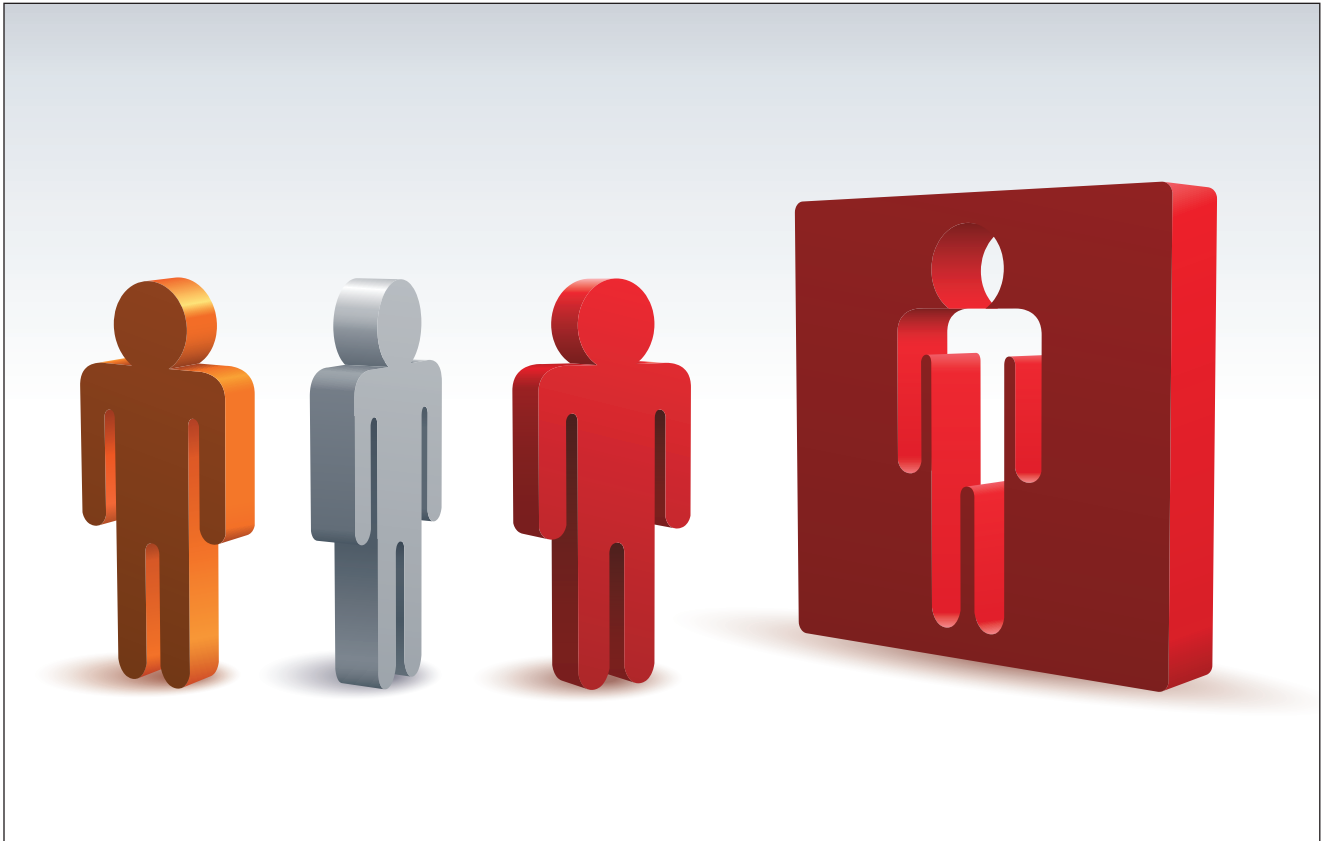


HUMAN RESOURCES

Hire Right

An online personality profile assessment helped one shop fine-tune its interview process—and slashed employee turnover from 60 percent to 10 percent.

Dave Ludwig knew the success of his shop depended on his ability to hire solid, qualified employees. He also knew it was important to bring on people who would best fit with the company culture and share similar personality traits with the shop's top performers. The problem was, the owner of Prestige Auto Body in Manchester, N.H., lacked the necessary skills to adeptly make those decisions during the hiring process. He knew that, and he was aware of the steep costs of a poor hire. In fact, it can cost upward of 150 percent of a person's base salary to replace a bad hire, according to business consultancy Bliss & Associates Inc.

Fortunately, Ludwig—who hires two to three new employees each

year—found the solution to his problem at a peer management 20 Group meeting four years ago when he was introduced to hireMAX, an employment assessment and testing firm in Fort Worth, Texas. The company provides online personality testing that employers can use during the interview process, specializing in employee evaluation and development. Eager to see what benefit it could bring his shop, Ludwig began to use hireMAX to screen potential applicants early on, and found it was an invaluable human resources tool. Now, he depends on hireMAX to make smart, well-informed hiring decisions. It's working: Employee turnover has dropped from 60 percent to 10 percent.

