



2008 DRIVING BUSINESS RESULTS

Delivering Top Talent Through Employment Testing

> Evan Sinar, Ph.D. > Ann Howard, Ph.D.

2008 DRIVING BUSINESS RESULTS

Delivering Top Talent Through Employment Testing

> Evan Sinar, Ph.D. > Ann Howard, Ph.D.

Over the past few years, the focus of employment testing and assessment has shifted from a way to save time and money by filtering out unqualified candidates to a means of driving business strategy and business results.

Managers and senior executives want proof that these instruments improve the quality of hiring and promotion decisions:

- Sales people who close more and protect profit margins
- Retail associates who delight customers and keep them coming back
- Manufacturing workers who drive process efficiency and lower accident rates
- Leaders who motivate, inspire, and retain their teams

Demonstrating proof of business results also takes on greater significance due to closer legal scrutiny of testing practices.

Last year alone, the OFCCP reached almost \$52 million in settlements for systemic discrimination—more than double the \$24 million in 2002.

For DDI, “Competitive Advantage. Realized.” is not just a slogan. It’s an expectation—and a commitment—that engagements with DDI will help you achieve bottom-line business results. Each year organizations choose DDI’s employment tests to evaluate more than 4.5 million people. This study spotlights just a few of the evidence-based business results realized from recent employment testing and assessment engagements with our clients.

If you would like more information about some of these research studies or would like for us to take a closer look at the impact of your employment testing and assessment engagements, please feel free to contact us at 800-933-4463.

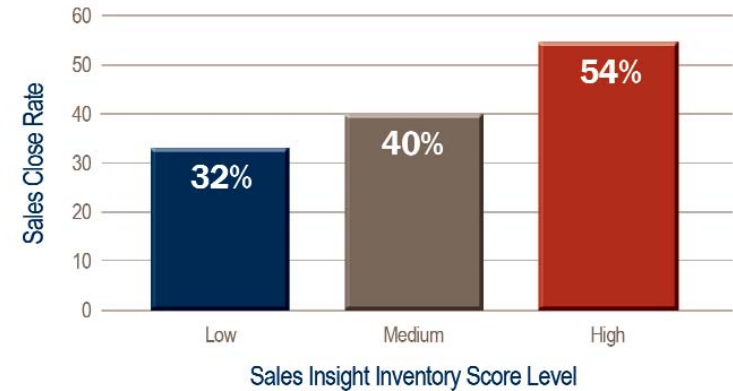
The image shows two handwritten signatures in black ink. The signature on the left is 'Evan Sinar' and the signature on the right is 'Ann Howard'. Both are written in a cursive, professional style.

BOOSTING SALES PERFORMANCE

In a recent DDI study, 68 percent of sales leaders said that they have at least a double-digit growth goal for 2008. In this same study, they said that there is a million dollar gap in sales revenue between their best performers and the rest. With aggressive growth targets and with each hiring decision potentially being a million dollar decision, it's critical for sales organizations to separate out top performers during the hiring process.

FORTUNE 500 Telecommunications Company

Sales Representatives Have 69 Percent Higher Close Rates



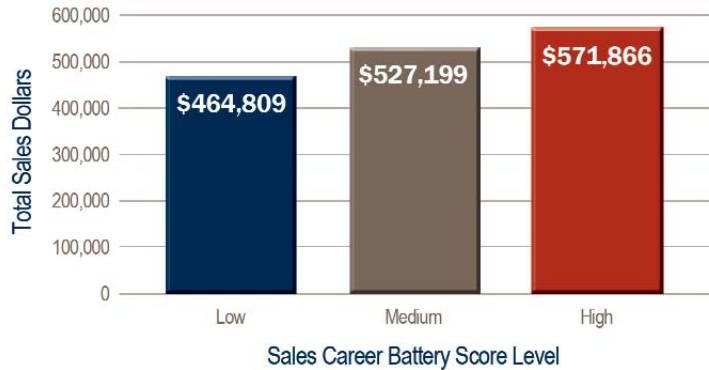
To better serve customers, this company made the decision to shift to a more consultative sales approach. They needed sales representatives who could sit down with customers, understand their Internet, cable, and phone needs, and then recommend customized service options to meet those needs.

The company used DDI's Sales Insight Inventory to support the hiring process. Our research found that compared to those scoring low, high scorers:

- Had 69 percent higher close rates.
- Made 21 percent more sales calls.
- Performed 15-29 percent higher on sales goal achievement.
- Attained 8 percent higher customer satisfaction ratings.

