. After all, in order to create a consistently positive experience for customers, the team needed to learn how to provide outstanding internal customer service to each other.

The stickiest staffing issue concerned the bookkeeper, who had been with the company many years and was well liked by the owners. Unfortunately, she exhibited major resistance to change, which was confirmed when her assessment report showed her to be someone who saw little value in increasing her knowledge. She was content to be stuck in a rut where her knowledge of accounting software and systems were concerned, because by nature she wasn't a continuous learner. As a result, although the company had grown substantially over the years, their accounting systems weren't keeping up.



The other problem was that although she had adequate skills for bookkeeping when the business was still small, she had never been the kind of a detail-oriented person who could happily excel in the role, so the increasing complexity of her job made her uncomfortable. It became more difficult for her to deliver what was needed and she wasn't enjoying the job. Because the highly detailed nature of the work and the need for continuous learning weren't natural to her, she didn't really want to keep up. The issue wasn't just a matter of updating her skills or addressing her resistance to change, it was also evident that she wasn't a good fit with the job or the company culture.



## Job Fit Impacts Quality of Life

When the owners reluctantly asked her to leave, it was a surprise to them to learn that she was already thinking about it. She had long been unhappy and harbored a wish to simplify her work life and cut back to part time hours. She did take a part time job in a much smaller organization where her experience and skill level are a better fit, and now she is happier.

The owners gathered resumes for potential accountants, used the applicants' email responses to assess written communication skills and conducted interviews. They quickly found five candidates they liked very much, since the candidates closely matched the interviewer's behavioral styles. But assessments showed that none of them were appropriate candidates for the accounting role. None had the inclination to detailed processes and regulation-compliant behavior or the continuous learning characteristics that would make the role rewarding and comfortably challenging for them.

The owners hired someone anyway, whose performance proved to be awful. But luckily the person quickly left, since the job was not a good fit for her, either. They repeated the same pattern—hiring someone with adequate experience and skills on the basis of a favorable interview and then watched them falter. At this point both owners acknowledged that securing a

superior performer in the position requires going beyond skills and experience to filter candidates who fit the profile of a highly competent accountant, someone who genuinely relishes the precision of managing details, and who will have the innate drive for continuous learning that the position requires.



Finally the CPA said, “ Let me do the job for 2 months to get a sense of it.” Now they are using their CPA to overhaul their accounting-related processes and integrate them into the expensive new accounting software system which has never been used since its purchase several years ago. With this foundation in place, they were prepared to use Hersey International and the TTI job matching process to locate an employee whose natural inclinations would be to find the job a rewarding fit. For these successful jewelers, the third time was a charm.



# National Nonprofit Organization

At the beginning of 2010, Teresa J. Pool of Transitions For Business, considered how she could increase sales in the coming year. After careful thought, she recognized that her strength isn't as a sales person. She knew that in the past she didn't always speak up to let her clients know the full range of services she could offer them. She decided to better market her service by calling everyone she had worked with in the past to let them know that she is a total solutions provider. Teresa has cultivated strong relationships with HR managers in her role as a TTI Value Added Associate.

One by one, she called past clients to suggest, "Let's meet. I'd like to hear what challenges you are tasked with for this year. Let's explore what we might do together that fits within the budget you have to stick to."



One such call was to the large local branch of a very large national nonprofit agency for whom she had conducted workplace behavioral communication workshops and assessments over the past four to five years. This time she intended to tell them about the advantages to them of using the job benchmark process and professional development training tools she offers.

## High Turnover in a Slow Economy

The organization was having turnover issues, even in the faltering economy. They believed that it was due to significant changes of direction in their strategic plan, because they were in a period of transition. They also knew that they had made too many rapid, poor hires for three years, in addition to management changes. Attrition tended to be felt most acutely in the development department, mainly because it's the largest department and is the source of revenue. In 2009 they had experienced 37% turnover in an industry where the rate is normally in the low 20's for a nonprofit of that size. Losses were felt so consistently across the organization, in marketing, finance, IT, etc., that they knew the problem was systemic.



