

Have you ever made a recruiting mistake?

There can hardly be any organisation that can legitimately claim never to have made a recruiting mistake. One recent investigation argued that up to 60% of all hiring decisions prove to be mistakes within the first year. At a time when most organisations are under intense cost pressure, such mistakes are simply unacceptable. They cause considerable and unnecessary turbulence, and constantly disrupt the development of effective work teams. It is often said that 'you hire by skill and fire by character' and there is a great deal of truth in this. Put another way by Jim Collins (author of 'Good to Great'): "The old adage "People are your most important asset" is wrong. People are not your most important asset. The *right* people are."

What do we mean by assessment?

Put simply, introducing an effective assessment methodology to identify talent and ensure that those recruited stand the best chance of fitting into the organisation's culture will help to appoint:

- The right people
- To the right posts
- At the right time

Applied correctly this will establish a management framework for making staffing decisions and related investments that is based on an organisation's mission, strategic plan, budget and required workforce competencies. We use the term 'converted capability' to show how assessment methodologies should be integrated into management decision-making. Skills and knowledge are definable and often testable. Work and life experiences help to determine capability. Motivation, personal style and the overall 'fit' with organisational culture can be identified. Behavioural competencies condition interpersonal attitudes and have a direct impact of teamwork. Finally, capability and judgement-making are tied into a person's cognitive approach.

Fig 1 – Converted Capability



The key benefits to be expected from an effective assessment process include:

- More effective utilisation of employees through accurate and efficient alignment of the workforce to strategic objectives
- The ability to swiftly and efficiently find replacements for important vacancies – critical as companies face increased turnover coupled with labour market shortages and limited compensation levels
- The ability to produce realistic staffing projections for budgetary purposes
- More efficient and effective use of recruitment resources
- Better focused investment in training, retraining, development, career counselling and productivity enhancement
- Helping to maintain or improve a company's diversity profile.

Where are we today in China?

In the West, the concept of assessment is well developed and widely accepted as a crucial part of successful, efficient business operations. Human Resource Development in China, however, is a concept yet to be adopted on a large scale, and the potential for improvement in corporate efficiency is therefore significant. In China, assessment would have a market effect on the following areas:

- Identifying inflated CVs
- Going beyond skills and education to identify talent in the workforce
- Ensuring continuity in succession planning and the localising of a labour force
- Making hiring a more accountable process through the construction of core teams rather than having all decisions made by one or two people
- Understanding the nature of work and identifying a person with the correct level of capability for a role
- Building a successful staff retention program

Why and where is assessment useful?

Assessment can be put to efficient use within organisations to ensure a fully integrated recruiting process, focused primarily on the areas of:

- Employee screening
- Performance potential
- Auditing management teams
- Training and further development
- Employee retention
- Outplacement

What are the tools for assessment?

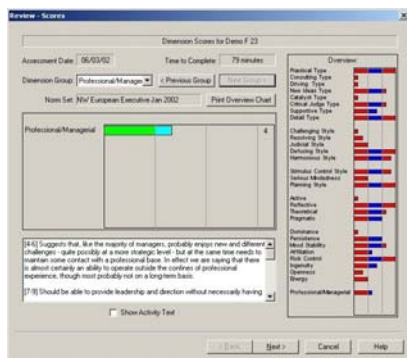
- **LPA™: Behavioural pattern**

The LPA™ is a computerised 'expert' psychometric assessment that uses an integrated battery of 6 questionnaires to analyse 29 characteristics. The assessment relates personality to the realities of the working environment by cross-referencing between Personality Characteristics, Team Roles, Conflict Handling, Work Styles, Learning Styles and Professional/Managerial style. Comprehensive psychological analysis is built-in, and text reports in plain language ensure that the results are easily understood.