Furniture Manufacturer & Retailer

Sales People Had 23 Percent Higher Total Sales



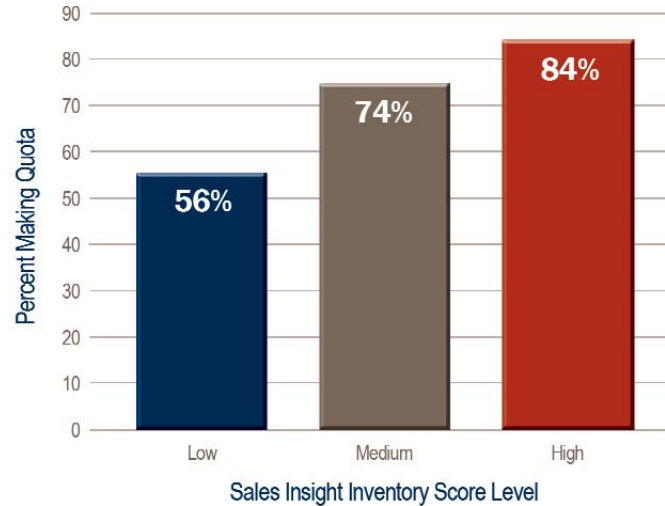
A national retailer built its reputation producing affordable, high-quality furniture. They wanted sales people who embodied the high standards of quality and integrity their customers expected with their furniture.

The company relied on DDI's Sales Career Battery to identify individuals with the right judgment and disposition to excel in the showroom. Our research found that high scorers:

- Generated 23 percent more total sales than low scorers.
- Proved to be 31 to 43 percent more effective at up-selling additional features and services.
- Produced, on average, an 8 percent higher sales ticket.

FORTUNE 500 Banking Organization

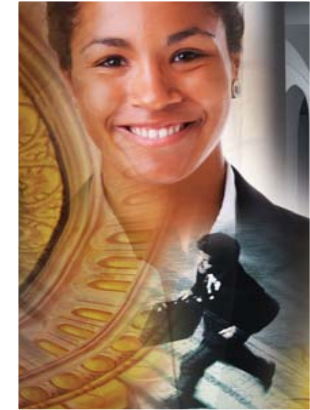
51 Percent More Financial Advisors Achieve Quota



In the competitive financial services industry, new commercial and private investment advisors must achieve productivity faster. This company needed to hire advisors who would improve sales and cross-selling ratios. The company also sought to increase engagement in the position, thereby reducing turnover.

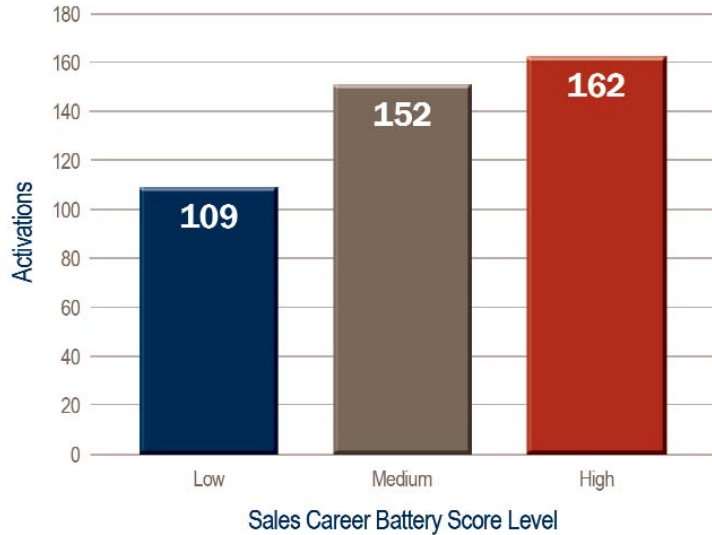
They chose DDI's Sales Insight Inventory to support the hiring process. Our research found that high scorers:

- Were 51 percent more likely to achieve their sales quota.
- Possessed a 52 percent higher close ratio.
- Closed 36 percent more sales.



Global *FORTUNE* 500 Wireless Company

Retail Sales Representatives Generated
49 Percent More Customer Activations



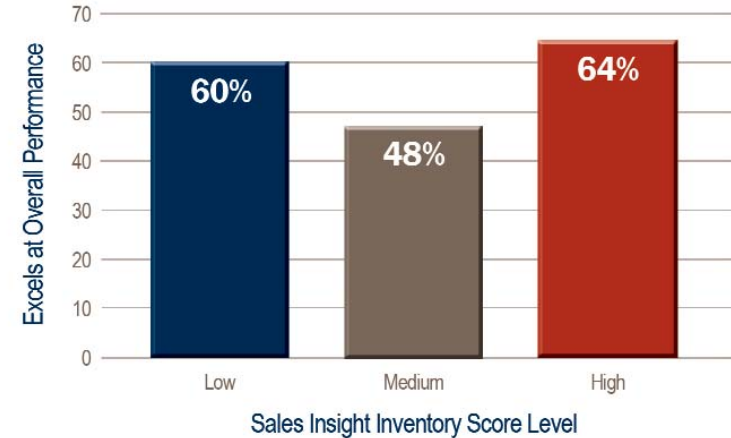
This large retail wireless company established itself as an industry leader in both customer and retail sales satisfaction.

