

Speaker 1: 0:05

Hi everybody, this is Mark Mitford, your podcast host for today with HR Catalyst. And I have , uh, the pleasure of actually talking to a good friend and colleague of mine, a friend and professional colleague. Her name is Melanie Schaefer , and she is the president and founder of Talent Suite . So Melanie, thanks for joining me today.

Speaker 2: 0:24

Thanks for having me, mark .

Speaker 1: 0:25

You're welcome. So with that, so I'd love to find out, 'cause I know you've got a great story as everybody else we interview with. So how did you get started in your business? What's this , what's the backstory of how you actually got started in your own business with Talent Suite ?

Speaker 2: 0:41

Yeah , so Mark, I was in executive recruiting , uh, on the agency side for over 17 years. And a lot of the issue in that space was, I always felt in the middle between my clients that were the ones paying the fees and the candidates that were the ones searching for roles. And , um, during that time, there were kind of two problems that I saw that were consistent in people being disengaged , um, or, you know, really kind of poor hiring. And it came down to they didn't have hiring processes that, you know, produced , uh, the right hire, getting people in the right seats and even evolving them as they were with the company or the leadership was ineffective.

Speaker 1: 1:30

Mm-Hmm . <affirmative> . And

Speaker 2: 1:30

So I started this company when I hit my forties and started reflecting on life and purpose. And I wanted to be able to do something that was more proactive at helping the employers solve those issues , um, which ultimately would potentially lead to less fees for what I used to do in recruiting.

Speaker 1: 1:51

Oh , interesting. That's a great story. It took me, it's kind of ironic because I started ano a decade after you, so I started when I was 50, so that's when I started my, that's when I started HR Catalyst. So that's kind of fascinating. So today, you know, so the driving force, you know, I think we just discussed the driving force behind starting your business, which is great. It's a great story because you haven't always been with Predictive Index, but we're here today of course to talk specifically about assessment tools and the tool that you are very, you have a lot of deep expertise in Predictive Index.

So can you share what, for those of, for those in the audience who have not heard of Predictive Index, can you share what Predictive Index actually is?

Speaker 2: 2:34

Yeah, that's a great question. So, a lot of folks that have experienced taking Predictive Index experienced it as a hiring assessment. And the Predictive Index is an assessment that was developed back during World War II to predict fit to roll in , uh, flight missions. So it saved lives because it was getting people in the right seat for each part of the mission, and it was privatized in the fifties. The IP for the Predictive Index behavioral assessment is still intact, and that's key to understand about what you're using is in , is the IP still intact and what's the validity in science behind it? Um, so the behavioral assessment is still part of the Predictive Index, but Predictive Index is now a software that sits in the platform of talent optimization. So the behavioral survey, which is called the Predictive Index, is one small component of the predictive index software.

Speaker 1: 3:35

Oh, interesting. I , I , you know, that's, it's kind of so much because like I said, a lot of times I, I learn something new every time I talk to, to, to one of my guests. So this is case in point right there. Just great to hear that full backstory. So why is it, why would you, you know, for our audience, why is it so important for companies to have a , regardless of size, why is it so important for companies to have a tool like a predictive index, some sort of an assessment tool like the one that you're , you're , uh, work you work with now?

Speaker 2: 4:07

Oh, gosh, that's such a big question , uh, because we're human beings that are flawed and we tend, if we're left to our own devices to ask shortcut questions. And if we like someone pull the trigger because no one enjoys the hiring process. I don't care who you are. So why you need some type of objective data in the hiring process is to remove that bias of people that are like me or people that interview well, and really first thinking about what does the role require objectively? And if you're using Predictive Index or something like it that does have the ability to be used for hiring, then you are comparing a baseline of what you said 80% of this role requires versus what does this person primarily want to do. Okay . So having the ability to bifurcate the human sitting in front of you from what they actually need. And when we think about their needs, how do those needs align to the demands of the role? Because if they don't align, then we're setting that person up for, you know, a very unpleasant experience, potentially. Now, not to say we don't hire someone because they're not an exact match. You and I, I'm sure we'll get into that. Mm-Hmm.

