

IMPROVING SELECTION DECISIONS AROUND THE WORLD

Like many companies in the '90s, PSP has become more involved with international assignments. Our customers have called on us to assess U.S. candidates for expatriate assignments, as well as foreign nationals who are being considered for work in the U.S. or abroad. For example, we recently assessed a Brazilian manager being considered for a sales assignment in Australia.

PSP's services have been used in over 24 countries. We help our clients assess manufacturing workers and managers on location. For several years, PSP has assessed job candidates for positions in the United Kingdom, Mexico, China and Australia.

Unexpected Training and Development Needs

PSP's benchmark norms for hourly workers in the United Kingdom and China have enabled us to alert our client companies to unexpected training and development needs. For example, our testing revealed that rural Chinese hourly workers are more competitive and less team-oriented than popular cultural stereotypes would indicate. Therefore, exporting U.S. team manufacturing concepts to China presents some challenges for which the company can now prepare.

We have translated our assessment instruments into Spanish and Chinese as well as "United Kingdom British." For management positions, we have conducted videoconference interviews. For hourly, supervisory and technical personnel, we have developed faxable answer sheets and candidate profiling that can be sent quickly to any part of the world.

Innovative Approaches Are Required

Selecting workers in non-English speaking countries often requires innovative approaches. While our translations have been well received, PSP has also used paired comparison assessment techniques, wherein assessment ratings are decided on the relative strength of one skill or competency versus another. This technique is particularly useful for assessing current management personnel in a multisource or "360 degree" format. PSP successfully used this system for the assessment of 52 top executives in 15 European countries with a



multinational U.S.-based company. The paired comparison assessment technique is easily adapted to foreign cultures and allows for direct comparisons between management personnel from different cultures.

International assessments require flexibility and an awareness of specific behavioral traits that are often a part of particular cultures. Paired comparison assessments can be highly useful as this approach does not require giving a "poor" rating, which is inappropriate in several countries; only the relative strengths of several skills are rated. Our clients tell us that our assessment of international as well as domestic candidates gives them crucial information for understanding the strengths and weaknesses of their personnel. As a result, they make better decisions regarding individual-assignment fits. PSP's assessment information also enables companies to provide appropriate training and support services early on, before problems develop.

Measuring Key Competencies

International assignments for U.S. expatriates naturally must consider factors such as family situations, cultural interests and awareness, and openness to new experiences. Most expatriate assignments require a strong skill set as well as strong business knowledge. Energy level and work motivation are especially crucial, as international work usually requires greater effort. People skills are a must, as one's success is dependent on meeting and conversing with people who, even when they are speaking your language, may do so with different cultural expectations. Fortunately, PSP's assessments are able to measure many of these attributes which enable managers to recognize the strengths and weaknesses of their expatriate and international employees. As PSP's international assignments grow, we continue to develop different approaches for helping our clients operate more effectively in the global marketplace.



HIRE RIGHT THE FIRST TIME

Plant startups and expansions pose unique opportunities for improvement in hiring practices. Whether a company is interested in the team concept, lessening labor unrest, or simply hiring highly productive workers, selection of “the right people” can create a tremendous competitive advantage.

Some authorities believe that a company obtains 90% of an employee's productivity at the time of hiring. When a workforce is selected properly, a company benefits through reduced training time, reduced turnover, and more time on-line to get work out the door. Research has shown that the prediction of productivity on the job involves a number of critical factors which can be measured before hiring decisions are made.

