

RECRUITING FOR RETENTION

How do we avoid costly job transitions, turn the tide, and improve retention? A big part of the answer lies in a rather unexpected place: the hiring process.

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The Nutraceutical and Food Technology Industries are experiencing a wave of growth that, while good for business, is causing staffing issues for many corporations. Not only is there a need for fresh talent, but holding onto key players is also becoming increasingly difficult. "The average life span of an executive is now five to seven years per company," says Steve Foster, Senior Development Officer at West Virginia Wesleyan College, who began recruiting executives more than two decades ago.

With increased attention from the healthcare system and the FDA, the Nutraceutical Industry is changing rapidly and developing many attractive opportunities for those with experience. Foster, former Vice President with Union Carbide Corporation and Roquette America says, "It used to be that you stayed with a company for your entire career." said Foster. "Now you see people come up the ladder with five or six companies in the same number of years." He has seen employee turnover increase significantly in recent years.

But all this job transition comes at a cost—a big cost to employers in terms of replacement hiring, training, knowledge loss, and even custom attrition. The question is how do we turn the tide and improve retention? A big part of the answer lies in a rather unexpected place: the hiring process.



THE "NEW" RETENTION STRATEGY - THE HIRING PROCESS

Why do employees leave an organization? Sometimes is has to do with pay or benefits. Other times it's about career opportunity. But most often, attrition is a direct result of problems with the fit between an individual and the organization. To reduce unwanted turnover, the chemical industry needs to re-engineer the hiring process to improve fit—to develop a methodology that ensures the best possible match of skills, experience, and personality traits of the individual to the duties, responsibilities and culture of the position and organization.

Step 1: The Job Description

The place to start re-engineering the hiring process is with the job description. Traditionally, job descriptions define duties and responsibilities, but they do little if anything to address fit. When recruiting for retention, your job description should be defined according to the needs and interests of the potential candidate, and should include:

- Performance expectations. Describe the specific results the candidate will be responsible for producing.
- Team definition. Determine with whom (or what departments) the position will interact with on a regular basis.
- Key challenges. Describe the key challenges of the position.
- Culture. Describe the culture of the organization and the department in which the candidate will work.
- Management. Describe the background of the person to whom the position reports and this person's management style.

- Team makeup. Describe the makeup and backgrounds of the peer group or subordinates.
- Growth opportunities. Outline the opportunities for learning and advancement from this position over the next three to five years.
- Location. Describe the community where the position is based. Provide cost of living and cost of housing data for the local area.
- · Initial goals. Define specific, measurable objectives for the first 6 to 18 months on the job.
- Desired traits. Develop a list of the personality traits the ideal candidate should possess.

Before "releasing" the position description, get additional input from key people in your organization that may be impacted by the person hired. These people can include department heads, managers, subordinates and internal or external customers. Ask these individuals to provide their view of what's needed for the position in terms of day-to-day activities, departmental functions, and their expectations of how the new hire will perform.



Step 2: Sourcing

Once the position is defined and the objectives clearly spelled out, you can "release" the position description. This includes internal and external recruitment marketing such as: internal postings, job boards that serve the Nutraceutical Industry, classified advertising, job fairs, and external recruiters. When writing ads and job postings, be sure to include sufficient detail to make the position appeal to your ideal candidates.

Step 3: Resume Screening

As the resumes come in, they should be screened against the position description. In some organizations, resumes are actually scored by comparing skills, experience, education, and post responsibilities against the requirements outlined in the position description. Once you have selected a few top candidates based on an evaluation of their resumes, you are ready for telephone and face-to-face interviews.

Step 4: The "Behavior-Based" Interview

In hiring for retention, the most significant change most companies need to make is in the re-engineering of the interview process. The traditional interview, which is mainly a resume interview, is insufficient.

