

# ROI: BIG Results in a Small Growth Economy

## Introduction

Return on investment is more important than ever in a slowly recovering business climate. 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 Strategic Human Insights conducts job benchmarks, employee assessments and professional development training in a business? This article provides an example 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.

## National Nonprofit Organization

### High Turnover in a Slow Economy

A large national nonprofit agency 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 that we recommended they 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 on boarding 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 Strategic Human Insights points 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 that 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 non-profits strategically hire employees with the potential to form a bond with the non-profit’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 on boarding 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 TriMetrix Report to indicate the areas where the new

hire needs help to boost performance has simplified creating a professional development plan.

*(Strategic Human Insights shows HR and Hiring Managers how easily the TTI Rx online components address the competencies and accountabilities identified in the TTI TriMetrix Report and how that flows through development plans).*

By providing professional development and communication training, we diffuse 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.

We coach the existing employee using a TTI TriMetrix® report that correlates to the benchmark of the specific job to which they'd like to be promoted. Employees use the TTI Rx series to work with us on preparing their skills so that they are ready for promotion next time.

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.

## Conclusion

As anyone can tell you who's had to "do it over, and 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 Strategic Human Insights, 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.

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