

Employee Reliability Inventory Fuels Employee Retention

It's an all-too-familiar scenario in the retail industry: a new employee comes on board, goes through orientation and training—and is gone within months. When it comes to the bottom line, high employee turnover is a double-edged problem: losing employees is expensive, and so is replacing them. With so much at stake, many experts say the best way to prevent turnover is to hire the right people in the first place.

That's the goal at Pioneer Energy, with the innovative online application system the company is using to pre-qualify retail operators for its sites in Ontario and Manitoba.

"Pioneer operates more than 300 sites, from basic gas stations to full-service operations with convenience stores and carwashes," says John Skakie, an HR consultant who has been working with Pioneer since 2006. "That allows for different levels of investment by a diverse group of retail operators, who are independent contractors."

Skakie says Pioneer sees an average of 200 to 220 qualified candidates per 12-month rolling period, competing for between 10 and 25 job opportunities over the same period.

To apply, applicants create a profile to enter their contact information and resume. Then they answer a series of pre-qualification and screening questions. For those who are qualified, the third stage is an in-person interview with Pioneer staff.

The cornerstone of the pre-qualification step is the Employee Reliability Inventory (ERI®), an 81-question screening tool that takes about 15 to 20 minutes to complete. The ERI tool measures how well a candidate is likely to perform in seven critical areas: freedom from disrupted job performance, courtesy, emotional maturity, conscientiousness, trustworthiness, job commitment and safety.

"By definition, reliable and productive work behaviour requires a long-term commitment to the job," explains Dr. Gerald Borofsky, clinical psychologist and author of the ERI tool. "However, additional work behaviour skills are also necessary for reliable and productive job performance. In addition to assessing an applicant's long-term job commitment, the ERI assesses these work behaviour skills."

Borofsky says improving employee retention was one of his objectives in developing the tool. "For a number of years, we had been in the business of providing companies with pre-employment assessment services and consultation. Customers identified a number of problems regarding the reliability and productivity of their workforce. Among other things, they indicated that retention was a major problem for them, and that low employee retention was



a source of cost that directly affected their overall profits. Their complaints included needing to spend too much time hiring and training new employees, and not being able to spend enough time on revenue-generating activities.”

Borofsky adds that the ERI is backed by more than 15 research studies that have “consistently documented the relationship between ERI use and reduced turnover, with an average reduction of 35%, and an average return on investment of greater than 500%.”

Skakie’s results with Pioneer also suggest that the selection process works. “The ERI is perfect for this particular application, and it’s what sets the process apart,” he says. “Our data from April 2011 show that we’ve had less than two per cent turnover of candidates who went through the process.”

Aside from helping to rule out unsuitable candidates, the ERI provides options for followup questions interviewers can ask to make sure a promising candidate is a good fit with the organization. “It helps employers make an informed decision,” says Skakie, “and an informed decision is a better decision.”

Skakie notes that there is a personal side to his role, which occasionally includes calling applicants to ask about unclear information, or coaching Pioneer staff on effective interview questions. “Sometimes there can be issues with language or interpretation, and sometimes you make a judgment call about a candidate’s fit,” he says. “It helps build the relationship between candidates and district managers, because that relationship has already been nurtured.”

For Skakie, that mix of people and process is at the heart of why the system works with Pioneer’s culture: “They’re really trying to build relationships. The system helps to determine who will have those good relationships—with customers, with management and with the brand.”

The Employee Reliability Inventory is available from Psychometrics Canada at www.psychometrics.com