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## Profiles International: A Multifaceted Approach for Assessing Talent

### About the Author



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### Introduction

Throughout the process of talent management (e.g., recruiting and selecting candidates, assessing performance and potential, developing people, and implementing rewards programs), there is a common and critical thread – the need to assess people. Thanks to extensive research and many innovative solution providers, the market for assessment tools has exploded. Today, companies are using a wide variety of assessment tools to screen and assess candidates, uncover strengths and weaknesses, determine job fit<sup>1</sup> and leadership potential, and identify specific development needs that drive success.

Profiles International, a world leader in selecting and developing high-performance workforces, offers a comprehensive suite of employment assessments that help companies gain a competitive advantage by selecting, hiring, retaining and developing great talent. Continually validating and updating its assessment products, Profiles serves many of the largest companies in 122 countries around the globe.

### Types of Assessments

There are many different kinds of assessments on the market today, including competency, personality, potential and team effectiveness. Assessments can be conducted on paper or online, and are completed via self-assessment or multirater.

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<sup>1</sup> "Job fit" refers to the assessment of current knowledge, skills, competencies and other key qualifications of an individual against the requirements of a specific role, current or future.

Two of Profiles's flagship assessments are:

- **Profiles's "Checkpoint 360™"** – Multirater feedback process that assesses employees against 18 competencies grouped into eight skill clusters; and,
- **Profiles's ProfileXT™** (assess job fit, job interests and potential):
  - o Measures thinking style, behavioral traits and occupational interests,
  - o Compares candidates to job-specific patterns to predict future success,
  - o Improves quality of hire, and
  - o Provides a foundation for ongoing employee performance management.

## The Application of Assessments

The application of assessments in talent management programs is varied. In the following sections, we briefly highlight the function of assessments within each of the core talent management processes.

- **Recruitment and Selection** – To maximize talent investments and "upgrade" the talent pool, organizations need to rethink their current strategies – and make the necessary changes to not only reduce costs, but improve the accuracy and quality of hires. Assessments can be fully integrated into a recruiting solution, so that candidates are screened before they are brought in for an interview.
- **Performance Management** – Each year, managers must go through the difficult process of assessing employees' performance against a set of performance goals, as well as required or desired skills and capabilities. Often done via a 180- or 360-degree assessment, these tools indicate standards against which to measure employees. Skills



### KEY POINT

Potential assessments are used most often for senior leaders and executives, by 22 percent and 29 percent of companies, respectively.<sup>2</sup>

<sup>2</sup> For more information, *Leadership Development Factbook® 2009: Benchmarks and Analysis of Leadership Development Spending, Staffing and Programs*, Bersin & Associates / Kim Lamoureux and Karen O'Leonard, October 2009. Available to research members at [www.bersin.com/library](http://www.bersin.com/library) or for purchase at [www.bersin.com/ldfactbook](http://www.bersin.com/ldfactbook).





## KEY POINT

Companies use job fit and potential assessments to evaluate employees against future roles.

gaps are identified and development plans are put in place to close these gaps.

- **Career Management** – Career management addresses the career goals of employees. Companies employ assessments, such as job fit and potential assessments, so that employees are able to measure themselves against future roles.
- **Succession Management** – Succession management is a critical part of any talent management strategy. Companies use assessments to predict the future capabilities and potential of its employees. With this information, companies create succession plans and build a leadership pipeline<sup>3</sup> that will enable the company to endure through the retirement, departure and termination of its leaders.
- **Leadership Development** – In a recent study of more than 350 companies<sup>4</sup>, we found that 360-degree feedback, leadership style and personality are the three most common assessments for managers, regardless of level. Overall, assessments are more frequently used for senior-level leaders, likely due to associated costs. Assessments help define the critical skills necessary to drive organizational performance.

## Conclusion

Assessments are no longer just for executives. Companies are using a variety of assessments for every level of employee and at all key phases of the employee lifecycle. These tools help employees to become more self-aware and enable employees to develop career goals that are obtainable. For companies, assessments help leaders make better selection decisions, uncover skills gaps to drive learning priorities and build capabilities necessary for long-term sustainable growth.

<sup>3</sup> “Leadership pipeline” refers to an organization’s ongoing need to have a pool of talent that is readily available to fill positions at all levels of management (as well as other key positions) as the company grows. At each level, different competencies, knowledge and experiences are required, and (to keep the pipeline filled) the organization must have programs designed to develop appropriate skills sets. (Also known as the “leadership bench.”)

