

Why Smart Organisations Hire the Wrong People

Vanessa Franzen

The news is out. The latest quarterly snapshot from the CCI reveals that the WA economy is at a tipping point. We are poised and ready to "fire on all cylinders" with all industry sectors having an important role to play. Great news for our economy but is it sustainable?

The fact of the matter is that by 2014, there will be around six million more jobs than people to fill them. This is a stark reality that we have been acutely aware of for quite some time and the situation is not getting any better. No matter where you are located in the world, the state of play is consistent. A recent paper published by the Conference Board of Canada warns us that economic growth restrained by the exodus of baby boomers from the labour market will be a dominant trend that will continue until 2028.

If you talk to an Australian business leader, they will tell you that what keeps them up at night is not having a high quality, engaged workforce it's still about hitting bottom line targets and ensuring customer satisfaction. Really? What gives us the right Down under to be so damn cocky when the simple fact is that we simply do not have enough skilled and committed people to ensure organisational survival?

For those of us in the human capital solutions business, we are concerned about experiencing a déjà vu moment pre GFC where the boom led to a huge wave of panic in Australian HR departments and the recruitment industry and "acceptance" became the new metric of success. Then, it was more about getting just about anybody into a vacant job, rather than trying to get the "right" person to match the job and fit with the organisation's culture.

Thankfully, the economic downturn led to a much needed shake-up and in many cases, to a revitalisation of our workforce through a much needed culling of bad hires.

What we are presented with now is an opportunity - the opportunity to proactively master organisational destiny and source a high volume of quality, good fitting candidates. In this way, leadership will be better equipped to manage what is fast becoming the most important and challenging issue for all of us in the human capital solutions industry – the shortage of the right people to bring an extended shelf life to business.

So, is there a way organisations can get the greater return on their recruiting investment? Web-based psychological assessment tools can provide organisations

with a lower cost strategy of delivering high quality recruitment and selection services as well as the ability to better track candidate activity, establish organisational talent benchmarks, increase selection accuracy and attract high quality candidates faster.

Sounds easy doesn't it? But let's face it, the plethora of glitzy online tools and technologies available in the marketplace makes it difficult for us to know which ones actually deliver on their promise. Some key questions to ask when selecting an online tool are:

- Is your tool predictive of someone's ability to be successful in a specific role?
- Can it provide you with a measure of both job and organisational fit?
- Is the tool legally defensible?
- Does it have a proven track record in improving bottom-line results?
- Can it be further leveraged to provide holistic solutions linked to your entire talent management process?

Success can be predicted, provided you select the right suite of tools. Online assessment solutions can now provide organisations with a picture of their human capital in a way never before possible. This is particularly useful in building leadership capability where being able to capture the DNA of successful leaders in the business will provide the blueprint for succession related challenges and identify future back-ups for critical roles. Organisations using robust online assessment solutions will be better able to uncover leadership skill gaps and address critical development priorities.

To be fair to organisational leaders, the realities of the labour market puts them in an unenviable Catch-22 situation. Yet, to focus primarily on finding warm bodies and attracting enough critical mass to overcome the impending shortage of talent at the expense of selecting good quality hires, comes at a hefty price. Equally, in the leadership arena the emphasis placed on the external sourcing of leaders and replacement hires, rather than investing in and developing home-grown leadership talent, does not make good business sense. Let's commit to start chopping down the shingles outside many Australian company doors that reads: Help Wanted: Anyone Will Do.

Vanessa Franzen is a Registered Organisational Psychologist and Principal at MODAL. She is also the Deputy Chair and WA Chair for the College of Organisational Psychologists.