



The Effectiveness of Automated Prescreening

by Pat Rowe, Vice President of Spherion Assessment Group, OR 12.5%.

Is technology fundamentally necessary in employee screening processes? At one time or another, we all shake our heads and wonder, "Weren't we doing this just fine 20 years ago without e-mail, the Internet, Web conferences and global positioning systems?"

With so many technology options and enhancements, it is easy to confuse those that are essential and those that are not. But when it comes to large-scale employee prescreening, technology is much more than a timesaver or convenience. Today it is a prerequisite of successful hiring practices.

Automated prescreening transforms how potential employees are evaluated and selected. Assessing candidates with the right assessment tools equals better employees. Better employees improve business operations, which equals higher profits

In addition, prescreening can save thousands and even millions in employment costs. If a business that hires regularly isn't taking advantage of technology-enabled prescreening, it's missing out on opportunities to improve bottom-line results, from increasing and improving its applicant pool to reducing hiring time and people costs.

Increased Applicant Pool

In most cases, the talented people businesses want to hire cannot apply between 8am-6pm. They also manage existing jobs and full schedules. It's important to remember that people consider new opportunities around the clock-at home, at their existing workplace, commuting, Internet surfing or on vacation. Why not let them apply on their own time?

That is exactly what smart prescreening technologies do. Using a Web address or an 800 number, candidates can apply over the phone or Internet 24 hours a day, seven days a week. Candidates complete a simple, automated screening assessment that determines how well they fit-or their compatibility-with the job and the employer.

Businesses not only get a higher quantity of response from interested job seekers, they get higher quality applicants. Candidates who are employed and succeeding in other jobs have the opportunity to apply outside of their work schedules, increasing the caliber and skill base of the applicant pool. The use of technologies that are available to candidates 24/7 increases a candidate pool size on average of 17%.

Case Study: Money in the Bank

Company: Large-scale call center for financial services company

Positions to Fill: The company needed to fill 100 customer service representatives. Each open seat was costing the client approximately \$2,500-\$4,000 per month in lost revenue.

Location: Las Vegas, NV

Challenge: Requesting applicants to apply during normal business hours was getting a low response in a city that never sleeps.

Solution: An 800-number, advertised on billboards around the city, directed candidates to an automated prescreening and application process.

Results: The billboards drove largest numbers of applicant to the toll free number at 3 am, which was the time of a major change of shift time for casino employees all across the city. The company's applicant pool increased by 17% and it began interviewing qualified candidates within 48 hours.

Reduced Hiring Time

Through the combination of state of the art technology and proven assessment practices, automated prescreening accelerates the hiring process dramatically.

How does it work? Automated assessments are given to candidates through either IVR (interactive voice response) or Web-based technology. Over the phone or the Internet, candidates answer a series of skills and behavioral questions, which evaluate traits and work habits such as customer service, sales orientation, work ethic and reliability.

The assessment technology utilized is smart technology, meaning it can respond to the data entered by the candidate. Every time a candidate answers a question,

the system reads that response and is then able to branch to a set of follow up questions based on that answer and the time it took the applicant to respond. Rather than a standard process for all applicants, automated assessments build around the candidates' individual responses, allowing for a dynamic conversation between the applicant and the technology. This interactive approach yields a more accurate picture of each individual's suitability to the job for which they are applying.

The pre-employment screening eliminates those not qualified for the job and gives qualified candidates simple rankings that predict how well they are likely to perform on the job. Due to the speed and accessibility of technology, that information is rapidly available to employers electronically, who can quickly schedule the best-qualified candidates for further evaluation. As a result of the combination of smart technology and state-of-the-art delivery tools, traditional hiring times are reduced by an average of 11 days.

Technology-enabled prescreening also saves managers valuable time, which previously would have been dedicated to in-person prescreening and interviewing of unqualified candidates. Through automated screening, managers regain time that can be dedicated to revenue generating activities, training workers and helping to make new employees productive employees.

Case Study: Hire Faster Than Paint Dries

Company: A leading manufacturer, distributor and retailer of coatings and related products

Employees: 15,000 nationwide

Challenge: Managers in its more than 2,400 retail stores nationwide were losing a significant amount of time screening and interviewing volumes of job candidates who ultimately did not match the company's needs.

Solution: A phone-based prescreening survey was introduced and advertised in newspapers, on business cards, leaflets and billboards.

Results: After the introduction of the automated screening system, the company had 5,753 candidates apply over the system and was able to reduce that number to the most qualified 621 employees. If on average a manager spends 1.5 hours of his/her time prescreening unqualified or poorly matched candidates, this business regained 7,500 hours of management time.

Reduced Turnover & Cost-per-hire

No business, no matter its size or industry, can escape the remarkably high costs of turnover. The Saratoga Institute puts the base cost of replacing a non-exempt level worker at 50% of her/his annual salary. If a worker is paid \$7 per hour, the cost to replace each individual is estimated at over \$7,000. Companies cannot afford high turnover rates, which means they can't afford to hire the wrong employees.

With automated prescreening, assessments are customized by job function, employer culture and desired traits of potential workers. Exploring the work habits, likelihood to remain in the position and compatibility of each applicant, prescreening quickly, yet accurately, is able to identify candidates who are most likely to succeed in a role and weed out those who will not. The result is that managers are hiring from a pool of candidates who are well matched to the position and therefore much less likely to leave. In fact, technology-enabled prescreening has been shown to reduce turnover by 35-45%, helping organizations shrink employment costs and improve their bottom line business.

And when turnover is lower, cost-per-hire decreases as well. Businesses do not have to advertise, recruit or train as much decreasing the time and money spent on each employee hired.

A Case Study: Pumping Gas Not People

Client: One of the nation's largest gas suppliers and convenience store chains

Challenge: High cashier turnover in the convenience stores was costing the company hundreds of thousands of dollars annually

Solution: A customized assessment was designed to screen applicants for the cashier roles nationwide

Results: Using prescreening the company reduced its turnover by 10.8% and increased tenure by 33% in one year.

Technology Works

When you look at the numbers-more candidates, time saved, costs saved-it's impossible to deny that technology has improved the way businesses screen and hire candidates. Phone and Web-based screening even counteracts human bias, offering hiring managers an applicant evaluation that is both color and gender blind. In fact, it's not a question of whether technology is improving how businesses screen candidates; it's a question of why businesses are managing without technology-enabled pre-employment screening.

Pat Rowe spearheads the delivery of cost-effective and quality-focused tools for screening and selecting employees, from non-exempt workers up to mid-level management. For more information, please contact Pat Rowe at (800)798-2536 or visit www.spherionhumancapitalconsulting.com.

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