DDI's Sales Career Battery helped them identify retail sales representatives who could both deliver the numbers and maintain high customer satisfaction ratings. Our research found that high scorers:

- Generated 49 percent more customer activations.
- Achieved 29 percent higher sales-to-quota ratio.
- Were 129 percent more likely to build trust with clients.
- Were 100 percent more likely to have a strong customer focus.
- Were 2.2 times less likely to leave the organization.

Global *FORTUNE* 500 Pharmaceutical Company

60 Percent More Sales Representatives Were
Likely to Excel in Overall Performance



The Latin American division of this company needed to hire sales representatives across 10 countries, including Mexico, Brazil, Venezuela, Argentina, and Puerto Rico. The goal was to develop a system that would allow them to incorporate results from the selection process to accelerate time-to-productivity and to provide guidance for development.

The company used DDI's Sales Insight Inventory to support the hiring and development process. Our research found that high scorers:

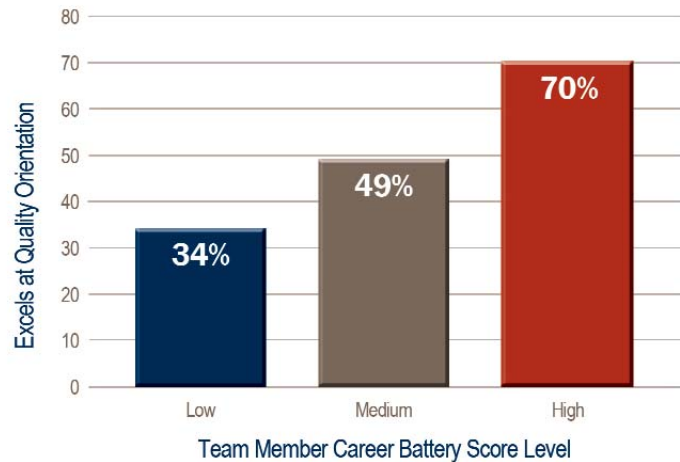
- Were 60 percent more likely to excel in overall performance.
- Were 16.5 times more likely to be engaged in their jobs.
- Were 10.2 times more likely to stay with the company.
- Exceeded their peers on key sales traits, including negotiation, independence, perseverance, approach to results, and capacity for fast learning.

DRIVING LEAN MANUFACTURING

Increased competition across the globe puts pressure on manufacturers to reduce costs while improving the quality of the goods and services they produce. At the same time, the Occupational Safety and Health Administration (OSHA) performs tens of thousands of federal and state inspections, doling out more than \$84 million in fines each year for safety violations. This requires team members and frontline leaders who have both a passion for continuous process improvement and a safety orientation.

FORTUNE 500 Automotive Company

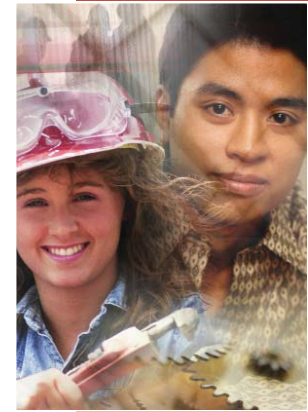
103 Percent More Production Team Members Were Likely to Excel in Quality Orientation



Nowhere is the need for continuous improvement, commitment to quality, and teamwork more important than in the highly competitive automotive industry. This multinational manufacturer sought to hire high-performing production team members who would be consistently productive while striving for low error and safety incident rates. They also wanted to decrease occurrences of absenteeism and disciplinary actions.

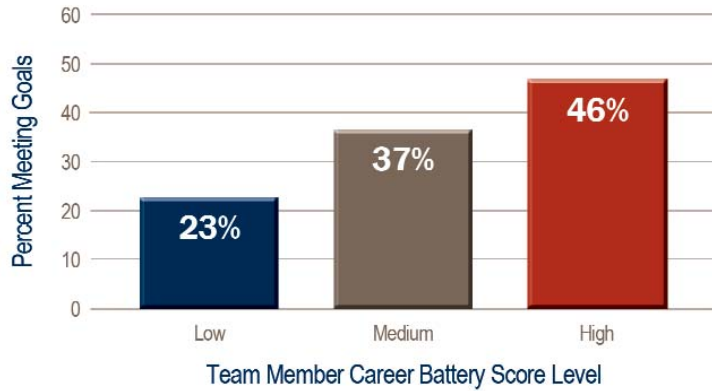
The company used DDI's Team Member Career Battery to support the hiring process. Our research found that high scorers were:

- 103 percent more likely to excel in quality orientation.
- 115 percent more likely to excel in safety awareness.
- 242 percent more likely to possess a strong work ethic.
- 243 percent more likely to be dependable.
- 62 percent less likely to receive disciplinary actions.