<sup>4</sup> For more information, *Leadership Development Factbook® 2009: Benchmarks and Analysis of Leadership Development Spending, Staffing and Programs*, Bersin & Associates / Kim Lamoureux and Karen O’Leonard, October 2009.



## Appendix I: Case Study



### KEY POINT

Companies use assessment tools to screen and assess candidates, uncover strengths and weaknesses, determine job fit and leadership potential, and identify specific development needs that drive success.

## Loomis Uses Leadership Development to Reduce Turnover

### Company Overview

Loomis<sup>5</sup> is a multinational cash-handling corporation perhaps best-known for its armored transport service – the roots of which go back to the gold-rush days in America’s Old West and Alaska.

Today, Loomis deploys a fleet of roughly 3,000 armored trucks and other vehicles in the U.S. to continue providing the secure delivery of cash and coin to financial institutions and other businesses. The company stocks and empties automatic teller machines; it also provides outsourced vault solutions, and transports and warehouses inventory for the Federal Reserve System. In addition, Loomis provides an array of other products and services to help clients manage payment systems and other aspects of the financial supply chain, both physically and electronically.

Loomis has 400 operating locations in the U.S., as well as 11 in Europe. Its U.S. workforce includes 8,000 employees. Geographically in the U.S., the company is broken down into districts, areas and branches. The focus of this case study is on the Texas district.

In recent years, Loomis’s Texas branches have tackled the issue of high turnover, each using Profiles International assessment solutions, but with a different focus. The Texas district has used the tools to launch and sustain a leadership development initiative under the premise that strong leaders will help to create an environment in which employees want to remain. It is worth noting that the use of tools from Profiles has also spread to Loomis’s Colorado district, with a focus on pre-hire screening. (See section, “Case in Point: Loomis – The Colorado Story,” later in this case study.)

<sup>5</sup> Source: <http://www.loomis.us/default.aspx>.



## ANALYSIS

The way in which a company manages its talent has become a critical business lever and will provide companies with competitive advantage.

### Assessment Tools at Loomis

Profiles International<sup>6</sup> has worked with Loomis in Texas to craft an assessment solution that initially employed three tools – the CheckPoint 360<sup>TM7</sup>, the ProfileXT<sup>®</sup> (PXT)<sup>8</sup> and the Profiles Performance Indicator<sup>TM9</sup> (PPI)<sup>9</sup>. These tools have helped Loomis to ensure that skills gaps are correctly identified, that development tactics specifically target those needs, and that progress is tracked and evaluated to guide next steps.

### The Loomis Story: A Focus on Leadership Development

The relationship between Profiles and Loomis in Texas began in December 2005. At that time, Loomis was struggling with an annual employee turnover rate of more than 50 percent across this district. Upper management took a hard look at the situation and concluded that ineffective branch-level leadership was a primary contributing factor.

These branch managers were found generally to have mastered the technical, logistical and other operational challenges of the business. Their branches made money. But the costs associated with recruitment and moving existing workers around to keep understaffed sites running were eating significantly into profits. The managers were not incorporating the big-picture costs of turnover into their perspectives on employee relations.

Observations, employee complaints and attitude surveys indicated that managers lacked leadership skills. So, with help from Profiles, Loomis embarked on an employee-development effort to change that.

<sup>6</sup> Source: <http://www.profilesinternational.com/home.aspx>.

<sup>7</sup> The CheckPoint 360 compiles feedback from direct reports, peers, supervisors and customers to generate an overall picture of how a particular employee is perceived on the job.

<sup>8</sup> The PXT is a multipurpose assessment often used in the pre-hire screening process. It helps companies to develop a profile of the ideal candidate for a position, and compare profiles of actual employees and candidates against this profile.

<sup>9</sup> The PPI is a psychometric assessment that helps to define a person's natural tendencies to determine how job activities might mesh or conflict with those tendencies.

**KEY POINT**

In a recent study of more than 350 companies, Bersin & Associates found that 360-degree feedback, leadership style and personality are the three most common assessments for managers, regardless of level.

## Change Management

To inform managers of the leadership development initiative, the assessments and other activities planned, HR leaders at Loomis Texas held kickoff meetings with everyone who was going to be involved. As the effort got underway, meetings and conference calls continued regularly to update participants on the purpose and scope of each new phase.

