

BEHAVIORIAL ASSESSMENTS & SKILLS TESTS

HELP SMALL BUSINESSES HIRE BETTER



SMALL BUSINESSES ARE THE LIFEBLOOD OF THE AMERICAN ECONOMY

As of the end of 2018, there were 30.2 million small businesses in the US, employing anywhere from 1 or 2 people to 250 people with most employing less than 100 employees. These businesses account for 99.9% of all businesses in the US. 57.9 million people in the US are employed by these organizations making up almost 50% of US employees. According to a study conducted by Guardian, 47% of these business owners expect growth in the next five years.

SMALL BUSINESSES ARE CRITICAL TO THE US ECONOMY.

Small Businesses also face unique challenges, which make them very vulnerable. According to the Small Business Administration, 1 in 12 of these small businesses, which are so important to the American economy, go out of business each year.

Every expert seems to have a different idea about the biggest challenges facing small businesses. Depending on the list that you look at, the most significant challenges facing Small Businesses vary from rising interest rates to providing Health Care for their employees to Lack of Capital/Cash Flow to Advertising/Marketing.



HOWEVER, ONE CHALLENGE THAT YOU WILL FIND ON ALMOST EVERY LIST IS THE CHALLENGE OF FINDING, HIRING, AND RETAINING GOOD EMPLOYEES.

THE PROBLEM

Small Businesses are faced with unique challenges when bringing on new employees.



CULTURE IS KEY – Many times, small businesses brand themselves based on the kind of company culture they have. They need to find team members to fit that culture.



BENEFITS – Small Businesses are not able to offer the same kind of benefits as larger organizations.



COMPARABLE SALARIES – Many times, small businesses can't afford to pay someone the same rate as a larger organization with a ready supply of cash flow.



GENERALISTS – In a small organization, you may be looking for a chameleon who can shift from one job to another at a moment's notice and have a wide variety of skills in multiple disciplines.

Small businesses are often looking for a unicorn. Therefore, once they find someone, it is critical to keep them. You've heard it said that an organization's people are its biggest asset.

Recruiting and retention challenges couldn't be more critical with small businesses, for several reasons:

DOLLARS AND CENTS – Josh Bersin, a well-respected industry analyst, has indicated that the cost of a mis-hire or losing a key employee can range from tens of thousands of dollars to 1.5-2.0x the employee's annual salary. Multiply that across 2 or 3 employees lost in a year, and you have some significant costs adding up for a small business who may already be experiencing a lack of capital/cash flow. It can equal a perfect storm that some businesses are not able to overcome. These costs include recruiting, onboarding, training, ramp time, loss of engagement from others due to high turnover, higher business error rates, and even general culture impacts.

CULTURE – An organization's people have a dramatic impact on the culture that the organization exhibits. The right person inserted into a healthy culture can have a dramatic positive impact on the organization. However, an employee that doesn't have the right job fit can have a dramatic negative impact on the organization effectively turning a healthy culture into an unhealthy one very quickly.

LOST PRODUCTIVITY – When an employee leaves the organization, there is a hole left where that person was. That hole represents lost productivity. Unfortunately, there is also a negative domino effect as well. Another employee or sometimes even an executive or owner of the company must cover the job of the departed employee and there is lost productivity in their core role, causing an even bigger loss of productivity for the company. This covering of roles has a ripple effect of lost opportunities.

YOU'VE GOT TO HAVE EMPLOYEES. WHAT IS THE SOLUTION?

Spending a bit more time at the beginning of the hiring process to make sure that the person that you hire **fits the job** and has the **skills** that you are looking for helps a great deal.

Sure, you may do **background checks and check references**, but that takes time and can be expensive. Because of this, these checks may even take a back seat to the gut hires and filling open positions. While this may seem like a quick option to fill a seat fast, a small business may rack up more costs if they end up having to fill that same chair in a month or two. The mis-hire happens because the person they hired wasn't a good fit for the job or didn't have the skills they said they did on their resume.

So, what is the answer?



BEHAVIORAL ASSESSMENTS AND SKILLS TESTS ARE THE ANSWER

BETTER HIRES – A good **behavioral assessment** that measures traits that are critical to the position. Behavioral assessments are also an effective benchmarking tool to predict how well a candidate is going to fit into your organization. Better **job fit** leads to decreased turnover and higher retention rate of employees. This, in turn, leads to higher productivity because you don't constantly have to fill seats.

BETTER TRAINING AND MANAGEMENT – The information from a **behavioral assessment** can also help a manager more effectively manage someone because they learn what makes the employee tick. It has been said that “People don't leave companies, they leave managers”. By utilizing the information in a behavioral assessment to manage their employees, a manager can make that possibility less likely. Utilizing this information to tailor training can also make training more effective.

SKILLS TESTS – While testing behavior is important, it is not everything. If a person doesn't have the skills to do the job, they may be able to do the job eventually with the right training but won't be able to do the job immediately. Once again, this sometimes gets neglected because the assumption is made that “they did this job at their previous employer so they must have the skills.” Unfortunately, that is not always the case. A candidate's zeal and desire to land the job may cause them to embellish the skills on their resume or try to match keywords on the Applicant Tracking System they are applying through.

So, it is important to test their expertise in skills that are critical to the job. For example, if you were hiring a Data Analyst, you probably wouldn't want to hire someone without knowing for sure that they had expertise in Excel and skills in analyzing data.

THE GOOD NEWS IS THERE IS A COMPANY WITH A HEART FOR SMALL BUSINESSES.

Eleserv has created a small business package that includes both a behavioral assessment and skills assessments in addition to an Applicant Tracking System (ATS) that will allow you to track all the activity with your candidates all in one system and all for one price.



The Talent Bullseye system includes the Talent Bullseye behavioral assessment. The Talent Bullseye assessment is a configurable Jobfit assessment. This means that you can configure the assessment to measure only the traits that are critical to your organization and then build a benchmark from what has proven to be successful in your organization. Unlike many other assessments of this type, this assessment can be taken in as little as 10 minutes. This behavioral assessment has proven to be effective in reducing turnover and increasing productivity.

Eleserv has also partnered with eSkill, the global leader in **assessing skills**. Select from more than 1,000 standard tests or create your own using the expansive eSkill library. Skills testing has proven to reduce the time to hire by up to 60%.

In a recent case study done with a credit union, implementation of both the Talent Bullseye assessment and skills tests yielded the following result:



Higher Fit Score on the Talent Bullseye assessment had a strong correlation with annual employee performance reviews



Of the candidates that scored 70% or above on the skills test, only 4% of those left the organization involuntarily



Higher Fit Score on the Talent Bullseye assessment had a strong correlation with 90-day performance review

CONCLUSION

Access to top talent has never been more difficult. Finding the right person for critical positions within your organization is essential.

Eleserv has assembled a group of talented HR professionals and assessment tools that will help your organization identify the individual or individuals that fit your positions and have the skills to succeed every time.

Eleserv provides solutions that help align talent strategies with organizational objectives and goals in a way that maximizes productivity and positively impacts your company's bottom line.

CONTACT ELESERV TODAY FOR YOUR RECRUITING NEEDS AND LET US SHOW YOU HOW OUR SMALL BUSINESS SOLUTIONS CAN HELP YOU HIRE BETTER AND RETAIN THE PEOPLE YOU HIRED.

Phone: 254.275.4205
Website: eleserv.com
Email: info@eleserv.com