Speaker 1: 5:29

<affirmative> ,

Speaker 2: 5:30

Because as a recruiter, that was my pet peeve, and that's something that we practice that's perhaps different about how other people use the data, but it's an objective guide, I like to say, to make informed decisions. Hmm . So there's over 800 psychometrics out there, doesn't have to be predictive index, but you do wanna make sure if you're using it for both hiring and development, that it has been validated by the EEOC for hiring, and that there is a , um, construct guide that gives you insights into the validity studies that have been performed and the reliability.

Speaker 1: 6:08

Hmm , okay. Great. Well, that's brings back some days of a , um, of when I was, when I was studying, so when I got a master's degree in organizational psychology. So that rings, rings true for some of the information I learned and, and , and got to work with , uh, several years ago. But , um, how would you say, so, so PI Predictive Index, when you're looking at it , uh, another assessment tool, but when you look at that, how, you know, when you're looking at saying, let's say that's a great tool to have as a, as a solid HR strategy, some sort of an assessment, a behavioral assessment tool for, for organizations, especially around hiring. And I know there's other things which will get into , um, beyond just the hiring facet, but what percentage of that is, what percentage of that would you say from an assessment perspective, what percentage of that is considered an overall really a good HR strategy when you're looking at predictive index assessment tools? What component is it 10%, 30%? What, what is, what are your opinions there?

Speaker 2: 7:12

I, you know, that question's interesting because an assessment itself is a product, no matter what assessment you're using for it to be a strategy, it has to be integrated into what's important to your organization in how you wanna operate. So when I look at an assessment itself, I, I can't give it a percentage of strategy because it really should sit inside a strategy of how you're looking to optimize talent. You know, is it important? Do we have enough employees that it's critical to us every time we hire to get people in the right seats? If it is, well, a behavioral assessment probably should be 50% of your hiring decision. The other 50% comes from, you know, behavioral based questions, questions aligned to your core values , um, you know, and just what you're experiencing with that person. Right. And then within retention, when you're thinking about a talent strategy and productivity, you know , is it important to us as a company that people here feel like we know who they are as individuals and that we're tapping into potential and that we're creating future opportunities for them, even if it's not upward to have growth laterally. If that's part of a talent strategy, then again, you should have some type of behavioral data to create a language around that. And I don't know how to put a percentage in it, because it really depends on, as an organization, when you think about your talent strategy, who do you wanna be? How do you wanna stand out and what do you wanna invest in around your people?

Speaker 1: 8:57

Right. No, that's great. That's , uh, it's interesting because it's, it , you know, it's definitely not meant to be a trick question, but it's interesting, like you said, there's so many facets to what you, what an assessment like Predictive Index can do. So kind of on that note, my next question I wanted to ask you, so understanding that of course it's a critical component, something like Predictive Index would be a critical component in the hiring phase and in the recruiting cycle for , uh, for an organization. How else can an organization use, what are the strategies are there to use Predictive Index that other, you know, that you recommend and that other companies deploy that you work with?