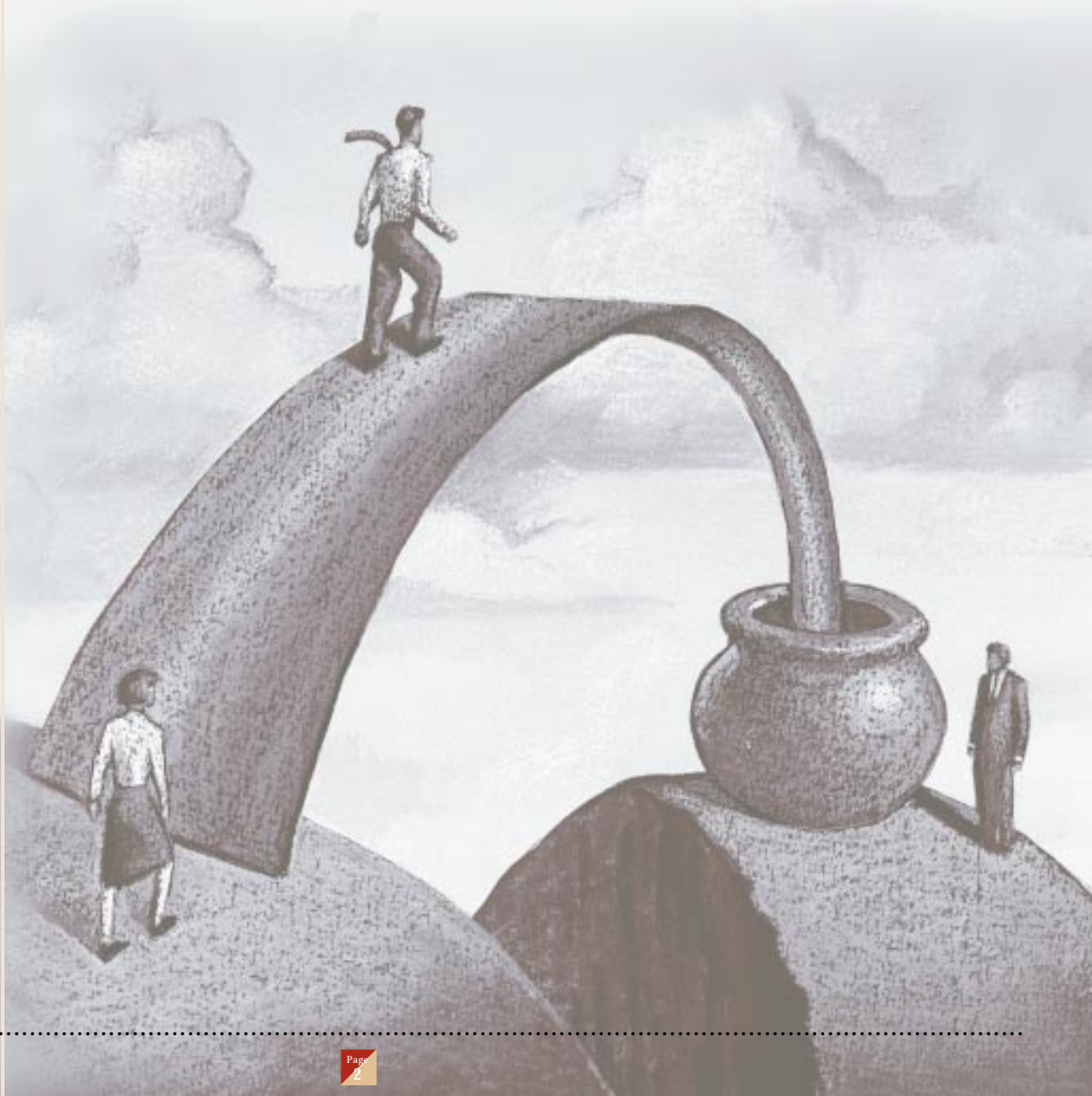
PSP has had a great deal of success in using our selection tools in manufacturing settings across the United States, including recent startups and expansions at steel companies, automotive suppliers, electronics manufacturers, and transportation companies. Results from these startups and expansions have been striking: one company

is two years ahead of business plan; another company achieved a 53% improvement in work performance; and a third boosted its new employee retention rate to 98%.

Results such as these are achieved with PSP's scientific selection procedures, which can be performed by your staff at your plant at a low unit cost. In fact, we have found that an entire year's testing program for most companies costs substantially less than the financial impact of a single hiring error. In other words, if PSP procedures can help you avoid even one hiring mistake, the selection program pays for itself. Add to that the goals of good labor relations and selecting compatible team members, and the need for a careful selection process is even more important.

Because of PSP's experience in plant startups and expansions, installation of a customized selection process for your plant is fast. Similarly, assessment of applicants is handled efficiently, and you can have results on each candidate on a next-day basis. By “zeroing in” on your top applicants for jobs, PSP enables you to reduce the time between the initial application and the hiring decision. As a result of our streamlined approach, you can start up fast - out of paperwork and into production.

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PREDICTING SUCCESS IN SALES— RESEARCH SHOWS THE WAY

PSP's research data show conclusively that companies can predict sales success through pre-employment testing. In one study of a Fortune 500 sales force, PSP's testing predicted the star performers, with the star performers producing 80% of the sales more than a control sample of average sales representatives could produce at the same time. This study demonstrates a dramatic difference that star performers can make to the bottom line. The cost to hire and train sales representatives is 2.5 times their first year salaries. Add to that the cost of lost sales opportunities as well as the cost of dissatisfied customers, and the total cost of making a mistake in hiring is staggering.