They decided to begin by benchmarking four development jobs, since those positions are so crucial for bringing in revenue. The benchmarking process began with a group of subject matter experts comprised of the Senior Director of Development, the Senior Vice President of Development, two outstanding performers currently in the position and two key people from the program delivery and marketing departments who work closely with the position being benchmarked. The nonprofit was particularly happy at the Value Added Associate's advice to include key people from other departments, because the nonprofit had identified that the "silo" culture they had in place must change in order for the organization to be more effective.

## Building Retention into Hiring

The hiring process they are now using emphasizes the criteria necessary for superior performance in the position, not only for hiring, but to support onboarding and training. The nonprofit still filters for skills and experience, but now they follow the first round of in-person interviews (conducted by the direct report supervisor) by assessing the remaining candidates. This narrows the pool to the most objectively appropriate candidates.

In the second interview they use the questions produced by the benchmark as the basis for the interview with the Senior



Director and the team, sometimes including other departments in the interview. In cases when a tie breaker is needed after the second interview, they developed specific behavioral questions taken from the job benchmark and TriMetrix® assessment results for use in a third and final interview.

As the Value Added Associate pointed out, nonprofits are particularly vulnerable to mis-hires in the present economy, since their job openings attract a large pool of job seekers who would normally be focused on the for-profit world. The opportunity exists that nonprofits can use the present economy to enjoy an infusion of highly skilled workers to whom they might not normally have access. But like for-profit businesses who are now strapped to provide raises and incentives, the danger is that they will suffer a talent exodus when more alternate opportunities abound.

It is imperative that nonprofits strategically hire employees with the potential to form a bond with the nonprofit's mission, so

that the employee feels an abiding sense of fulfillment that makes the job too satisfying to leave. By using assessments that survey the values a person holds dear, it is easily possible to identify in the hiring process that a person has the inner motivations that will make the position deeply satisfying for them.

At present, five of eight benchmarked positions are filled, and the nonprofit can see for themselves how much better the result is than when they were only hiring based on past skills and experience. Their onboarding process is much more productive as a result of the process, too. Candidates are ramped up more quickly because management can now see what specific training the person needs in that first 90 days. Using the TTI Gap Report to indicate the areas where the new hire needs help to boost performance has simplified creating a professional development plan. The Value Added Associate showed the HR Manager how easily the TTI Rx online components address the competencies and accountabilities identified in the TTI Gap Report and how that flows through development plans. They liked it so much that they are purchasing an annual license for the TTI Rx Series, to assure consistent progress throughout the organization. Teresa has completed eight benchmarks and conducted the associated assessments for filling positions. They love her as a coach so much that they have hired her to work with employees who were an internal candidate for a position that they weren't hired for. By providing professional development and communication training,

she diffuses the disappointment the internal candidate feels at not being selected, so that it doesn't keep them from working effectively with the candidate who did get the job. She coaches the existing employee using a TTI TriMetrix® report and the TTI Gap Report that correlated to the benchmark of the specific job to which they'd like to be promoted. Employees use the TTI Rx series to work with Teresa on preparing their skills so that they are ready for promotion next time.







# Two Small Businesses on a Budget

Stephanie Lease of Infocus Training, Inc. was working with an IT company who could potentially supply a new software application she needed for her business. It was a “nice to have, but not necessary” application so there was a limit on what she was willing to invest for development. The software provider had excellent people and she knew they would be able to deliver what she needed, but unfortunately they had a price gap. The fee they wanted was about \$1,000 over what she had budgeted for the project and they were not able to bring the price down much. It looked as if both sides would lose an opportunity.

## Creative Negotiations

Then Stephanie noticed that they had two job openings posted on their web site. She proposed to bridge the price gap by benchmarking the two jobs for them. She offered to prepare combined respondent reports and offered her expertise on how they could use the results to improve the outcome of their hires. The total value to them equaled about \$1,220 but bridged the gap by leveraging her time and expertise.