Speaker 2: 9:38

Yeah, so in using Predictive Index , it is a system. So like I said, it's a software. It is meant for companies that want to optimize talent. So if all you're wanting is a flat report that when you're hiring and these exist, that tells you yes or no. Or if I filled in these competencies here and it spit out a report that says X percent fit here, X percent here might not do this, might not do that, then PI is not the one for you. Because PI is not a yes or no . It's behavioral data to understand alignment, but it doesn't tell you yes or no, don't hire this person. So some ways to make it more strategic would be, okay , when I'm looking at this person, the PI is telling me what behaviorally drives them that creates their needs. And behavioral science says those things are fixed when we hit our early twenties. So I've really, that's really important to know. But in hiring them, I need to look at their heart, their cultural fit, I need to look at their briefcase, like what they bring to the table and skills and experience. And if I'm hiring, let's say for the briefcase in the head that I know, sorry, the briefcase in the heart, okay , the culture fit and the skills, but I have the data to know there's some gaps in how they want to operate versus what I need this role to do. Then in the onboarding, we can set guardrails and we can create clarity for both the hiring manager and the person coming on board of where there may be some differences in how this person operates from some of what the job requires. And there's clarity on what are we gonna do to support them to get them , um, productive. And for the hiring manager to have clarity of this is where I may need to monitor some things. This is where in the first 90 days I may need to stay closer to this person. Okay. That's one way. The second way would be you're giving that new employee and their onboarding the direct leaders behavioral data. And if you're using KI it has a relationship guide between the two people where they can see right away where they overlap and where they have differences in how they want to communicate, how they need information, how they take action. So it can prevent a lot of what we call operating friction. Okay . As time goes on, if you're using it for development and retention, you train, and this is where I think so many things fall flat, the middle managers in a shorter actionable way, how to use that data for more than a parlor trick. That's me. That's me. Yeah. Right , right . <laugh> , no , you train them in short sessions to ask coaching questions with the reports you can pull out of the PI talent optimization platform. So it's questions that are directed on, you know, how do I, you know, when you have the employee sit down with you, what about who you are supports you in your role? And what about who you are presents roadblocks for you or challenges you? And so now you're putting the ownership, you're training the leaders how to ask these

questions with short reports, and you're putting some ownership on the employee for their own development. Okay. So that's where it can be more sophisticated. 'cause PI is designed to be holistic, going from cradle to grave. So hiring, onboarding, development, retention ultimately is a byproduct of these things. Right,

Speaker 1: 13:20

Right. Sure. Yeah , that's, that's, that's so interesting when you mention that too. 'cause there's so many facets, like you said, the employee lifecycle. And for employees, of course, a lifecycle could be two years, or it could be 22 years , um, or longer perhaps if the comp , if a person retire , uh, retires from that company. So you mentioned something earlier, I wanted to go back to that really quickly before we take a short break. But , um, you mentioned the, the factor about fit and about how, you know, because I know that some, there, there are some things that I've seen in my years of experience in human resources that sometimes, you know, people are looking for the exact match for a job profile or fit. What , what is your opinion when you look at predictive index and how you utilize that within your clients around fit?

Speaker 2: 14:15

Yeah. So when you look at roles and the way PI measures fit, there's one area of non-negotiable and everything else. It's really to the discretion of how do you think this gap is going to impact their long-term productivity in this role? Okay. The non-negotiable is what we would call risk orientation. It's if we have a role that needs someone who's driven by their own energy to get the work done that needs very little information to operate, and we hire someone the inverse of that, that needs a lot of information to move forward, more interested in being part of something versus driving it, that's where it's very difficult for that person. If we go against that for correlation to have long-term success. Okay . Everything else you look at, it's more understanding that if I hire someone outside of these other areas, it measures , um, it may take them longer to be productive, they may not be as productive as time goes on. But again, I'm gonna go back to the heart and the briefcase. We're in a limited talent market and it depends on the stakes in the organization and the speed they have to train someone. Mm-Hmm . <affirmative> and what they're willing to live with Mark.

Speaker 1: 15:42

Oh, interesting. Yeah. That's, that is fascinating. So this is already, this has already been a a , a really good session with you, Melanie. I know you've just got such a wealth of knowledge. So what we're gonna do now is we're gonna just take a quick break and then we'll be back with , uh, with Melanie Schaefer with Talent Suite in just a couple of minutes .

Speaker 3: 16:01

You want to grow your business, but people issues are getting in the way, managing the people side of your business is complex and can feel overwhelming. Does this sound familiar At hr Catalyst People strategy is our business. We create and implement a

people strategy with you, so you can give back to growing your business. HR Catalyst was founded in 2013 with the goal of bringing the best in class HR practices to small and middle market companies. We are your outsourced strategic people experts. We help you solve the people issues in your business that are slowing you down. If you have HR concerns, you can schedule a complimentary call on our website@hrcatalystconsulting.com.

Speaker 1: 16:46

Hi everybody. Thanks for rejoining us. So it's, I just wanted to mm-Hmm , <affirmative> again say , uh, for, you know, I'm talking to Melanie Schaefer , uh, the president and founder of Talent Suite and having a great conversation so far . So wanted to kind of drill into a couple more things with you, Melanie. So in your opinion, how well do middle market companies use Predictive Index in their recruiting strategy? So middle market , let's define that as companies of 500 people or less.