FORTUNE 500 Food Manufacturer

105 Percent More Operations Team Members Were Likely to Meet Productivity Goals



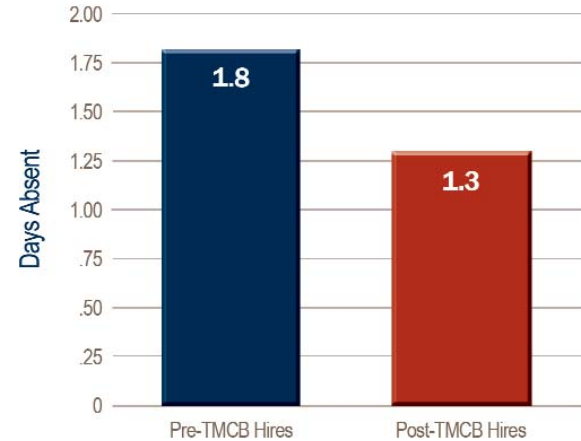
One of the world's largest food manufacturers wanted to hire team-oriented operations members who could raise their plants' productivity standards while lowering instances of errors and safety incidents.

The manufacturer relied on DDI's Team Member Career Battery to assess more than 50,000 associates. Our research found that high scorers were:

- 105 percent more likely to meet productivity goals.
- 107 percent more likely to excel in teamwork and collaboration.
- 111 percent more likely to possess a strong work ethic.
- 50 percent more likely to avoid accidents on the job.
- 36 percent more likely to have a faster ramp-up speed.

Consumer Products Manufacturer

Skilled and Semi-Skilled Associates Had 39 Percent Lower Absence Rates



For decades this company has focused on innovation and operational excellence to reduce costs and to produce high-quality foods. They accomplish this by empowering associates to continually improve processes and to ensure quality.

The manufacturer incorporated DDI's Team Member Career Battery into their hiring process as a way to identify associates with a quality focus and a strong team orientation. Associates hired through this process:

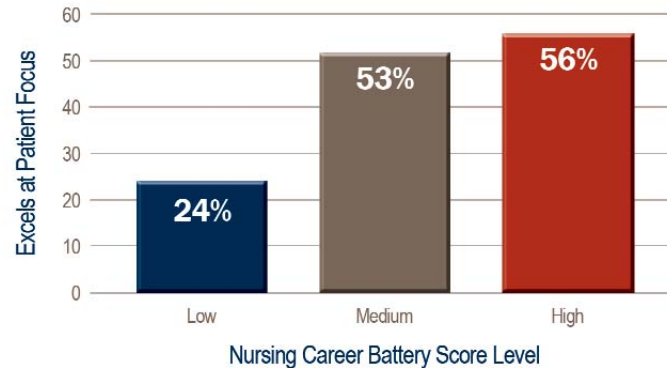
- Recorded 39 percent lower absence rates in the first 90 days.
- Proved 3 times more likely to receive training evaluations in the top 50 percentile.
- Qualified for 45 percent more initial jobs, providing team flexibility.

DELIVERING PATIENT-FOCUSED CARE

Patient satisfaction is more than just a measure of how happy your patients are. It's a revealing statistic that reflects everything from quality of care to the engagement of your workforce. It also affects your bottom line, as satisfied patients are more likely to return to your organization for care, and to refer others.

Health Care Organization

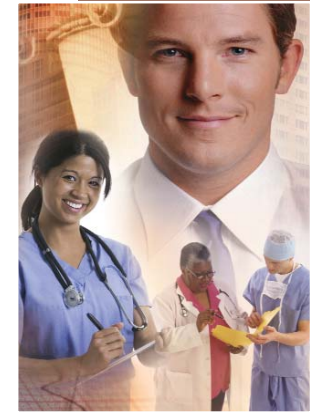
130 Percent More Registered Nurses Were Likely to Excel at Patient Focus



With a nursing shortage on the horizon, this organization set a goal to find and retain quality registered nurses. The organization placed a priority on finding nurses who would enhance effectiveness and positively impact patient satisfaction, and who would become engaged in their jobs, increasing the organization's rate of nurse retention.

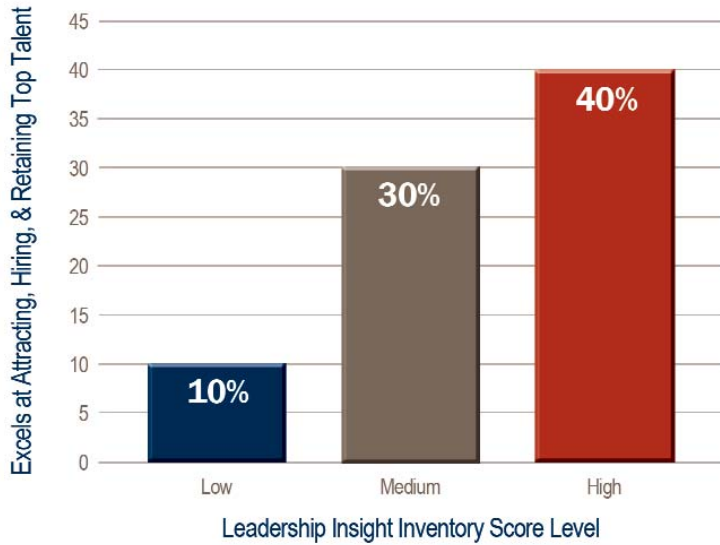
The organization used DDI's Nursing Career Battery to help identify top nursing candidates. Our research study found that high scorers were:

- 130 percent more likely to excel at patient focus.
- 10 times more likely to excel in critical thinking.
- 63 percent more likely to excel in communication.
- 32 percent more likely to excel at providing emotional support to patients' family members.
- 26 percent more likely to maintain a safe work environment.