Key LPA™ features include:

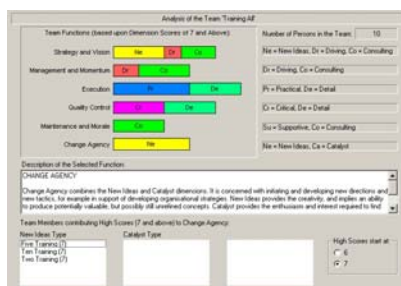
- Candidate questionnaire available online
- On screen feedback to enable the counsellor and candidate to review the results and identify connections between the 6 assessments

Fig 2 – On Screen Feedback



- Team analysis to identify strengths and weakness in any selected team of people

Fig 3 – Team Analysis



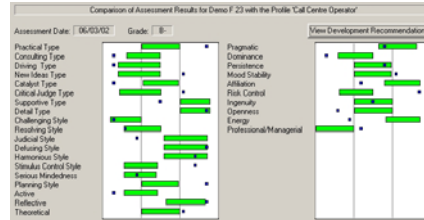
- Management themes that identify an organisation's culture and show how an individual contributes

Fig 4 – Management Themes



- A powerful profiling utility that enables the user to establish required score ranges and see how well a candidate matches these. In cases where a candidate's score lies outside the required range, development recommendations are provided to suggest ways of compensating for the mis-match

Fig 5 – Match Person to Profile



- **MCPA™: Capability & Potential**

In the MCPA™ we look at work in a very specific way, dividing it into 7 Levels of Work of increasing complexity and uncertainty. Each level has a corresponding time horizon to describe the time out to which decisions have to be made.

Fig 6 – Levels of Work

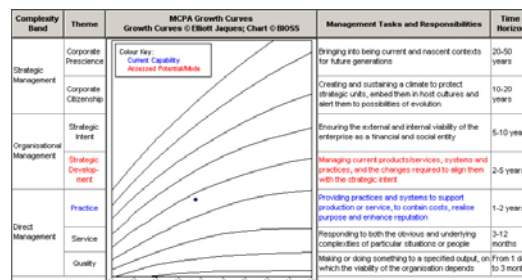


The MCPA™ assesses a candidate's current level of capability, and by relating this to age it offers an estimate of how that capability is likely to grow over time. By matching current capability to current level of work we ensure that a person is 'in flow' and able to make effective and timely decisions. Computerised reports offer a record of the candidate's responses to the questionnaire and graphical displays of the results.

Key MCPA™ features include:

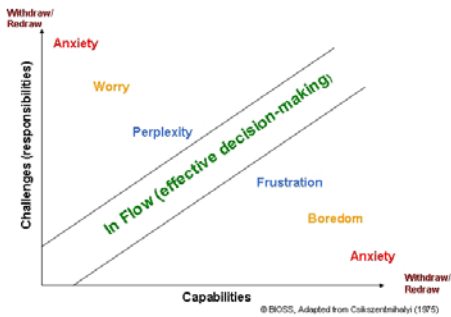
- Candidate questionnaire available online
- Individual Growth Curves to show current level of capability and forecast growth in capability over time

Fig 7 – Growth Curves



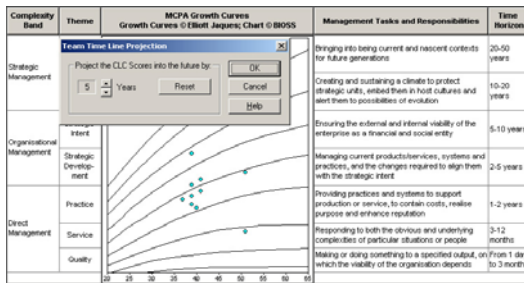
- Visual indications of the degree to which an individual is 'in flow' with his or her work

Fig 8 – 'Flow'



- The ability to display group results and see how these change over time

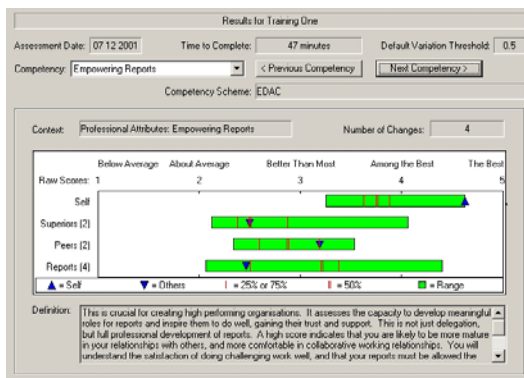
Fig 9 – Projecting Team Capability



EDA™: 360° Performance Feedback

To gain a real understanding of the perceptions that surround performance, the EDA™ gives a full 360° perspective. It is a powerful research-based instrument that looks at 16 competencies found to be critical to success for leadership and management at senior executive levels. The EDA™ references an individual's self-assessment to assessments by superiors, peers and reports and displays the results graphically.

