

MINT

CASE

Randstad increased quality and lowered costs using MINT

BACKGROUND

Recruitment agencies operate in a sector experiencing great pressure, and being able to offer their customers unique benefits is key for any company wishing to compete in such a market. Randstad has focused on contributing to cost savings and process-streamlining operations within its customer organizations.

The company's vision is to make HR work strategic, partly through increased measurability.

Johan Grönstedt, Process Manager at Randstad, works almost exclusively with process streamlining. Randstad's efforts to offer its customers the latest in HR processes gave rise to the idea of taking a closer look at potential streamlining measures using the "Six Sigma" model - a well-established methodology for improvement projects - applied to Randstad's own recruitment process.

Over the previous two years, Randstad had recruited an increasing number of consultants for a large industrial firm in the logistics, processing and assembly sector. As a preliminary feasibility study for the improvement project, one of the first data-centric studies was carried out, focusing on how Randstad's recruitment process for the customer worked.

Sector

Staffing and recruitment

The company's requirements

- Improving upon the average performance amongst consultants hired
- Increased effectivity in the recruitment process
- Contributing to customer's cost savings

Tool used

MINT (Measuring Integrity)

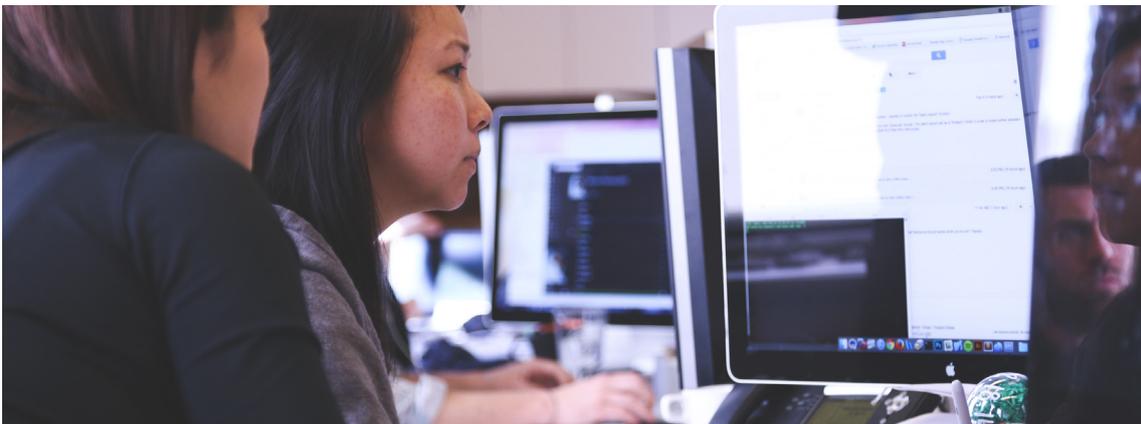
How the company has benefited

- Faster recruitment process for consultants
- Heightened quality of consultants recruited
- Savings and quality gains equivalent to 10 times the cost of the test

Areas looked at included the average ratings of the consultants recruited. The ratings were given after four months' employment, and were based on a combination of the customer's assessment, Randstad's assessment, and attendance. The customer was satisfied with the quality of recruitment provided, but Randstad was convinced that the average rating could be improved.

To improve the quality of the consultants recruited, they needed to find a measurement that could more accurately predict the consultants' job performance.

The first avenue explored was whether the ratings correlated with demographic variables such as age and gender, or other variables such as interests and experience. No significant correlations were found here, and as no clear risk groups could be identified using these parameters, exploring occupational psychology tests was the logical next step.



THE SOLUTION

At this point, various solutions were discussed with Assessio—which approaches should be taken, and which measurement tools could be used to predict the consultants' contribution to the customer's business. Ultimately, the MINT (Measuring Integrity) test, which measures the risk for Counterproductive Work Behavior (CWB), was selected. The test gives a score on a scale 0–10, 0 indicates a very high risk for CWB and 10 a very low risk for CWB.

It was decided that MINT would be introduced as the very first step of the consultant recruitment process for the durable consumer goods company. For the candidates selected and employed, the test results would then be correlated with their ratings, to see whether there was any link. In addition to this, Randstad later decided to carry out its own follow-up study, to see if there were any process streamlining measures—leading to potential cost savings—that could be applied in the implementation of the test.

After this, MINT began to be administered via a link sent directly to the candidates who applied for consultant jobs. Initially, the recruiters were not given any recommendations regarding the evaluation of the test, as Randstad had not yet established a hypothesis for its significance in terms of performance. The aim was to monitor the population for a longer period, ensuring that it featured candidates from across the spectrum in terms of MINT scores. Johan Grönstedt was aware that the sample groups would need to be relatively large in order to enable reliable calculations, and a total of 487 candidates were tested between April and September 2013. After this, testing was paused and a further two months were dedicated to collecting the assessments completed by the consultants employed.

RESULTS

When Johan Grönstedt began to make calculations using the data from the test period, he was able to establish that there was a correlation between MINT scores and absences due to illness.

Above all, those consultants who had very low MINT scores also took significantly more days off sick. The boundary lay between a score of two and three on the test: if a person achieved a score of three or higher, their score was no longer particularly relevant regarding absences due to illness. Randstad and Johan Grönstedt therefore came to the conclusion that they should start using negative selection based on MINT. In other words, excluding the candidates who achieved a score below a predetermined minimum level, rather than looking for those at the very top. This would allow Randstad to rule out significantly more candidates who were unsuitable for the position: it was calculated that the number of consultants with high levels of absence due to sickness would decrease by 29 percent if the candidates with MINT scores of 0–2 were deselected.



There was also a correlation between Randstad's own assessment of the consultants and their MINT scores, which was interpreted as another sign that MINT really was relevant in terms of job performance. Using negative selection based on MINT, the number of consultants achieving scores below the target level would fall by 30 percent. From a long-term perspective, this is the primary advantage of the MINT tests for Randstad: being able to provide their customers with the best consultants.

Johan Grönstedt also went on to calculate an economic business case for using the test, both in terms of internal savings for Randstad and the quality impact for its customers. A conservative analysis of the MINT tests within the scope of how Randstad uses them revealed that the return in the form of savings and quality gains is equal to just over 10 times the cost of the tests. Randstad decided to retain the tests as part of their recruitment process as a result.

In sum, Randstad and Johan Grönstedt were able to establish that the introduction of a negative selection process using MINT improved both the quality and speed, as well as the costs associated with the recruitment of consultants, all of which contribute to increased customer benefit within the industrial company in question.

Negative selection using MINT now forms a part of Randstad's recruitment process for consultants. There are also plans to carry out more studies, investigating potential correlations between MINT scores and other interesting outcome measures.

ABOUT ASSESSIO

Assessio is the leading publisher of psychometric tests in the Nordic region and a consulting organization with a focus on Human Capital Management. The company has a long history of developing research-based tools for selection and development of personnel.

The business was started in 1954 by the Swedish Psychological Society and has since then evolved into an international test publishing house and modern HR consultancy organization with operations in Sweden, Norway and Finland. The tests of Assessio are available in over 30 countries around the world.

ABOUT RANDSTAD

Randstad is a leading global staffing and recruitment company, offering a wide range of solutions in the HR services space.

Randstad was founded in 1960 and has since expanded their operations to 39 countries, representing more than 90 percent of the global HR services market.



ASSESSIO