



# Fact Finder

HRA Services, Inc.

November 2002

. . . helping organizations find solutions to people-related problems

## **THE RIGHT TALENT IN THE RIGHT PLACE AT THE RIGHT TIME**

“Astonishingly, between 30% and 50% of all executive hires end in firing or resignation. Why is hiring particularly problematic—and critical—today?” So begins a recent *Harvard Business Review OnPoint* article entitled “Hiring without Firing.” This surprising statistic underscores the degree to which organizations continue to struggle in developing effective selection processes and producing a clear return to the bottom line. While there will always be some degree of “disconnection” within organizations, there are few quite so debilitating as hiring the wrong person for the job and the organization. On top of this kind of mistake is the tendency to hope that the team, disjointed as it may be, will somehow figure out on its own how to play a winning game.

Helping organizations define position requirements is a tough job—mainly because managers and supervisors are often unclear about what they want and need. This definitional process is sometimes tainted by the failures of past performance and the press of time, where sufficient effort is not spent in analyzing basic position requirements. Too often, the focus is on “credential-based” rather than “behaviorally-based” thinking. For example, managers have been conditioned to focus on what is perceived to be factual, objective information like a bachelor’s degree in something and three to five years of experience in doing something. Instead organizations need to work through the in-depth thinking process of identifying what they see the prospective successful employee doing and saying when she performs the work the job requires. This kind of thinking and analysis carried rigorously through the recruiting and

selection process has a higher probability of producing successful, longer-term employment relationships.

If you’re not getting the results you want in attracting and retaining talent in today’s fast pace market, where the speed of change naturally works against you, talk with us. We focus our energies on helping you think through this process and ask the hard questions needed to refine your specifications and then provide professional support and direction to see that the requirement is filled thoughtfully and with discipline. The costs and implications of poor thinking and poor planning in this area are expensive in dollars and cents, not to mention the longer-term impact on overall organizational morale and effectiveness.

## **WHAT’S THE COST OF LEADERSHIP ?**

For the last two decades, HRA Services has built a strong record of success in helping people-centered organizations develop leadership and process-oriented teams. Now more than ever before, organizations need to amplify their ability to understand organizational strengths and weaknesses and be able to respond quickly and intuitively to changes, inside and out. Our experience and expertise working with a range of organizations allows us to help your management team develop and sustain a clear sense of vision and focus in terms of where you are, where you want to go, and how you plan to get there. Author of *First, Break All the Rules: What the World’s Greatest Managers Do Differently*, Marcus Buckingham contends that 26% of employees are engaged in their jobs (loyal and productive), 55% are not engaged in their jobs (just putting in time) and 19% are actively disengaged

(unhappy and spreading their discontent).\* If your leaders are not leading and managing these constituencies, you may feel a sense of “organizational drift” and see the inability to satisfy your company goals and objectives.

Our professional experience tells us that your organization is unique and requires a tailored set of alternatives that grow out of your history, values, objectives, staff characteristics, and future goals. In pursuit of these goals, HRA Services brings

- An independent perspective dedicated to and focused solely on your best interests;
- A broad and varied organizational background that challenges assumptions and works hard to generate creativity and build the soundness of the team;
- The capability to promote “creative tension” that fosters organizational health and progress; and
- Practical time-tested tools to assess leadership patterns; enhance time management; set and accomplish priorities; and develop action plans that fix accountabilities and timetables that produce results.

\*“Marcus Buckingham Thinks Your Boss Has an Attitude Problem,” *Fast Company*, Issue 49, August 2001.

## WHEN TIMES GET TOUGH

Daily client calls, round-tables, state-of-the-industry meetings, formal presentations, and informal conversations all signal organizations digging in, studying revenues and costs and customer service, and making serious efforts to tune-up if not redefine the organization. Recent surveys of compensation practices in 2002 and projections for 2003 reflect reduced pay increases and more conservative pay practices in general. One survey showed as many as twenty percent of participants getting no increase in 2002. While much of what’s

happening is a reflection of external national and world events, economic and political, it’s a good time to focus on areas where there are opportunities to exercise management and leadership—areas where you have control.

Against this background, a client recently asked for further information about “compa-ratios.” That’s a term we use in explaining the power of effective salary administration as it relates to determining whether you are paying people competitively and appropriately relative to performance or contribution. Compa-ratio is more than just a word; it is a concept that reflects not only how an individual is being paid relative to the mid-point of his or her salary range, but the composite compa-ratio is also a valuable management tool for viewing how divisions and departments and entire organizations are utilizing salary dollars related to performance and productivity. In times like these where many organizations are facing tough decisions, studying the implications of your salary administration program will reveal important relationships between pay and performance from both an individual and organizational viewpoint. Taken together with the concept of merit pay or pay-for-performance, compa-ratio serves as an important barometer of managerial and organizational effectiveness and efficiency.

## “WISHING YOU ALL A SAFE AND HAPPY THANKSGIVING SEASON”

The *HRA Fact Finder* is published by HRA Services, Inc., to keep clients and business associates abreast of developments and trends in human resource and personnel management and is not intended to serve as professional advice on specific personnel and organizational issues.

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