Upon completion of the benchmarks, she spent considerable time explaining exactly what they measured and the importance of each of the variables to overall job

performance. Stephanie showed the hiring manager how to use the interview questions provided with the benchmark as a way to find out in an interview if candidates possess the skills required for optimum performance in the position. Of course she also pointed out that if they used TTI TriMetrix® Talent Reports to assess applicants first, they could streamline the hiring process by assuring that they interviewed only candidates who are clearly an appropriate match to the benchmarked job. She demonstrated the ease of using a TTI Gap Report to see at a glance how closely a candidate aligned to the needs of the job and how readily the information it generated created an instant reference for planning the new hire’s professional development.

As it turned out, the IT company is in the process of rapid growth with plans to do a lot of hiring. They were so impressed that they not only decided to start using the talent reports, they also referred her to another potential client.

In total, the software provider received \$220 more than their asking price, plus they enjoyed the ongoing rewards of increased productivity, a better matching of talent to jobs and paved the way for more satisfied and engaged employees. Infocus Training was able to afford the new software within the allocated budget with a bonus of potential new business. The result was a true win-win for everyone involved.



# Making the Most of Growth Opportunities

A TTI Value Added Associate introduced a growing medical device company to the value of TTI's offerings by accepting the challenge to turnaround the lowest performing sales team in one division. Because he had worked inside the company in the past, he was very familiar with the distinct needs of this company's sales role. He used TTI TriMetrix® to assess the existing team, and as low performers gradually left the team, to guide all subsequent hiring. Eighteen months later, the pilot sales team went from being the lowest performing of 23 teams to being the number one performing sales team in the division. He accomplished the turnaround by hiring only sales people who were aligned to the needs of the position. Impressed by the results, leadership decided to use the TTI hiring process for the division's entire sales force.



Despite the economic climate of early 2010, the leadership team was in an enviable position. Realistic estimates indicated that this division was still on track to at least double in the next two to five years.

But they knew that growth would be severely limited if they didn't develop internal candidates quickly. After several years of solid growth, they had no bench strength left. They had already used up all of their existing high potential internal candidates, so they needed to accelerate the process of hiring and developing the next group of superior performers and managers. After witnessing the successful transformation of their lowest performing sales team, they partnered in February, 2010 with TTI Solutions 4 Hiring® to get it done.

From the start there were internal concerns that this new process for hiring would mean more work for managers, who are responsible for hiring their own people. There was also a fear at all levels that benchmarking jobs and using assessments might mean that existing employees were going to lose their jobs. One Regional Sales Manager even asked point-blank, "Is this four of us walking in and only three of us walking out?"

He was one member of a group who gathered to act as subject matter experts in the job benchmarking phase. It included four Regional Managers, three Senior Vice Presidents and others who were then trained to understand the application



of behaviors, values and personal competencies to hiring, performance management and professional development. After going through the process of benchmarking a job, he saw the power of what they were doing. The entire group became “Super Users” of the process after seeing the positive results. Grooming and developing a next generation of leaders immediately became a realistic goal.

## Letting Fear Go

Meanwhile, individual employees were learning that this process truly is not used to fire anyone. A “Super User” HR manager was in the room at one training session when a Regional Manager asked about a situation in which an employee had demonstrated substantial performance problems. He asked, “Can I use this employee’s assessment report to let him go?” The answer was a resounding “No!” Assessments are never, ever grounds for firing a person. Performance records are the only valid documentation for a decision to fire. The TTI Value Added Associate explained that the assessment would certainly give him insight into why the person was struggling to perform in the position—it was highly likely that the person was never a good fit for that particular job from the start. The value of the assessment in this circumstance, for both the employee and the supervisor, was to illuminate that employee’s strengths so the company could deploy him in a role where he was best suited to succeed.

