



## PART 2: COSTLY HIRES

Human resources expert returns for Part 2 of his two-part series on costly hires. This time, he lays out a hiring process designed to weed out unqualified or untrustworthy candidates. By Dave Druzynski

**L**ast month, I looked at the obvious, hidden and total costs of making a bad hiring decision. This month, I'd like to share tips on how to create a formal hiring process. But before I do, I'd like to open up with a list of the five most common mistakes made by dealers during the hiring process. Let's get to it.

### **Mistake No. 1: Hiring too quickly to fill a need**

Dealers too often associate an empty seat with lost revenue. It's important, however, to realize that putting the wrong person in that seat could cost a lot more than you can imagine. No matter how urgent the need, it's important to be patient and fully assess each candidate before making a hiring decision.

### **Mistake No. 2: Trusting the résumé**

You can't believe everything you read on a résumé or assume that what is said during an interview is an accurate reflection of a candidate's experience, abilities and achievements. That's why it's critical you verify everything a candidate writes down and says.

In a recent survey of 3,100 hiring managers, 49% said they caught a job applicant fabricating their résumé. There are companies out there right now, including CareerExcuse.com, that specialize in creating fake companies, fake work histories and even fake references for job seekers.

### **Mistake No. 3. Hiring someone based on a gut feeling**

Just because someone is a friend-

ly and likeable person doesn't mean he or she has the skills to do the job. Candidates can easily charm their way through an interview. But blind trust often leads to another type of gut feeling: acid indigestion!

### **Mistake No. 4: Overpromising and underdelivering**

No matter how much you want to hook that awesome salesperson you're interviewing, don't tell that individual he or she can easily earn \$100,000 when the last three people in that position earned an average of \$60,000. And don't promise a prospective service advisor he or she can be a service manager in a year if you have no idea how long your current service manager will be with you. All you're doing is setting these hires up for a case of sour

## Management

grapes, and they will most likely quit before long.

### **Mistake No. 5: Failing to check references**

Ask every candidate for at least three references and insist that two of them be previous managers. If the candidate refuses, that's a red flag. Additionally, do your own investigating and verify the "managers" you're calling aren't friends of the applicant. Keep an open mind, but don't skip the reference check — unless the candidate is still employed there.

And make sure to call and talk to the managers listed. You may catch a hesitation or inflection in the voice that you wouldn't otherwise notice in an email correspondence. Also, it's a lot easier to tell over the phone if the

last manager is a difficult person or has unrealistic expectations of his or her employees.

### **The Process**

OK, now that we've covered the Top 5 hiring mistakes, let's put together a formal hiring process. Except for rare cases, this process should not be circumvented.

The first step is to write a formal job analysis for every position. An analysis is more thorough than a job description or a list of criteria needed for the job. And for every available position, you must identify the key performance indicators you'll use to determine whether an employee is performing well in that position.

What are the personality traits of employees who have performed well

in that position? What are the traits of those who didn't? Write down your expectations for the person in this position, then write down the knowledge, skills, abilities and personality traits necessary to meet those expectations.

The greatest part of conducting this analysis is it allows you to create questions designed to discover whether the candidate has those traits. For example, you can ask the candidates to provide an example of how they would handle a crisis in their last job. Or, ask candidates to give an example of how they really wowed a customer, who then referred friends to the dealership.

Next, identify the culture and values of your organization, and hire candidates who are a good fit. For example, if you require your salespeople to service a high volume of customers every day, then a fast-talking, energetic salesperson may be a great fit. However, if your salespeople are required to provide an exceptional customer experience and to have a high level of product expertise, then that energetic candidate may not be the best choice.

## Hiring Test

**ASSESSMENT TOOLS ARE NOT** just for large organizations. Low-cost, specialized assessments are surprisingly accurate screening tools that can and should be used by every company to measure mental aptitude and personality dimensions that can be benchmarked against your top-performing employees.

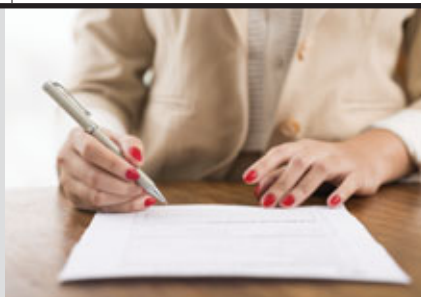
At Auto/Mate, we use Candidate Resources Inc.'s Achiever Assessment test to evaluate candidates. I have found the test results to be surprisingly accurate in assessing the skills and personality traits needed to be successful in a position. Here is our process:

- Establish benchmarks for each position in your company by administering the test to your current employees and establish ideal score ranges based on top performers. Their results will serve as benchmarks for all future candidates for these positions and can be updated over time.

- When a test result is returned, remember to confirm the findings. Circumstances in a previous position may have contributed to a score that is outside the ideal range. If you like the candidate, don't toss them aside based on scores only; do a little more digging first. The assessment is just part of a larger process.

- Use the test results to create questions for a second round of interviews. For instance, if a candidate scores low on initiative, ask the candidate to give an explanation of how he or she displayed initiative in his or her last position. You should also pose a scenario in which initiative would be required and ask the candidate what he or she would do.

- Use the test results to create questions for references and previous managers. For instance, if your candidate scores low on organizational skills or working well with teams, ask previous managers about those specific skills and behavioral traits.



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### **Interviewing Techniques**

The first key to a good interview is to not stop at one. In fact, many organizations now hire by committee. Take the traits you identified earlier and ask questions that touch upon each one. Ask multiple questions about each trait and mix it up. This will help you identify discrepancies or inconsistencies.

Before you meet with each candidate, create an interview script for each one. Just make sure to ask the same base questions of each candidate so you have a basis for comparison — as well as justification for your hiring decision in case you ever find yourself in a hiring lawsuit. Don't hesitate to go off-script if you need to delve deeper into a specific situation.

At the end of the interview process, there should be a consensus among the committee regarding



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which candidate is best for the job. I have a saying here at Auto/Mate: "If the committee doesn't give a candidate an enthusiastic 'Hell yes!' then the answer is 'Hell no!'"

When it comes to the actual interview, make sure to ask open-ended questions that can't be answered with a simple "Yes" or "No." For example, asking a candidate if he or she is customer service-oriented will result in

a "Yes" every time. Instead, ask them to provide an example of a time when they went above and beyond the call of duty in their last position."

Finally, don't be afraid to ask both behavioral and situational questions. Behavioral questions are geared to specific experiences in the candidate's past. You want to find out how they have dealt with a crisis, an unhappy customer or a difficult cowork-

er. A popular hiring theory states that past behavior in similar situations is one of the best predictors of future behavior.

Situational questions are geared toward a potential scenario that is presented to the candidate, such as what they would do if they made a mistake that cost the company money or what they would do if a customer was being unreasonable and screaming at them.

When it comes to hiring, a little effort up front can pay huge dividends down the road. Avoiding common interviewing mistakes and establishing a formal interview process can potentially save you an enormous amount of money, time and aggravation. Happy hiring! ■

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