Speaker 2: 17:17

Yeah, I would say as a whole, when it comes to interviewing and hiring, it's a lot of gut-based decision making in the mid-market as far as what I typically see. Um, if they are using something, it typically is being used no matter what it is at , during an interview, 15 minutes max before the person shows up looking at the report, not really sure how to use it in the interview, more confused by it than anything else. Or I see the opposite where they use it as a cut score and I'm only gonna look at someone with X. And so it's mostly one way or the other, kind of like this nebulous, like we put this in place to get more clarity, but we didn't really figure out how to use it. And I'm not saying predictive index, I'm saying any kind of hiring kind of assessment.

Speaker 1: 18:15

Right. Okay .

Speaker 2: 18:16

Um , and then on the other side, they're using it strictly as a cut score. Right . And then it dies, it's like the person comes on board and then it never comes up again. They might pull it out if there's a performance issue.

Speaker 1: 18:30

Right, right .

Speaker 2: 18:30

That's typically what I see as far as how mid-market companies

Speaker 1: 18:34

Yeah.

Speaker 2: 18:34

Are most widely using something like this.

Speaker 1: 18:37

Right. So why do you think that is? What are your thoughts there about why do you think that is within that size of organization?

Speaker 2: 18:45

I think there's several reasons. The , the primary reason is oftentimes when it's put in place, there's not, what we would say , uh, would be the strategic champion of usage in the organization. So PI is unique in that it's designed with science and knowledge transfer. So it is designed to train the users how to apply it without having a PI partner having to pay us consulting fees. So we train them how to use it. Uh , I think one of the biggest issues is a lot of times people get trained that probably weren't the right person to train. Uh, they leave the company, no one else picks it up. Um, the CEO wasn't as bought into it as they should have been, and they don't put accountability around usage of it. So there's a lot of reasons that something is put in place like this that it may not become sticky.

Speaker 1: 19:45

Hmm . Right, right. So what would you say are the top two to three keys to success in using a , using a tool like Predictive Index? Well, within an organization, what are , what would you say are some of the success criteria?

Speaker 2: 20:00

Yeah, so I think it depends on the goals of the organization, right? So if the goal is simply for hiring , uh, you know, you've gotta have someone you're training that is bought in to what it can produce and outcomes. And that person needs to be involved in the decision making process. There has to be an executive sponsor, you know, doesn't have to be the CEO , that's the one looking at the reports. But they have to understand what is this doing within our talent strategy and holding whoever gets trained in using it accountable. Okay . Now if you wanna take it past hiring and your goal is to make it truly optimizing your talent, the third thing you have to do is educate your people leaders and how to apply it to get insights with their people, not by training them in some two-day session. 'cause those people don't have time for that. So how we've been able to do that with clients is shorter sessions that are in spaced learning where they get simple homework of how to take PI and ask the right questions of their direct reports with it to transfer really kind of ownership and accountability of their development to them, the employee asking for it. So that's, if the goal is to optimize talent, mark, not every mid-market company's goal is to optimize talent. I would love to say that would be their goal . True . But you and I know that's not always the case,

Speaker 1: 21:32

Right? That's so true. It's, it's, since that's the space I think we both play in heavily. So it's that , that is exactly, and , and it , it , it sounds, it's sad in a way, but it's true because in

some companies, especially some that perhaps they have a , I don't know , I'll just, I'll just pick on if they have a large blue collar hourly workforce, they may just be looking for doers versus somebody else who may be in a professional services a much , uh, a different level of employee base. So it's , um, but it is a , it's kind of a true thing there. So what would you say is to, you know , mentioned it earlier, but I'll just have you see if there's, you have any other thoughts on it, but what could derail, what could derail an assessment tool like Predictive Index once it , you know, there's a lot of ex energy and passion about getting it started and then 6, 12, 24 months later, you just find there's, there's little to no utilization within , uh, using such a powerful tool.