SMART HIRING

Ludwig, whose shop has 24 employees and \$3.8 million in annual revenue, uses hireMAX when potential hires reach the second stage of the interview process. Candidates take two personality assessments: one that determines how the individual prefers to be managed and another that explores if the person fits well into a particular job description. Each assessment takes 10 to 15 minutes, and Ludwig receives the results within a matter of minutes via email. "I usually print them off and go over them with the applicant at that time," he says. "It covers different levels of your personality: who you are, how you like to do things and how you like to be treated. It's pretty incredible. They're usually

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—DAVE LUDWIG, OWNER, PRESTIGE AUTO BODY

blown away by how accurate it is.”

Ludwig administers the tests intent on discovering whether the applicant shares similar personality traits with his lead performers—those who’ve produced good results and have a strong work ethic—in each area of the shop. After assessing a current employee who performs exceptionally well in his or her position, he’ll compare their results with those of the applicant’s. “The people who are our ‘champions’ are the ones we want to clone,” he says. A feature of hireMAX that Ludwig has found particularly useful is its ability to provide a comparison report on two individuals. This way, he can clearly see how a potential new hire stacks up against his champion painter or estimator, for example.

When reviewing an applicant’s assessment, Ludwig tries to put the interviewee at ease as much as possible. Though he compares his or her results with those of his top employee in their respective area, he presents the material in a manner that doesn’t overwhelm them. “I don’t want them to be nervous or feel they’re under the gun to perform,” he says. “I want them to be as relaxed as possible. I focus on the benefit it is to them to take the assessment.”

For instance, he might approach the situation by saying that he once had a great detailer with particular personality traits. “I’ll say, ‘This is important for me to know how you’ll fit into the team. We all want to make sure you want to come to work.’” If the person is applying for the position of a technician, for example, “I’ll explain we want our techs to be organized in the workplace. My lead guy makes ‘x’ number of dollars because he’s organized and can analyze data. This is going to tell me that you can

do the same,” Ludwig says. This tactic helps alleviate any pressure the applicant may feel about being compared to lead performers in the shop.

WORTHWHILE INVESTMENT

To use the personality assessments available through hireMAX, Ludwig visited the company’s website (hiremax.com) to sign up and receive a login and password. Before an applicant begins the test, he enters a code issued to him by hireMAX. From there, the assessments are ready to be taken.

Ludwig pays about \$85 for each of his two assessments (shorter tests range from \$40 to \$50). “For \$160 to \$170, I get a wealth of information that saves me from a bad hire. The cost on the front end far outweighs that cost of the time you invest in training someone only to find out their personality doesn’t fit the job that is required of them.”

He also receives free coaching tips from hireMAX president Norm Bobay. “Norm will coach you on how to read the report. Based on your [own] personality, you’ll read the report in different ways,” he says. “Norm will say, ‘In this situation, this is usually how it plays out.’ Then you’re like, ‘Oh! That’s another valuable tool—you have their expertise, too.’”

Ludwig’s inexperience at correctly interpreting the assessments was once costly. He hired an estimator “who was the most customer-oriented person in the world but spent way too much time talking to each person and fell behind in his other work.” Though the employee’s personality profile test indicated he loved to talk—which, of course, is a good trait to have as an

estimator who interacts with customers all day long—it also showed that his data analysis skills were on the low side. “I read into it a little too optimistically,” Ludwig admits, adding that Bobay had mentioned the person may not be a good fit, based on his assessment results.

Sure enough, six months later, Ludwig let the estimator go—and wishes he’d never made the poor hiring choice in the first place. “That guy cost me a lot of money! I lost a direct repair because of him,” he says. “Our customer service index (CSI) ratings dropped because he wasn’t calling back customers. If I had analyzed the assessment in the beginning, I would have known it wasn’t going to be a good fit.” Free coaching from hireMAX is now something Ludwig takes advantage of regularly as he continues to hone his hiring skills.

INVALUABLE TOOL

Using a personality profile assessment has been an exceptionally useful tool, Ludwig says, because many shop operators—like himself—have never received formal management or human resources training. “Most of us never went to business school to learn how to interview or manage properly,” he says. “We’ve learned through the school of hard knocks, which is very difficult.” Taking advantage of a service like hireMAX has helped Ludwig make sound hiring decisions by eliminating a lot of the guesswork up front.

Bringing the right people on board—the first time around—translates into less turnover and increased productivity for the shop. Ludwig sums it up: “It’s beyond invaluable.” —*Elyse Lucas*



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Long Term Employment Solutions
hiremax.com | info@hiremax.com | 817.249.3933