How do you identify your best candidates for sales representatives? PSP's research data suggest that the following variables are key in predicting the most successful performers:

The most important predictor of success in outside sales is energy - drive and work motivation. The star sales performers, i.e., the 20% of the sales force that brings in 80% of the sales, are almost always dynamic and



1. super-energetic. Energy level can be measured through testing but it is an extremely difficult characteristic to ascertain in the interview. Often a candidate's true energy level is masked by social and communication skills. One area

to look for in an interview is the number of activities in which the candidate has engaged outside work or school. Energetic individuals typically are involved in a lot of clubs and organizations, part-time jobs, and many hobbies and activities outside work. Energy/drive is not acquired. Hyper-energetic adults probably were hyper-energetic youngsters.

Obviously, there are many other critical factors related to success in sales. Social skills and social confidence are important as is a strong need to socialize and be with other people.

2. It is important to identify social and role-playing skills that often can conceal a number of negative qualities. For example, it is important to distinguish between the positive

assertiveness that is required in sales and the over aggressiveness of someone who is hostile and can have difficulty maintaining good working relationships with superiors, coworkers and customers.

Another well-hidden characteristic is the candidate's stress and pressure tolerance level. Sales representatives have to adjust to a rapidly changing, fast-paced business world interspersed with frustration and insufferable delays. PSP's studies find that the most successful sales representatives have the resilience to bounce back from temporary setbacks and disappointments and push on.

PSP's research has also shown that strong verbal skills and critical/logical reasoning ability, which relate to one's ability to plan, organize, and solve problems effectively, are essential to overall sales performance. In the interview we often confuse good oral communication skills with strong verbal skills. Successful sales representatives are avid readers and effective writers as well. So it is important to distinguish these characteristics from glib oral communication ability.

The key work habits and mental abilities required to succeed in sales are difficult to spot during the job interview when everyone is on one's best behavior, but they are measurable in pre-employment testing based on PSP research data. Moreover, these important attributes, which are possessed by star performers in sales, are not easily acquired. Therefore, when it comes to success in sales, companies are well advised to hire the best and avoid the rest.





WHAT'S
NEW
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PSP

- ❖ Achieved one-day turnaround in screening entry level job candidates for new plant startup in Queensland, Australia by using faxable answer sheets.
- ❖ Conducted Employment Screening for hourly workers at major plant startups in Georgia, Kentucky, South Carolina, and Virginia.
- ❖ Installed a comprehensive Successor Development Program at a third-generation family-owned consumer products company.
- ❖ Assisted an international chemical company in reorganizing its domestic manufacturing operations at three plant sites.
- ❖ Conducted an Organizational Climate Survey for one of the nation's leading cooperative financial institutions.
- ❖ Designed and implemented an Executive Career Development and Succession Planning Program for a high technology company.
- ❖ Provided senior management 360° Survey profiles for a mid-sized family-owned fiberglass/composites company.
- ❖ Assisted in the selection of senior executives for international assignments in a world class packaging company.
- ❖ Conducted an Employee Appraisal Process for a major medical supply company.
- ❖ Expanded PSP's customer-managed testing programs to over 300 sites nationwide.



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TRAINING RESOURCES ON LEADERSHIP



Basketball coach Rick Pitino has an excellent audio cassette product on the market in which he reads his book, **Success Is a Choice**. We enjoyed it at PSP and a number of our customers have found it insightful as well. This tape is a great learning resource for long car trips.

If you prefer books to other training media, a fine volume on leadership is John Kotter's **Leading Change**. A quick-read with lots of simple but helpful charts to reinforce major points.



We still think Debra Benton's 1996 work, **How to Think Like a CEO**, should be required reading for anyone who aspires to "climb the mountain." This selection is available in audio cassette as well. Benton's book digests interviews with over 100 CEO's to list the traits one needs to become the person at the top.

For the computer literate, consider ordering the AMA self-study CD-ROM on **Successful Leadership**. This interactive simulation covers fundamentals of leadership and can be a worthwhile resource for newly promoted or developing managers in your organization.

For recommendations on training resources on any management topic, contact PSP directly via telephone or fax.

**For further information visit our website:
www.psp-hrd.com**