Speaker 2: 22:30

Mm-Hmm, <affirmative> . Well, so if you're using something like predictive index , let's, let's specify the criteria of who should be using it, because I love you brought up large blue collar workforces. What I find is most companies that have large blue collar workforces, but don't have, let's say at least we're gonna go 25 professionals , um, they may not be the best fit for something like this because most of them hesitate to use it on the blue collar workers, which I'm , I don't necessarily agree with, but they don't wanna put the energy there. Okay . They need to have enough professional staff that they're going to put the work into integrating predictive index to their culture, their vernacular, the way that they're evaluating talent, not only at the entry point, but also as they evolve through the organization. So , um, you had asked me what the best ways to use it or the pitfalls, I just started talking and forgot that part.

Speaker 1: 23:33

No, you're good. No, the pitfalls, if they do get derailed, they , they start with, you know, a lot of excitement. Of course, all of these great things we're gonna do with this, and all of a sudden 12 months later, they're not , um, they're no longer utilizing utilizing it or very little in u from a utilization rate.

Speaker 2: 23:50

Okay. So , so we kind of said, who's a fit? Okay. They have to have enough professional employees that they value the insights they get, and it has to be a company that's growth minded, not just using it to solve a temporary problem. Right. So as far as pitfalls, you know, I go back to , um, training one person that's already overwhelmed and sending them to a two day training and expecting them to come out of that and have time to practice using this to get insights. That has been probably the biggest pitfall I've seen. Okay . Number two, if you don't have someone that wants to own this, that's not gonna work. We will not work with a company that can't give us someone that we've had a conversation with to understand their interest in putting the time into getting this going. Okay . The number three pitfall would be a lot of times they have immediate critical issues to solve and they think, oh, we'll send someone to the two-day training and they'll come out and be able to do everything by themselves and still do their full-time job. That doesn't work. And then there's disappointment. And so that's where we've found in the mid-market, what has worked best is you have one or two people, depending on the size

of the company that are those PI champions initially that go through the two day training, but then you train in shorter sessions your people leaders, how to utilize the instrument so that they are using it themselves in interviewing, they're using it themselves in development. That's where it becomes, you know, really part of the fabric of an organization and it becomes viral.

Speaker 1: 25:35

Hmm . Right. Interesting. So, so for business owners, we see out there, we, we actually have in the audience, Melanie, that are listening to this, what are the top three reasons they should start using a tool like Predictive vix now ?

Speaker 2: 25:52

So the top three reasons, well, number one would be if the, you know, executive team is frustrated that what they got them here isn't getting them there, and they need clarity of looking inward, you know, even at that team and where there may be some executing gaps or some needs in the organization that have outpaced some of their ability, not to say they can't be in those seats, but who are the supporting tasks that with intention you can put around them to get them to the next level? Okay. So that would be one reason , um, obvious. Another reason would be if you've had attrition and you don't have any data to look back and say, what are the commonalities of why people are leaving this organization? Or, you know, if we're having people, even we say some industries are like, oh, we we have a lot of attrition. Well, when you look at your average time where they, you know, are not no longer with your organization, how does that compare to your peers? Because if it's a shorter period of time, there's probably something you should be doing more intentionally on the front end to better understand that. And, you know, even if you're gonna have attrition, you get more productivity while they're there and you avoid the people that suck all of everyone's lives. Right. Right,

Speaker 1: 27:12

Right.

Speaker 2: 27:12

And then the number three would be, and this is where we've seen since Covid , we've come in a lot. Uh, communication practices are ineffective inside the organization. The organization's grown. Um, they're not really clear. Sometimes they think in a leadership team meeting, everyone knows what they should be doing, but somehow the message gets lost. And by the time it gets down to the first line , nothing's really getting done in a way that feels productive.

Speaker 1: 27:42

Hmm . Right .

Speaker 2: 27:42

So that's probably been, I would say 50 50 as far as why we work with organizations in the, my market , mid-market, it's communication practices are ineffective , um, across everything, leadership, interdepartmental , um, you know, or, you know, obvious attrition or not hitting their goals as quickly as they want to .

