



Discussion Paper

BARRETT
Testing on Your Own Territory

**Best Practice when using Online
Psychometric Assessments
in Sales Recruitment
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Introduction

In the current market, organisations are continually faced with the difficulty of hiring sales people who can sell. Organisations are finding that they need to identify talent quickly and develop recruitment strategies to ensure that their investment in the recruitment process is maximised.

The Costs of Poor Selection

If you get it wrong the cost is huge. Take this simple example: You hire a sales person who is on a base salary of \$60,000 per annum & who stays with a Company for 3 months:

Financial Costs

- . Advertising & Recruitment Agency costs = \$10,000
- . Psychological testing = \$350 - \$700
- . Candidate travel costs (if applicable) = \$500
- . Training costs = \$5,000
- . Salary & benefit costs = \$15,000 plus super, workcover, etc.
- . Severance pay (2 weeks notice) = \$1,600
- . Manager's recruitment time 20-40hrs @ \$60/hr (\$100K salary) = \$1,200-2,400
- . Potential litigation costs = ?
- . Lost sales opportunities = ?
- . Manager's coaching time = ?
- . Estimate of Known Costs so far = \$35,000 (approximately)

NB these costs are stated at the lower end of the market place but illustrate the point that the cost of getting it wrong is enormous.

Testing on your own territory

In the current market, organisations are continually faced with the difficulty of recruiting the right sales person for the job. This is often a lengthy and costly procedure, and organisations do not benefit from an inefficient process that fails to provide them with a suitable candidate. In today's war for talent, organisations need to identify talent quickly and develop recruitment strategies to ensure that their investment in the process is maximised. Organisations need to become more flexible and responsive to new opportunities, and this will impact upon the way in which the recruitment of a new sales person is carried out.

The need to be more adaptable and receptive to new recruitment opportunities means that organisations must reduce the time it takes to fill a vacancy, and ensure that a sound selection decision is made. Organisations should maximise every recruitment opportunity and proactively develop a pool of potential candidates. In doing so, they will achieve a greater return on investment by ensuring that the best candidate is placed in the job. As a consequence, the traditional recruitment and selection processes that were successful in the past might not be optimal in the current market.



One of the shifts

One of the shifts that has occurred in recent years, is the move away from paper and pencil psychometric assessments to computer-based and online assessments. While it is still crucial to use psychometric assessment tools to predict the expected performance of a candidate in a role and their tenure within the organisation, there is also the need to reduce recruitment costs in a competitive talent war environment. Organisations are moving away from the traditional supervised assessments to computer-based and online assessments as the cost, time and inconvenience caused to both the employer and the candidate in having to complete assessments at a set time and place, far exceeds the potential benefits of the process.

What does this mean for your organisation?

Clearly psychometric assessments are critical to the success of your selection decision, as they allow you to determine whether the candidate has the right skills, knowledge and attributes for the role, whether they have an appropriate attitude or motivation to approach their work, and if there is a good 'cultural' fit between the organisation and the candidate. In today's market it is too costly to make a poor selection decision as you not only lose the resources used to hire and train the new employee, but you lose the time and opportunity to find a good calibre candidate. Psychometric assessment data will enable you to make a sound selection decision in the current war for talent, and to maximise your return on investment. The shift in the recruitment process does however mean that you will be provided with the autonomy and flexibility to manage your recruitment process, *including the administration of psychometric assessments.*

Computer-based and online assessments can now be administered by you, within your own timeframes and settings. Despite the fact that this new process does provide a cost-efficient, flexible and reliable means of assessment, and that assessments can practically be completed anytime, anywhere, by any number of candidates, there are standards and guidelines of which you need to be aware. In order for assessments to provide valid and reliable information that can be used in your selection decision, a standard testing protocol needs to be adhered to, and will be outlined.

Assessment Protocol – What to do

Step 1. To begin with, you need to decide what you would like to assess:

Assessments need to be job related, and should only measure the specific role requirements. There are a range of useful assessments that can help you gain a better insight into a range of things:

- . Why will this person sell?
- . Will this person sell?
- . How does this person sell?
- . Can this person sell?
- . How well can this person sell?



For example, if you were recruiting for an Account Manager role within a direct sales environment, you would not consider assessing the candidate's mechanical reasoning ability, but would rather measure their prospecting capability, as this is job related. BARRETT Consultants are available to assist you in this process, and are happy to discuss the specific competency requirements for your roles. Once you have determined the competencies and personal qualities that you would like to measure, the appropriate psychometric assessment tools can be selected.