Health Care Services Provider

300 Percent More Leaders Were Likely to Attract, Hire, and Retain Top Talent



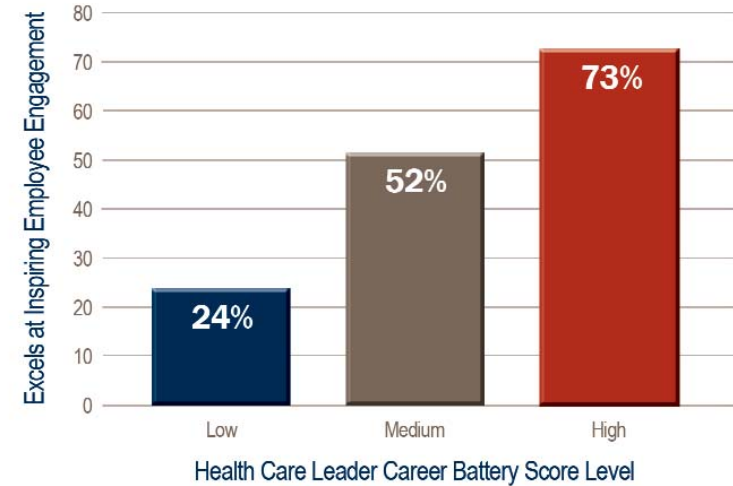
This health care services provider needed leaders who could inspire their teams to deliver exceptional health care while working to maintain the organization's financial strength.

The organization used DDI's Leadership Insight Inventory to support the hiring process. Our research found that high scorers were:

- 300 percent more likely to attract, hire, and retain top talent.
- 122 percent more likely to inspire and engage their employees.
- 100 percent more likely to drive organizational profitability.
- 83 percent more likely to excel at patient focus.

Major Hospital System

205 Percent More Supervisors Were Likely to Inspire Employee Engagement



This organization's dedication to patient-focused care earned it a designation as one of "America's Best Hospitals." As part of the health care leader selection process, the hospital system sought candidates who would help enhance patient satisfaction and who would help improve employee engagement and reduce turnover.

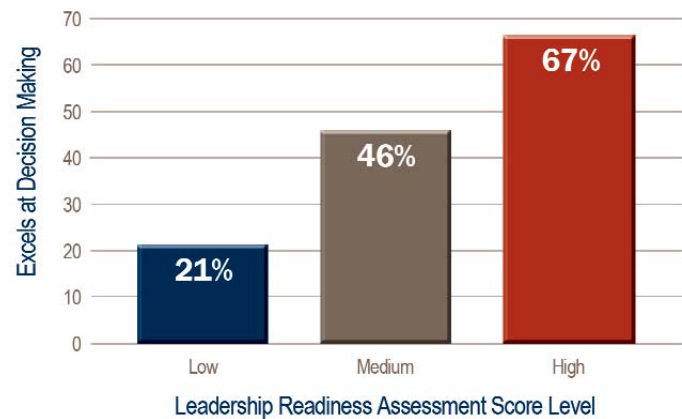
The hospital system used DDI's Health Care Leader Career Battery to help select health care leaders. Our study found that high scorers were:

- 205 percent more likely to inspire employee engagement.
- 63 percent more likely to effectively build employee trust.
- 63 percent more likely to excel in decision making.
- 50 percent more likely to build patient loyalty.

ASSESSING LEADER READINESS

Two-thirds of frontline leaders report that they did not possess the leadership and coaching skills necessary to succeed when they first stepped into their new role. The overwhelming majority say they learned leadership skills by trial and error on the job. Organizations can not afford for new leaders to be unprepared because they rely heavily on them to retain talent, to execute business strategies, and to drive results through their teams.

Multinational Information Technology Services Company 225 Percent More Project Managers Were Likely to Excel at Decision Making



In the midst of rapid growth, this IT services company needed to assess the readiness of emerging leaders for project management positions across Australia, China, Great Britain, India, Singapore, and the U.S. They wanted to know which individuals were capable of transitioning into these global positions and to diagnose development areas for those who were not yet ready.