Speaker 1: 28:04

Right. No, this has been great. You know, you , we've had a, a lot of Thank you so much, Melanie, first of all. 'cause this has been a really insightful conversation and it's amazing too. And I , I am , um, I'm sure the audience will find this too, that it's , I've, I've learned , I've learned a lot and I know I've known you for several years, so I've learned a lot in this conversation. Hopefully they have especially learned a lot about, about the, the tool itself, the , the rationale behind it. So , uh, I definitely appreciate your time. So we're gonna, we're gonna finish up and have a little bit of fun to finish up and just , uh, and give you a couple of things to just, and hopefully you've noodled over them a little bit perhaps, but maybe not. But what would you say are three books, if you were gonna recommend three books to somebody who just graduated , um, who just graduated college and say, these are three books that are really insightful, or something along those lines . What, what three books would you recommend to them?

Speaker 2: 28:57

Hmm . Okay. I was thinking leadership versus college .

Speaker 1: 29:00

It could be leadership college . Yeah. It could be leadership also. So I'll, I'll leave it wide open with you.

Speaker 2: 29:07

Okay. If I was going leadership, it would definitely be number one, hands down, dare to Lead by Brene Brown. But I think that book, you have to have been a leader a little while to get something from it. Yeah . Okay . Um, number two, I think The Advantage by Pat Lencioni , it takes all of his books and puts it into one place. And it's a great starting point in his work of really understanding holistically how businesses can be healthy. I guess if you were coming out of school, the first book of his that could still be very beneficial would be the effective team player. Um , because that very much could be how you think about what the organization might value in some of your kind of attitude and how you approach things, which is all you have when you're a new grad. Right. And then the third one, and this is very applicable to a new grad. Um, I absolutely love Adam Grant and his book that I have enjoyed the most and apply it to my whole life is Give and Take. Mm-Hmm . So Give and Take by Adam Grant. It's the science and research behind matchers givers and takers .

Speaker 1: 30:20

Hmm . That's fascinating. So how about , thank you for that list. Um, how about , uh, two podcasts? I'm not sure if you're a big podcast listener, but if you, if you are what or two podcasts that you're currently listening to and have been listening to for a while ?

Speaker 2: 30:33

Yeah, I listen to a lot of 'em , so I was like, oh my gosh, narrowing it to two. Um, the number one I'm gonna go back to at the table with Pat Lencioni because they're short and they, he keeps his always under 20 minutes, which most people don't have very long attention spans. And again, applicable to all levels of people around communication, building relationships in the workplace. And then , um, I absolutely love that Adam Grant on his podcast, which is Rethink. He brings on guests that are super interesting and, you know, really crossover in lots of other areas. Um, the other one I listened to quite a bit that I do have put in there is Greg McKeen , who wrote , um, effortless. Okay .

Speaker 1: 31:17

I

Speaker 2: 31:17

Think that's what his podcast is called.

Speaker 1: 31:19

That's great. So last question for you. So , um, so what would you tell your si if you could do this today, what would you tell your 16 year old self about what they should be doing just in life in general ?

Speaker 4: 31:36

16 year

Speaker 2: 31:36

Old self, I think I would tell myself, quit being so hard on yourself. You haven't figured it out yet.

Speaker 1: 31:46

Yep .

Speaker 2: 31:46

And enjoy the journey.

Speaker 1: 31:48

There you go, <laugh>. That's great. Well, thank you again for your time. So where can people find you to continue this conversation and maybe have a conversation around Predictive Index? How do people find you?

Speaker 2: 32:00

Yeah, so I'm on LinkedIn. If you put in Melanie Schaeffer , S-H-A-F-F-E-R, there's no c.

Speaker 1: 32:08

Okay . And

Speaker 2: 32:08

Then our website is www dot talent suite , S-U-I-T-E llc.com .

Speaker 1: 32:16

Okay. That is great. Well, thank you again so much, Melanie, for your time insightful conversation, that I just love having somebody like yourself on this . 'cause I find out a lot of new things about you and learned a little more about Predictive in Index . So thanks so much and have a good rush of your day. Thanks everybody. Thanks

Speaker 2: 32:32

Mark .

Speaker 1: 32:32

You're welcome.