No Magic Bullet

In recent years in order to help improve the sales selection, there has been an increase in use of psychological assessments. The assessments do provide very valuable information; however it should be noted that psychometric assessments alone couldn't pick you the best sales person for your business. They can only help you to be a better detective when understanding and identifying the key attributes you need for sales success, and support other findings you get from other selection processes such as structured behavioural interviews, role plays, etc. Therefore psychological assessments should account for no more than 20% of your decision making process when recruiting. They are not a magic bullet!

Step 2. The next step is to set up the assessment:

It is important here to differentiate between supervised and unsupervised assessments. Supervised assessments are conducted in a setting that is controlled and can be monitored, whereas unsupervised assessments can be completed by the candidate anytime and anywhere. Some assessments, such as abilities and aptitude assessments, need to be administered under supervised and controlled environments in order to ensure that the candidate actually completes the assessment themselves, without the help of a calculator, dictionary or encyclopaedia. **Remember** that even in supervised testing conditions, candidates should be denied access to the Internet and the calculator and dictionary function on the computer in order to prevent cheating. The administration of these assessments can be supervised by an organisational representative at your site. Other assessments such as personality and sales ability assessments can be completed by the candidate in their own home or office (unsupervised conditions) as the threat of dishonesty is not as great. Both supervised and unsupervised assessments can be arranged by BARRETT, and electronic links, usernames, passwords and administration instructions may be e-mailed through to you.

Step 3. Informing the candidate:

Once the assessments have been arranged, it is necessary to inform the candidate about the assessment. You need to notify the candidate that psychometric assessments form part of the recruitment and selection process, and respect that candidates are entitled to informed choice to participate in the process. You should:

- Describe the purpose of the assessment
- Describe what the assessment process will entail for the candidate (e.g. timeframe, testing arrangements)
- Explain why the specific assessments have been selected and their relevance to the role



- Explain what the results will be used for and how they will be used in the selection process
- Decide whether the candidate will receive any feedback (written report or verbal feedback) and inform them of this
- Tell the candidate who will have access to the assessment results

By educating the candidate about the assessment process, a relationship of trust and openness is established. This should enable the candidate to feel at ease in the assessment process, and to view the tests and questionnaires in a non-threatening way. The candidate should be encouraged to ask any questions, as you need to ensure that the candidate is clear about the process and what is expected of them, and feels fit to complete the assessment. It is very important to ease the candidate's anxieties about the testing situation, as this is likely to have a negative effect on their test performance. Furthermore, make certain that the candidate is briefed in a sensitive manner in order to avoid the assessment process from having destructive consequences.

Step 4. Written Consent:

Candidates should provide written consent, stating that they agree to the assessments, before the testing begins. This allows both the organisation and the candidate to agree to specific conditions of testing. This may include the purpose of the assessment, the manner in which the results will be used by the organisation, who will have access to results, and to verify that the candidate does not have concerns that need to be addressed or that might impact on the assessment results. The information provided by the assessment should only be used for the specific purpose for which it was originally intended, and that has been agreed upon by the candidate. Results should also remain confidential at all times, and should only be shared with parties to which the candidate has consented.

Step 5. During the Assessment Process:

During supervised assessments, you need to make certain that the room in which the testing takes place is free from disturbances and interruptions, and is safe for the candidate to use. The candidate must not be interrupted once the assessment has begun, as this may invalidate the results. On completion of the assessment, results and reports need to be stored in a secure and controlled location, and should only be accessible to the nominated person/people in your organisation. The information should be viewed as highly confidential, and only used for an appropriate purpose.

Managing Best Impressions

Candidates will often do their best to present themselves in a favourable light during the assessment process, so that they increase their chances of achieving a goal (being hired for role). In some cases candidates are so motivated to perform well that they cheat, or try to manipulate the assessment process to achieve higher scores.

With computer-based and online assessments the chances of this occurring are increased and need to be managed. This can be reduced by providing candidates with a username and password and asking them to go to a secure site to complete the assessment. Candidates can be informed before they sign the consent form that they might be required to complete further similar assessments later in the recruitment process, and the fear of being caught cheating may prevent this from initially occurring.

One step to help prevent dishonesty

You can additionally try to prevent dishonesty by conducting assessments in supervised environments and denying candidates access to the internet and the calculator and dictionary function on the computer.

In Conclusion

Despite the fact that testing on your territory does require you to be aware of psychometric assessment protocol, the opportunity to use computer-based and online assessments for your recruitment needs does shift the management of the process over to you. As an organisation, you are able to decide who you would like to assess, where you will assess them, and when to schedule the assessments.

This allows you to be better equipped to respond to the demands of today's war for talent, whilst still benefiting from the use of assessment tools in your recruitment and selection processes. BARRETT is able to provide you with expertise to manage your testing on your territory and to guide you through the process.