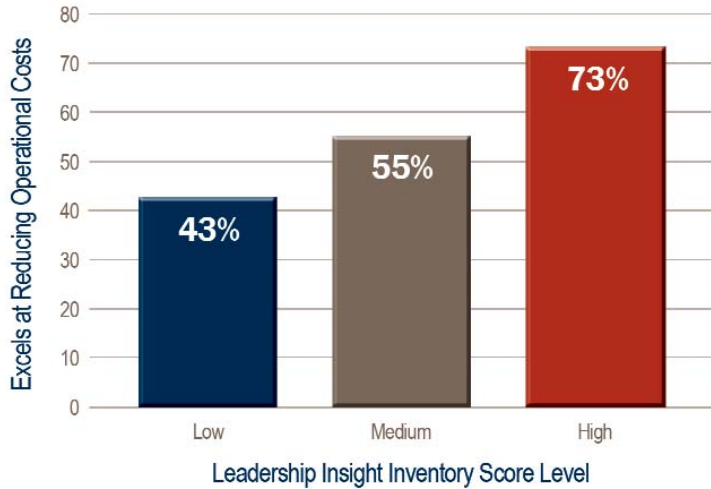
The company chose DDI's Leadership Readiness Assessment to diagnose current and future leader readiness. Our research found that high scorers were:

- 225 percent more likely to excel at decision making.
- 174 percent more likely to be highly customer centric.
- 126 percent more likely to excel at managing performance.
- 83 percent more likely to be strong at developing people.



Industrial Manufacturing and Utilities Company

70 Percent More Leaders Were Likely to Excel at Reducing Operational Costs



Being a line manager in a manufacturing environment can be difficult. Managers are responsible for reducing operational costs and enforcing internal control while maintaining employee engagement levels. This company wanted to find internal candidates to step into their line manager positions.

The company used DDI's Leadership Insight Inventory to help identify associates who were more likely to become successful leaders. Our research found that high scorers were:

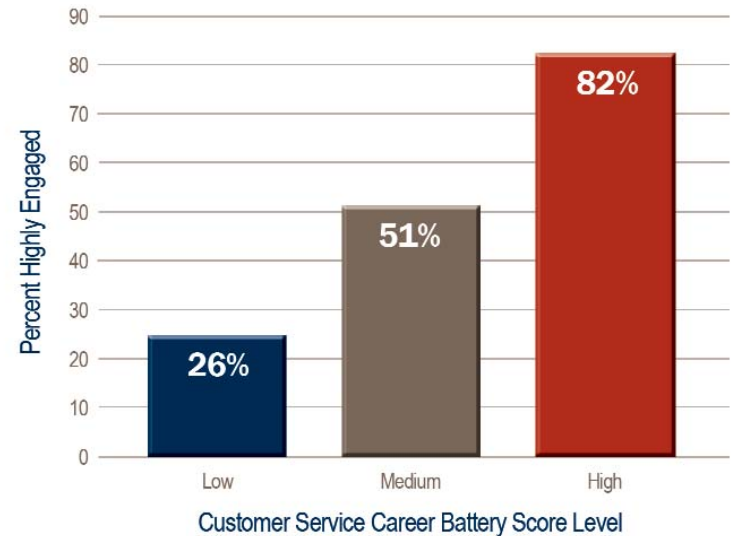
- 70 percent more likely to excel at reducing operational costs.
- 350 percent more likely to have high engagement on the job.
- 122 percent more likely to possess high work standards.

INSPIRING CUSTOMER SATISFACTION

Satisfied customers tell three people about a good experience. If you're lucky, your dissatisfied customer will tell only a dozen, and he'll give you another shot. If you're not lucky, he'll post it on the internet for the world to read, and never return. With new and aggressive competitors waiting to take some of your business, customer satisfaction is essential to maintaining a current customer base and attracting new clientele.

FORTUNE 500 Grocery Retailer

210 Percent More Hourly Associates Were Likely to Be Highly Engaged



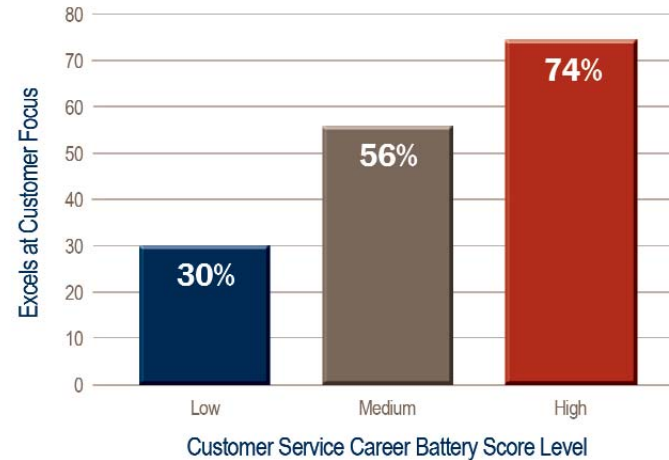
The key to sustained success for this food retailer is its promise to deliver customer value by providing quality foods and exceptional customer service. For them, strong customer service begins with highly engaged workers—workers who take pride in their work and take the initiative to solve customer problems.