Ideally, interviews should be conducted using a "behavioral-based" methodology. Behavioral interviewing is a process designed to provide information about how a candidate will act in relevant work situations. Using behavioral interviewing, all candidates are asked the same questions, with the results scored for a more objective comparison. This process will allow you to determine the candidate whose behavior best fits the job and your organizational culture.

In a behavioral interview, questions should be asked to elicit information about the past behaviors and experiences of the candidate. The goal is get past those individuals who "know how to give the answers you want to hear," and determine if the candidate has actually demonstrated the kinds of on-the-job behavior that you want to see. Behavioral interview questions commonly start with phrases such as:

- "Tell me a bout a time when you...?"
- "In your last job, how did you...?"
- "What do you do when...?"
- "Where did you...?"
- "Give me and example of..."

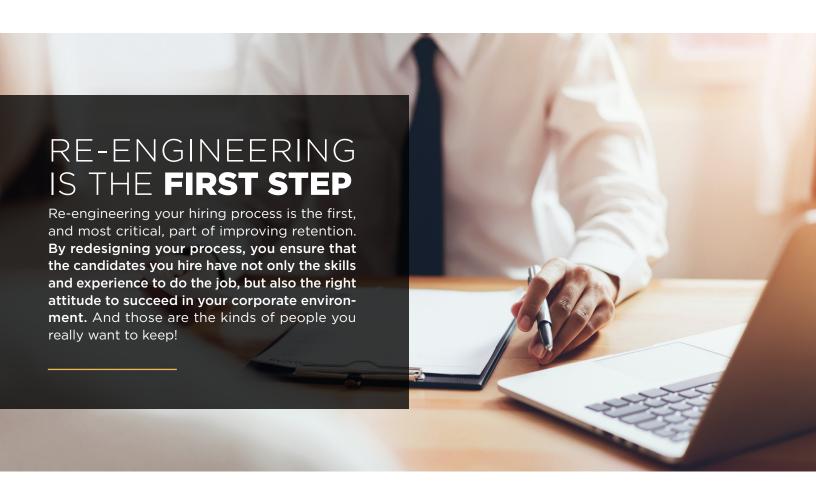
Behavioral interviewing works because it forces candidates to provide specific examples of their own past behaviors. And past behavior is the best predictor of future action. Also, by providing a structured format, this process ensures consistency, makes interviews easier to conduct, and helps eliminate bias. Behavioral interviewing also helps ensure that the people you hire think and act in a manner that's consistent with your culture.

As an added benefit, behavioral hiring gives candidates a much better idea of what the job will really entail allowing them to determine whether your organization will be the right fit.

Step 5: Validation

In performing 2.6 million background checks, ADP found that 44% of applicants lied about their work history, 41% lied about their education, and 23% falsified credentials or licenses. Before extending an offer of employment, be sure to validate the information obtained from the resume and interview process. The following tools can be extremely useful:

- · Reference checks. Always contact at least two references. Include not just former managers, but also former co-workers and customers for a more balanced review of the candidate. As in the behavioral interview, you should ask references about the candidate's past performance and on-the-job behaviors. This allows the reference to avoid sharing personal opinions and focuses on the real past actions of the candidate.
- Background checks. In the heightened state of security we are currently in, background and security checks are a must. They will help validate the character of a potential candidate.
- Assessment testing. The best way to validate the behavioral interview is through assessment testing. These assessments, typically administered by professional industrial psychologists, provide a more detailed picture of the candidate's personality traits and methods of work.





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As the world's leading Executive Search Firm specializing in the chemical, consumer products and technology industries, we understand the challenges you face in trying to find the perfect fit for those highly specialized and complex executive positions.

Ropella excels at finding those select few executive candidates with the right skills, qualifications, background and management style, who fit your compensation parameters and are ready to relocate.

We believe nobody should have to waste time screening resumes of candidates who aren't qualified, don't fit your compensation parameters, aren't serious about the role or aren't ready to relocate. That's why we developed the SMART Search System® to provide our clients with precise and predictable hiring results, giving them a huge competitive advantage.