

Mysterious Thirds

By T. Scott Gross

By the end of this article you will be sold on the value of *profiling*. After you have instituted a properly designed program in your organization you will never go back to hiring based on gut instinct and the usual cursory reference check.

What you may not have considered is that what goes for hiring goes double for promoting. When I worked for a large quick service restaurant chain, I managed to convince the folks at the head shed to invest in a simple pre-hire profile system. The results were astounding. We had wanted to build a profile solely for our company and we were particularly concerned that it would be seen as valid with the EEOC. No one wanted to defend a charge of adverse impact.

We took our list of over a thousand restaurant managers and divided them into three groups. Highest sales and profit managers were in one group, lowest in yet another group with all the rest assigned to the remaining group. We profiled the top and bottom groups knowing that if there wasn't a significant difference between the two there would be no cause for continuing. Well, they were different, hugely different.

As an aside, let me say that any profile question has the potential to be valid or not, depending on whether or not it actually discriminates (legally, of course.) Whatever area you explore, you must validate first!

In short order we had customized our profiling instrument and were confident that it would be an accurate predictor of performance. Initially there arose a chorus of moans and

groans from operations. They complained at having to spend a few bucks to purchase an instrument for each potential candidate. We made things a little better when we told them that it was unnecessary to profile everyone; save the expense for those who make it past your first impression and initial interview.

The next problem came when the field guys started to complain that the profiles were knocking out what had otherwise seemed to be excellent candidates. The profile doesn't work, they said. Their efforts at recruiting were said to have doubled. "This thing stinks," was the general consensus. Then something happened. First, word came from the one division that had adopted the program hook, line, and sinker. At their regional training school there had been a sudden decrease in attrition. It seemed, and the numbers soon backed it up, that almost every candidate hired using the new profile was graduating from the school.

In short order, reports from the other schools began to trickle in telling of similar results. The corporate trainers wanted to claim a spontaneous improvement in teaching but we all knew—it was the profile. Better candidates led to lower attrition which soon translated into the need to hire fewer but harder.

So we got bold and pitched using a profile in making promotion decisions. The logical place to begin was the next job level above store manager. This job position, area

managers who supervised six to ten units, usually covered a compact geographical territory usually, but not always, in a metropolitan area. Logically, the best store managers would make the best area managers. Logically.

To save money on a validation survey, top management asked me to use the same profile we had developed for hiring store managers and, logically, that seemed to make sense. Since our experience with profiling was relatively new, all of our long-time successful store managers who were most likely ready for promotion had been hired well before our profiling had begun.

"Just run these folks through the profile and tell us who we should consider," was the directive from the top. We suspected that might not work and we weren't certain about adverse impact so we whined for approval for a limited test. Boy, were we surprised!

We began by profiling the existing area managers, breaking that smaller group into thirds just as we had done with the store manager position. We created a composite profile of each third and, again, we discovered that there was a gapping difference between our most successful group and the others.

The surprise came when we discovered that our most successful store managers did not promote well. It turned out that the behaviors necessary to run a single unit were not nearly the same as those required to supervise an area! In fact, it turned out those managers from the middle group of store performance actually made better area supervisors than the top performing single unit group!

What if you were one of the top-performing single store managers? How would you feel? Probably cheated. On the other hand you would be less subject to being promoted out of your comfort zone; you would be less likely to be promoted to a job you couldn't handle; and the company would be less likely to trade a great store manager for a mediocre multi-unit supervisor. Or, you would be promoted and your boss would be charged with giving you the support your profile said you would need.

What did we learn? Several great points.

Thinking Point

Profiling toughens the hiring process but results in less hiring through lowered attrition.

Thinking Point

Profiles that are valid for one job may not be valid for a similar job even though the jobs seem similar in nature.

Thinking Point

Profiles are as important in promotion decisions as they are in the hiring decision.