Fig 10 – The EDA™ Display



Key EDA™ features include:

- Questionnaires available via the Internet
- Coverage of both positive and negative aspects of performance, can also be used as an 'EQ' assessment

- Includes both individual and group results
- Fully customisable, so can be used with any set of competencies and questions. This makes it ideal for testing and developing competencies
- Validates competencies by establishing how relevant these are at all levels

Summary

The assessment systems introduced above make the fullest use of available computer technology and the Internet. The practicalities of a computer-based system allow for the rapid and accurate collation of assessment data, and include powerful management utilities to ensure the maximum return to both individuals and organisations.

These assessments are used only by trained and accredited practitioners who are able to make full use of the wide-ranging data produced by the programs. The ability to look at the dynamic relationships between personality, functional areas relating directly to the working environment such as conflict handling, individual capability, and the perceptions that surround performance makes this arguably the most comprehensive assessment methodology currently available. As such we can address issues that range from an individual assessment for career counselling through to a full Organisational Development study in a major company.

Global acceptability

In one form or another, elements of this assessment package have been in constant development since the 1960s based on the comprehensive research of Elliot Jaques, Gillian Stamp, Meredith Belbin, Thomas & Kilmann, Edwin Ghiselli, etc. Key contributors to this process included Ashridge Business School in the UK and the US National Defense University. A full independent validation of the approach used to identify cognitive capability was conducted at a national R&D level by the Research Institute for the Behavioral and Social Sciences in Washington DC.

Users of these assessments range from Brazil to China and include major organisations in both public and private sectors such as ICI (global), Budget (Europe), BAA (UK), Huntsman (global), Embraer (Brazil), Camargo Correa (Brazil), Transnet (S Africa), National Defense University (USA), TATA Group (India), NEC Business Solutions (Australia), ABN AMRO (Netherlands), GSK (China).

The differentiation

There is no other integrated suite of assessments that provides objective and independent answers to all these vital organisational questions:

- What is the organisations' culture and how well do executives fit this culture?
- Are there underlying reasons why different parts of the organisation perform better than others?
- To what extent can executives be developed to maximise their contribution to the organisation?
- What is the capability of the executive body and how is this capability likely to increase over time?
- What exactly is the nature of the work being done, and how well matched are executives to their roles (both present and projected)?
- What competencies should we value when taking the organisation forward towards corporate goals?
- What are the real perceptions that surround executive performance?
- How healthy is the organisation – is it working as an integrated team, or are there areas of dysfunction and conflict?
- Who should succeed who in the organisation?
- Who should we select to join the organisation?

By using the LPA™, MCPA™, EDA™ suite of assessment tools, corporate users will be able to take complete control of the process, using their own practitioners, trained and accredited by SRC. They will have:

- Have access any time, anywhere to web-based questionnaires in a fully secure environment
- Conduct assessments in English, Chinese, Portuguese, Dutch, etc.
- Receive personalized one-on-one feedback from a certified counsellor
- Create job profiles for assessment and career management
- Access Development Recommendations to assist in matching people to roles
- Use comprehensive built-in statistical analysis to compare all data
- Draw on well-established global norms for cross-cultural and other comparisons
- Create local norms for further domestic analysis studies
- Build up a company specific norms as required

SRC – The China Practitioner

Shanghai Rainbow Consulting (SRC) is a professional HR consulting firm with expertise in executive assessment, competence modelling and organization development. It is the China practitioner and associate of the Executive Development Assessment Centre (EDAC). EDAC serves its global clients with the suite of patented tools: *LPA™*, *MCPA™*, *EDA™*. Since 1998 Ms. Dan Zhu, SRC's Managing Partner and Board Member of the Benelux Business Association in Shanghai, has been facilitating assessment service for leading European business school and locally operating international firms. Recent cases in assessment:

- Localizing current expatriate Site Manager by identifying local talents in a multinational company
- Over 200 employees' competence evaluation in a 49/ 51 joint venture
- Pre-employment assessment of workshop operators in a wholly foreign owned firm
- Assessment centre project for shortlist candidates for various managerial functions in both multinational companies and small & medium-sized firms.

SRC has the expertise in advising senior management on the strategic impact of human resources to their business strategy. It also has a solid track record in helping thousands of professionals to upgrade their business knowledge and plan their career paths.

SRC comprises a team of ex-corporate veterans and talented individuals in HR management, business operation, applied social psychology and knowledge management.

By being the China associate, SRC is part of EDAC's global network, which has presence in the US, UK, Europe, South Africa, Middle East, India, Australia and Brazil.

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