Care was taken to emphasize that, while participation was not optional, the initiative was not punitive. Loomis presented it as an investment in its managerial and supervisory workforce – one which the company hoped would be greeted with focus and enthusiasm. That hope was not realized 100 percent, as this case study will explain. But overall, organizers said participants are finding personal and professional value in the process.

Non-managerial employees also were made aware of what was happening, but through communication that was more scattered and may not have reached the entire workforce. For example, one forum for discussing the subject arose through the employee-attitude surveys that Loomis had conducted for years. When the issue of managerial effectiveness came up in those surveys, the HR department sought to reassure workers one-on-one that an improvement initiative was in the works.

Also, because the assessment plan included use of the CheckPoint 360™, feedback was sought systematically from all of the participating managers' direct reports, including hourly workers.

The HR manager who has been involved in orchestrating the initiative, recalled those conversations.

*"We had to tell them what we were trying to do. We basically said, 'Don't be scared to be honest with us. We need that. Your managers need that, so that we know how to further develop you.'"*

## ★ BEST PRACTICE

Companies are using a variety of assessments for every level of employee and at all key phases of the employee lifecycle.

### Implementation and Support

Loomis's assessment-based turnaround effort in Texas started with the CheckPoint 360™. This survey was administered not just for top management, but for all supervisors and managers – in other words, three tiers of leadership, including initially about 20 people. Since then, as a result of reorganization, the number of branches in the district has grown. Managers in recently included branches are going through the assessment process now.

Based on the results of this assessment, Profiles International made recommendations regarding what development plans should include for each participant. In most cases, the plans included one-on-one sessions with a coach from Profiles, on a monthly bimonthly basis for six months or so. As coaching sessions got underway, Loomis and Profiles implemented the other two primary assessments – the Profiles XT (PXT) and the Profiles Performance Indicator (PPI).

Each of the three tools helped to provide a different piece of an overall picture.

1. The CheckPoint 360™ offered a clearly relevant starting point for discussion by laying out how individual managers were perceived on the job from all directions.
2. The PXT focused on the behavior patterns driving those perceptions.
3. The PPI focused on personality traits driving those behavior patterns, offering a basis for discussing which natural inclinations were helping managers on the job and which might create a need for adaptive skills.

With that information, coaches and individual managers were able to examine what changes would improve their effectiveness and how those changes might be achieved. The HR manager for this initiative commented,

*"I think for the most part they're really starting to understand that they've got somebody they can sit there and talk to. If they're mad about something or they need to know how to work through a situation*

*... they can just kind of work through the problems that they're having."*

Meanwhile, group workshops were also held. Topics have included everything from time management and communications to presentation skills. Loomis and Profiles work together to tailor workshops to whatever will be most beneficial at a given time, and HR often receives suggestions from participants regarding future topics. Workshops are open to all managers going through the development program; in addition, "lead employees" who are not yet in managerial roles are also allowed to attend. Lead employees are solid performers who are thought to have what it takes to advance at Loomis, comparable to what other companies might call "high potentials."

The one-on-one coaching sessions offered an opportunity for managers at Loomis to discuss individual progress and obstacles, as well as provide a recurring point of accountability. Together, those ongoing provisions for behavioral change helped to ensure that assessment results would not just be looked at and forgotten. Rather, Loomis had a chance to deeply penetrate processes and attitudes impacting the overall culture at the company.

## Results

Improvements came quickly as the leadership development initiative was implemented. According to the HR manager,

*"Turnover, of course, started to drop. But also just the contact – if I saw a manager having a conversation with an employee, I would see a different way of communicating ... it was a change that not just one person could see. We were all able to see that it was helping."*

Turnover in the district's 16 current branches now averages less than 30 percent monthly, a big improvement. Recruitment costs have fallen from more than \$100,000 to \$20,000 to \$30,000 annually – and that amount is largely just to keep an advertising presence in the particularly large Dallas market, as opposed to being a cost directly related to problem-solving.



### KEY POINT

Assessments help define the critical skills necessary to drive organizational performance.

Still, some managers viewed the process as unnecessary for themselves and an unwelcome draw on their time. There was a philosophical disconnect regarding the importance of the effort. In at least one case, resistance led to a manager's exit from the company – a tough loss for superiors because the manager handled a branch that performed quite well financially. The confrontation challenged Loomis's commitment to what it had begun, but the commitment remained.