The grocer profiled a representative set of its associates using DDI's Customer Service Career Battery. Our research found that high scorers were:

- 210 percent more likely to be highly engaged on the job.
- 84 percent more likely to possess high work standards.
- 78 percent more likely to excel at initiating action.
- 77 percent more likely to ensure customer satisfaction.
- 77 percent more likely to build customer loyalty.

FORTUNE 500 Banking and Financial Services Institution

144 Percent More Call Center Agents Were Likely to Excel at Customer Focus



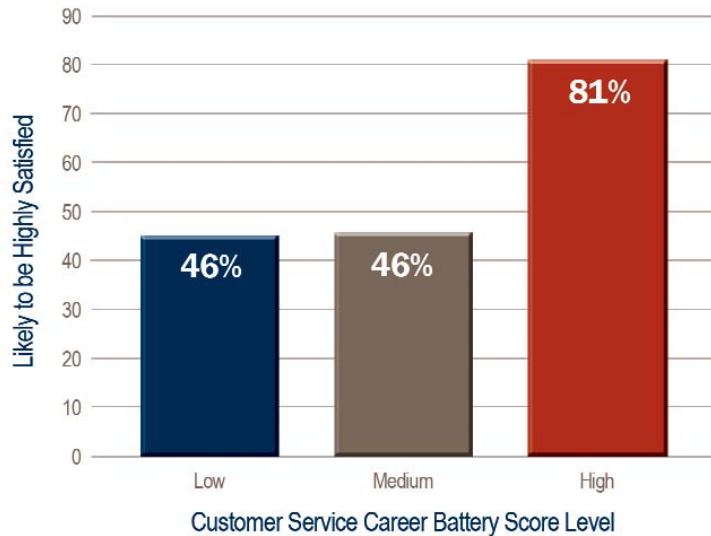
This company became one of the largest national financial institutions thanks to its emphasis on making clients feel special, delivering value, and building strong relationships. They wanted to find call center agents with a commitment to satisfying their customers' financial needs and who would be satisfied and stay in their jobs.

The company used DDI's Customer Service Career Battery. Our research found that high scorers were:

- 144 percent more likely to excel at customer focus.
- 216 percent more likely to effectively manage work.
- 177 percent more likely to have strong communication skills.
- 90 percent more likely to be highly satisfied with their jobs.

Auto Parts Retailer

77 Percent More Customer Service Reps Were Likely to Be Satisfied with Their Jobs



This auto parts retailer wanted to create a high-performance, customer-focused culture for both store and warehouse associates. Not only did they want associates with a strong work ethic, they also wanted engaged associates who were truly satisfied and would stay longer in their jobs.

DDI's Customer Service Career Battery helped them identify those associates. Our research found that high scorers were:

- 77 percent more likely to be satisfied with their jobs.
- 89 percent more likely to have strong work standards.
- 417 percent more likely to be highly engaged.
- 335 percent more likely to stay with the company long-term.

FORTUNE 500 Retailer

Store Associates Had 41 Percent Lower Turnover Rates



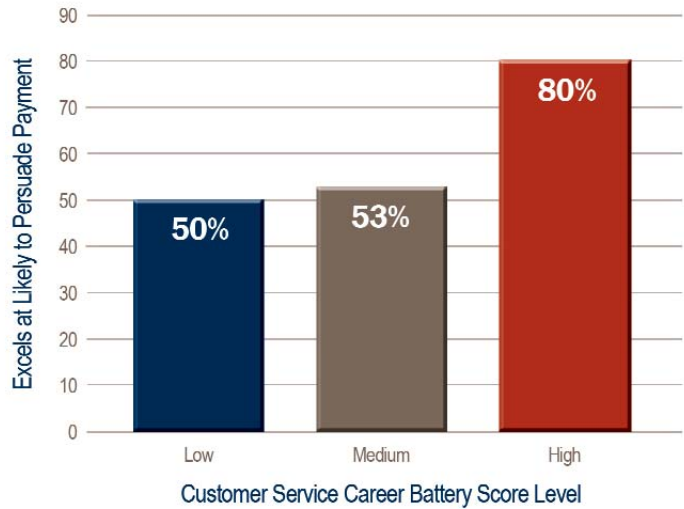
Being greeted by the same courteous associates every time you shop in a store goes a long way toward cementing long-term customer relationships. Aside from the benefits to the customer, this retailer wanted to reduce the direct costs of employee turnover, such as time spent on training.

The company implemented DDI's Customer Service Career Battery and benchmarked results against similar stores not using DDI tools. Our research found that stores using the Customer Service Career Battery to hire associates had:

- 41 percent lower turnover rates.
- 12 percent higher sales per labor hour.
- 171 percent higher average store profits.

FORTUNE 500 Banking and Financial Services Institution

60 Percent More Collections Agents Were Likely to Excel at Persuading Delinquent Customers to Submit Payments



A career in the collections department of a financial services company can be challenging. There is a fine balance between providing customers with solutions for their payment problems and securing payments for the bank.

