

The logo consists of the word "HUCAMA" in a bold, white, sans-serif font, centered within a solid green rectangular background.

**HUCAMA**

HUMAN CAPITAL MANAGEMENT

# Predicting Future Performance:

An Essential HR Handbook



As the Human Resources lead for your organization, you're busy and resource constrained. From hiring the right people, to training and growing your current employees, to building up the robust HR practices that will give your organization a competitive advantage, you have a lot on your plate. And, with the belt tightening around your budget every year, the pressure is on to demonstrate that HR makes a significant contribution to your organization's overall goals.

Imagine for a moment that you had a way to see into the future to help you:

- **Make the best hiring decisions, ensuring candidates will fit and thrive in their new role**
- **Identify which employees to promote, and who should be in leadership positions**
- **Forsee how to structure your teams**
- **Reduce employee turnover and increase satisfaction**

It's not a crystal ball—but it's about as close to one as you'll find.

In this essential HR handbook, you'll discover how to harness the power of evidence-based personality assessments to effectively predict Future Consistent Performance—the measure of how quickly candidates are able to meet and sustain a required level of performance. You'll also learn how to align competencies with a candidate's personality to achieve amazing results. And because seeing is believing, we'll show you how Europe's leading call center was able to dramatically reduce hiring time for the right candidates, increase productivity, and reduce employee turnover by implementing this framework.



- 3 Personality Assessments:  
A Proven Tool for Candidate Placement
- 5 You Know Their Personalities, Now What?  
Addressing Internal Challenges With The Five Factor Model
- 8 How Does Your Candidate Stack Up?  
Measuring the Big Five
- 10 Case Study: Webhelp Nordics Finds strong  
Correlation Between KPIs & Job Match Scores

# Personality Assessments:

## A Proven Tool for Candidate Placement

The key is the Five Factor Model:  
A widely-respected, evidence-based system\* that uses five core dimensions of a person's psyche

or personality to evaluate how they would fit in a role. The Five Factor Model takes into account:

- **Conscientiousness or Consolidation:** the tendency to be organized, dependable and consistent
- **Agreeableness or Accommodation:** the tendency to be cooperative, compassionate, trusting and well-tempered
- **Openness or Originality:** the tendency to appreciate new experiences, be imaginative, and strive for self-actualization
- **Extraversion:** the tendency to be energetic, positive, and sociable
- **Neuroticism or Need for Stability:** the tendency to experience emotions like anger, anxiety, or vulnerability and a desire for stability

When a candidate or employee is evaluated for these traits, the Five Factor Model provides unbiased

insight on their suitability for a position, making it a critical inclusion in any organization's HR toolbox.

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1. <http://onlinelibrary.wiley.com/doi/10.1111/j.1744-6570.1998.tb00743.x/abstract;jsessionid=971EEBB416E511F446D549E07099B2DE.f03t01>
2. <http://www.sciencedirect.com/science/article/pii/S0165176511004666>
3. <http://www.annualreviews.org/doi/10.1146/annurev.ps.41.020190.002221>



## Behaviours Change, Personalities are Set

Unlike behavioural assessments like the Myers-Briggs Type Indicator or the Belbin Team Inventory—which only indicate how a person might act, or how they fit in a team based on their environment—personality-based assessments identify candidates' attitudes, how they approach interpersonal

relationships, and their motivations. The critical difference is that people exhibit different behaviour in certain situations, whereas personalities don't change. By evaluating a candidate's personality with the Five Factor Model, you can predict with accuracy how well a candidate will perform in a role.

# You Know Their Personalities, Now What?

## Addressing Internal Challenges with the Five Factor Model

Do you know how much turnover costs your organization? A study by the Society for Human Resource Management<sup>1</sup> indicates that employers spend six to nine months of an employee's salary on finding and training their replacement. A study by the Center for American Progress<sup>2</sup> shows that for highly-skilled, salaried

workers, turnover costs organizations up to 213% of the employee's salary. Beyond these costs, the time spent advertising the available positions, sifting through résumés, interviewing potential candidates, and the knock-on effect of a revolving door of new employees on the morale of your current employees can quickly add up.

1 [https://www.shrm.org/multimedia/webcasts/Documents/12ruyle\\_2.pdf](https://www.shrm.org/multimedia/webcasts/Documents/12ruyle_2.pdf)

2 <https://www.americanprogress.org/wp-content/uploads/2012/11/CostofTurnover.pdf>



## Competency Framework: How Do Personalities Line Up With Required Responsibilities

Personality assessments are just one half of the equation. The other half is identifying the required competencies for success in a role. One way to do this is by using a Competency Framework. You'll be able to determine success baselines, how to make your internal competencies align with your organization's success factors, and identify leadership potential in employees.

When you are recruiting for a position, you know exactly what is required for the candidate to succeed. Once a candidate has been assessed and you have their results, you are able to determine whether their personality aligns with the core competencies of the position. The more closely aligned the position and the candidate, the better the fit. Making use of personality assessments enables you to take control of performance management, optimize your organizational recruitment process, and implement dynamic systems for performance optimization.



When you combine the Five Factor Model with required competencies for a role, you can determine Future Consistent Performance. Future Consistent Performance measures how quickly a candidate can begin a new role and achieve—then sustain—a predetermined level of

performance. The faster a candidate can achieve the goal level, the better.

By assessing personalities and putting competency frameworks in place, you will be able to address the following challenges:

- **Employee Satisfaction:** With employee satisfaction correlated closely with working in positions where competencies align with responsibilities, your team members will be happier, stay with you longer, and will produce higher quality work.
- **Team Structure:** Personality assessments showcase how candidates and current employees can work together in teams, indicating whether restructuring or added new team members will be successful.
- **Reduced Budget:** Long hiring cycles, turnover and candidate unsuitably all cost money. With a robust HR framework that includes the Five Factor Model, your organization will get more done with fewer resources, and in less time.
- **Perception of HR's Contribution:** When HR implements frameworks to pre-screen candidates for suitability, reduce the time required to hire talented candidates who can pick up the required skills sooner, and reduce turnover, there's no doubt that senior management will take notice.