Overall, managers are seeing the benefit of the time spent. Workshops in particular are anticipated with enthusiasm, as organizers are often approached with suggestions and the question, "What have we got going on next?"

## Ongoing Efforts and Next Steps

Clearly, the assessments are not viewed as one-time diagnostics at Loomis. Rather, the assessments and other services that Profiles International provides have become a key component of Loomis's overall talent and performance management processes.

For example, the company's HR leaders for this district meet quarterly with the overall district manager and his direct reports to discuss performance management matters and to set goals. Profiles assessments and services, as well as the status, are a big part of those discussions. On a yearly basis, Loomis's primary contact at Profiles is invited to weigh in on what Profiles can provide to ensure efforts are tailored to meet current needs. These discussions cover not only individual improvement plans for managers, but also organizational needs and trends that merit consideration from a broader business perspective.

Profiles also provides training for HR professionals to ensure they are able to support efforts internally in ways that also are continuously improving.

In the coming year, Loomis plans to do a second round of the three assessments that were conducted at the start of its relationship with Profiles International four years ago – returning to the same managers, as well as assessing new participants for the first time. Finally, the company is implementing a fourth Profiles assessment tool – the



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Employee Engagement Survey™<sup>10</sup>. All of this is aimed at providing a fresh base of information for new individual development plans and to guide continuous organizational improvement.

As for the Texas district, planners have no intention of relaxing the leadership development initiative, or of reducing its use of Profiles's tools and services. As one HR manager put it,

*"There's been such huge improvement within our area since using [Profiles's tools and services], why turn away from something that's working?"*

### **Case in Point: Loomis – The Colorado Story**

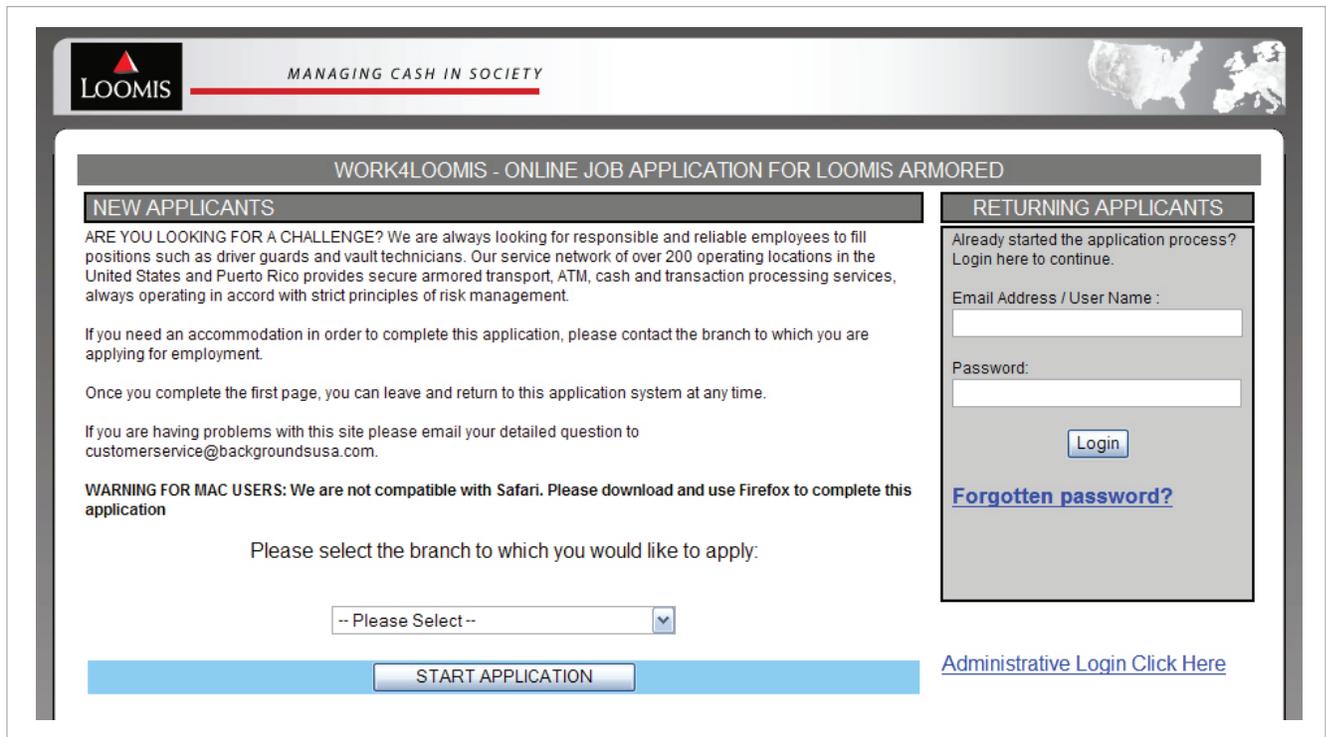
The focus in Colorado is on using assessment tools (particularly the PXT) to screen job applicants more thoroughly, with the hope of selecting those most likely to be a good fit for the organization. The PXT has been integrated into the hiring process and provides guidance with a predictive performance model.