This financial institution integrated DDI's Customer Service Career Battery into their hiring process to help find individuals who could get results for the lender while providing strong customer support to their borrowers. Our research found that high scorers were:

- 60 percent more likely to be able to persuade delinquent customers to submit payment.
- 111 percent more likely to excel at negotiation.
- 67 percent more likely to design effective payment solutions.
- 64 percent more likely to have a strong customer focus.
- 82 percent more likely to have high job satisfaction.
- 50 percent more likely to locate, monitor, and collect payments from overdue accounts.



ABOUT DDI'S EMPLOYMENT TESTING AND ASSESSMENT PRACTICE

For more than 37 years DDI has worked with organizations to raise the bar on their hiring decisions. We provide the tools and expertise to define what is needed for success in the job and a wide array of selection solutions—from our *Targeted Selection*® behavioral interviewing system to in-depth job simulations and employment tests and assessments.

DDI has delivered employment tests to more than 14 million individuals across the globe. In 2007, our employment tests were used to assess over 4.5 million individuals across most industries, job families, and job levels.

WHAT SETS DDI'S TESTS AND ASSESSMENTS APART?

- We offer more than 800 employment tests and assessments covering a full range of skills, competencies, and personal attributes.
- DDI's test validation and impact analysis experience—over 100 validation studies conducted in the last five years alone—will ensure that our tests align with your organization's needs for highly-predictive, configured solutions.
- In addition to a complete set of tests and assessments, DDI offers a full range of selection, development, and performance management solutions—enabling you to connect your testing strategy to the rest of your talent management systems.

DDI'S TESTING AND ASSESSMENT SOLUTIONS

- **Are connected to your business strategy** and integrated with your HR talent management systems—and can dynamically evolve with your business environment.
- **Are more holistic**—they measure a broader range of factors critical to on-the-job success.
- Feature automated scoring and banding that allows you to **quickly identify top candidates**, and our advanced reporting provides you with interview guide questions and suggestions for tailoring development.
- Help you **sell the job and organization to top candidates** by providing them with a realistic job preview.
- Are **proven, valid, and legally defensible**.

ABOUT THE AUTHORS



Evan Sinar, Ph.D., develops content and provides implementation guidance for DDI's employment testing and assessment solutions. He is responsible for conducting research to ensure the psychometric integrity, legal

defensibility, and productivity impact of DDI-developed selection systems, including online qualifications screening and large-scale automated testing programs. Dr. Sinar chairs panels and leads presentations on employment testing and assessment at the annual Society for Industrial and Organizational Psychology conference.



Ann Howard, Ph.D., is DDI's Chief Scientist. As the leader of DDI's Center for Applied Behavioral Research (CABER), she evaluates the validity and impact of DDI programs and uncovers global trends and issues in human

talent management. Dr. Howard has more than 30 years' experience as an industrial-organizational psychologist, specializing in assessment centers and managerial careers. She is a recognized author, researcher, and speaker in her field. She has held leadership roles in a variety of professional organizations, and is a past president of the Society for Industrial and Organizational Psychology.



ABOUT DDI

It's a grow-or-die marketplace. And having the right talent strategy is crucial. Development Dimensions International will help you systematically and creatively close the gap between today's talent capability and the people you will need to successfully execute tomorrow's business strategy.

We excel in two areas:

- Designing and implementing selection systems that enable you to hire better people faster.
- Identifying and developing exceptional leadership talent critical to creating a high-performance workforce.

DDI is all about giving you the kind of business impact you want over the long term—that's what we call realization. The work we do together is tied to your organization's strategies and becomes part of your business and your culture.

And if your business is multinational, DDI has precisely the kind of global resources needed to implement your talent initiatives effectively and consistently worldwide.

Take a closer look at www.ddiworld.com

THE AMERICAS

WORLD HEADQUARTERS
PITTSBURGH
412.257.0600

MEXICO CITY
52.55.1253.9000

TORONTO
416.601.5500

Other offices include

Atlanta, Calgary, Chicago, Dallas,
Detroit, Monterrey, Montreal, New York,
St. Louis, San Francisco, Santiago,
and São Paulo

EUROPE/AFRICA

DÜSSELDORF
49.2159.91680

LONDON
44.1.753.616.000

PARIS
33.1.41.9686.86

Other offices include

Johannesburg, St. Petersburg,
and Warsaw

ASIA-PACIFIC

SHANGHAI
86.21.6113.2525

SINGAPORE
65.6226.5335

SYDNEY
61.2.9466.0300

Other offices include

Auckland, Bangkok, Beijing, Brisbane,
Hong Kong, Jakarta, Kuala Lumpur,
Manila, Melbourne, Mumbai, Perth,
Pune, Seoul, Taipei, and Tokyo

TO LEARN MORE:

EMAIL: INFO@DDIWORLD.COM
WWW.DDIWORLD.COM

MKTSEMIS94-0408



© Development Dimensions International, Inc., MMVIII. All rights reserved.