# How Does Your Candidate Stack Up?

## Measuring the Big Five

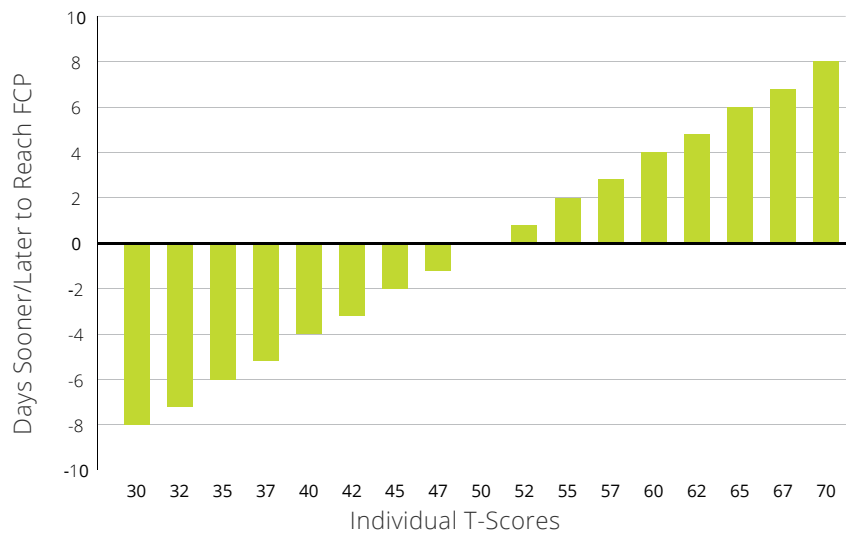
The Big Five is measured on a T-Score from approx. 30 to 70.

Proprietary HUCAMA data shows that even a one point increase in a candidate's score can equate to significant reductions in the time it takes to get up to speed in a role. All roles within your organization require different skills.

Take for instance a customer service support representative. There are clear competencies required to succeed in this position: agents must be able to engage with customers quickly, be confident, and be able to make sound decisions.



The following examples show just how dramatic the impact of hiring the right person can be. The chart below shows the correlation between a person job fit score —the amount of natural drivers we have for the job — and time required to achieve consistent performance.



Scores on the the T-score axis show a candidate’s level of fit with the competencies of the job. 50 is the mean score and the day scale indicates the statistical coorelation with speed to efficiency. The better the mach the faster the learning and adaptation to the job.

**Customer Satisfaction:** A one point increase in the T-Score means they will achieve a pre-set and consistently high level of performance.

**Average Handling Time:** For each increase in the T-Score, candidates would consistently achieve the desired average call time between 1.8 to 3 days earlier than other agents.

|           | Estimate | Standard Error | T Value | Pr(>  t ) |
|-----------|----------|----------------|---------|-----------|
| Intercept | 5,871    | 2,017          | 2,911   | 0.004     |
| o1        | 0.088    | 0.036          | 2,423   | 0.017     |
| o4        | 0.06     | 0.029          | 2.05    | 0.042     |
| c3        | -0.107   | 0.036          | -2,963  | 0.004     |

### The Big Five Isn’t Just for New Hires

Assessments using the Five Factor Model also work for current employees. When you are considering promoting employees or restructuring teams, consider first the personalities of the team members involved. If their personalities do not align with the demands of the role, is it possible to

remove the “misaligned” requirements, or would that person fit better in a different position? By knowing in advance whether or not a personality and the fundamental competencies correspond, it will be possible to determine the success rate before you make the final decision.

# **Case Study:**

## **Webhelp Nordics Finds a strong Corellation Between KPIs & Job Match Scores**

Webhelp Nordics, formerly GoExcellent, is a leading international call centre that provides inbound customer service and technical support to customers of some of the world's biggest brands. With an annual turnover of €75 million and offices in Sweden, Denmark, Norway, and Finland, they serve over 20 million customers a year. Webhelp Nordics approached HUCAMA to provide support for recruiting Contact Center staff, expanding their team of over 1,800 employees.

Webhelp Nordics identified that their primary challenges were:

- **Time consuming recruitment process**
- **Unclear job descriptions**
- **High level of staff turnover**

To address these issues, Webhelp Nordics wanted to create a testing tool to improve their employee selection process. The tool needed to integrate with Zerolime, their existing HR system, and needed to be created as part of a lean recruitment and development process—making it straightforward for the recruitment team to quickly match candidates.

To help address these issues, HUCAMA set up a project that included a competency analysis using the Five Factor Model on over 500 agents. At the end of the project, HUCAMA found a 40% correlation between KPI scores and job match scores. In fact, for the Average Handling Time KPI, higher job match scores were linked with calls that were up to a minute shorter, saving over 2,000 service hours a year.

Webhelp Nordics now has a tailored testing tool that they use to pre-screen candidates, helping to weed out unsuitable candidates with minimal involvement from their recruitment team—saving time and money. Perhaps even more valuable, they have a clear, evidence-based job profile for recruitment, and a clear measurement for high performance.



When you start hiring, training, and promoting employees based on their personalities and not their behaviours, you'll be amazed at how successful your placements will be.



Don't wait any longer to predict the future consistent performance of your employees. Schedule a free,

no-obligation demo with our workplace psychology experts today to learn how we can help!\*

*Schedule My Demo*

*\*Crystal ball not included.*