The jobs relevant to this case in point fall into two categories – driving jobs (in which employees transport cash and coin) and non-driving jobs (in which employees work primarily inside a facility). For each position, a profile of ideal employee characteristics has been compiled, using current top-performing employees to create a composite model. These profiles are the backbone of Profiles's PXT assessment.

Hiring at Loomis begins with the application process. Once applications are received, a hiring manager invites applicants to complete the PXT assessment online or in person to gauge their compatibility with a particular job. Applicants are compared to the scores of those who are successful in the job. Advancement in the hiring process is dependent on the compatibility of the applicant's behavior that is required for success in each position.

<sup>10</sup> The "Workplace Engagement Survey" measures the degree to which employees connect with their jobs, and feel committed to the organization and its goals.

Figure 1: Loomis Online Job Application<sup>11</sup>



**LOOMIS** MANAGING CASH IN SOCIETY

**WORK4LOOMIS - ONLINE JOB APPLICATION FOR LOOMIS ARMORED**

**NEW APPLICANTS**

ARE YOU LOOKING FOR A CHALLENGE? We are always looking for responsible and reliable employees to fill positions such as driver guards and vault technicians. Our service network of over 200 operating locations in the United States and Puerto Rico provides secure armored transport, ATM, cash and transaction processing services, always operating in accord with strict principles of risk management.

If you need an accommodation in order to complete this application, please contact the branch to which you are applying for employment.

Once you complete the first page, you can leave and return to this application system at any time.

If you are having problems with this site please email your detailed question to [customerservice@backgroundsusa.com](mailto:customerservice@backgroundsusa.com).

**WARNING FOR MAC USERS: We are not compatible with Safari. Please download and use Firefox to complete this application**

Please select the branch to which you would like to apply:

-- Please Select --

**START APPLICATION**

**RETURNING APPLICANTS**

Already started the application process? Login here to continue.

Email Address / User Name :

Password:

[Forgotten password?](#)

[Administrative Login Click Here](#)

Source: Bersin & Associates, 2009.

### Case in Point: Loomis – The Colorado Story (cont'd)

Currently, once an applicant scores within the acceptable range for a job, he / she essentially has a “foot in the door.” Subsequent steps in the hiring process (such as interviews, polygraph results, background checks and physicals) determine the final applicants and, ultimately, the candidate to whom an offer to join the Loomis team is extended.

The information gathered through assessments has proven to be quite valuable in interviews themselves. An interviewer can hone in on areas in which an applicant’s behaviors differ most from the ideal profile, asking questions to gain a sense of whether the behaviors might prove problematic or if the individual is able to adapt his / her behavior.

<sup>11</sup> Source: [www.work4loomis.com](http://www.work4loomis.com).

*Case in Point: Loomis – The Colorado Story (cont'd)*

## **Post-Hire Uses for Assessments**

Assessments are being used post-hire in cases in which Loomis employees ask to change jobs. The assessment data is compared against other positions to ensure each person can be successfully transitioned to greater responsibility.

Currently, if Loomis has an assessment on file for an internal or external job applicant, reuse is considered appropriate. The applicant's existing profile is compared with the ideal profile for the new position and a new score is generated. If that score tops 70, the interview process can proceed.

Indeed, awareness of profile deviations could conceivably be used to develop onboarding plans that avoid problems or to craft solutions to any problems which could arise. So far, assessments have not been used in those ways at Loomis in Colorado – but the company wants to investigate options for making the most of assessment information to aid in retention, not just screening. 



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