## Including Overlooked Talent

Although they had a pressing need for qualified sales people, the company had a policy of screening out applicants with a pharmaceutical sales background. They had correctly identified pharmaceutical sales as a “farmer” sales system in which sales people mainly cultivate an existing crop of customers. They knew their need was for the “hunter” salesperson capable of searching out and approaching new prospects. But when the position was benchmarked and applicants were assessed with the comprehensive TriMetrix® Talent Report, which reveals applicants’ skill potential, it became evident that they were screening out candidates who could become the superior performers they needed.

The TTI Value Added Associate demonstrated that one applicant, Alicia, was indeed a “hunter” who aligned closely with the job benchmark. Her TriMetrix® Talent Report demonstrated the potential to excel in the role and to ramp up to full productivity quickly. As a result of the potential demonstrated in her assessment report, an opportunity materialized that Alicia wouldn’t have gotten previously. She was hired and in fact, her performance has been excellent. As a result of this process, a company experiencing phenomenal growth now has access to a robust pool of potential superior performers who were previously overlooked.



## Time is Money

Initially, the leadership team directed that hiring managers limit themselves to assessing only five potential candidates for each open position and specified that applicants shouldn't be assessed until after being interviewed. The hiring manager who was most resistant from the outset thought that assessing candidates would burden the hiring process. But as directed, she conducted in-person interviews first, followed by assessments. The assessment reports verified her evaluation of the applicants' in-person interviews. The reports provided detailed evidence to confirm her firsthand analysis: these applicants were not a good enough fit for the position. She realized that she had just wasted four hours of a busy workday in interviews that would not have been scheduled at all if she had used the assessments first. She became a whole-hearted advocate of the process because the time savings would be so substantial.

As a result, leadership expanded the budget for using assessments from a limit of five to up to ten, and directed that they be used before wasting valuable time on in-person interviews.

There has been a huge mind shift inside this company since TTI Solutions 4 Hiring came on board in February, and HR Managers, Senior Vice Presidents and Regional Managers were not the only ones who got on board. The Organizational Development Manager became such a raving fan after seeing the results that he has become fully certified in all TTI tools.

As word spread within the company, the perception has shifted to become, "How can I get that?" Other divisions are now requesting it. Internal advocates are being asked to give presentations to other divisions who have heard about the advantages. After using TTI Solutions For Hiring to benchmark jobs and assess talent, they saw it was going to save them time, make hiring easier and boost the performance of new hires. The company has begun the process of assessing their current staff, anticipating increased performance as they work to better leverage the team's strengths.



# Conclusion

*As anyone can tell you who's had to "do it over, then do it over again," nothing saves time and money as efficiently as getting it right the first time. The power of using the best technology available for benchmarking jobs, hiring the best available candidate and developing staff to their fullest potential lies in getting it right the first time.*

*At TTI, we're dedicated to improving the quality of life in the workplace for everyone involved. Our mission is to help people to be more productive and self-directed in their personal and professional lives. When that happens, they make better employment choices, not only by pursuing an appropriate position for their distinct talents, but one where they can excel and enjoy the challenge.*

*The outcome is that the businesses that employ them are empowered to better direct their own organizational destiny, too. When employees enjoy meaningful work that challenges and rewards them for constantly improving, they give their best, businesses thrive and everyone wins.*



# About TTI

TTI Performance Systems, Ltd. is the worldwide leader in personal and professional assessment tools. With years of research and validation, TTI assessments are time-tested and proven to provide timely solutions for today's business challenges. Through a network of over 7000 Value Added Associates, TTI tools are utilized in over 50 countries and 26 languages to help businesses and organizations effectively manage their most valuable asset—people.

From recruitment to retention, TTI Performance Systems is a constant resource for new ideas and business applications. As a leader in the marketplace, we ensure the status of TTI assessments in the future by carefully managing our intellectual property and protecting the research and advancements TTI has made in the field. With several patents, copyrights and trademarks, TTI products are guaranteed to stand the test of time. Our staff is an expert resource in the assessment industry and continues to stay abreast of industry changes to enhance and expand the product line to provide unique solutions for the challenges businesses face everyday.