

# The Power of the Simulation: Deeply Vet Candidates, Test Skills and Make Great Hires



# Table of Contents

- 2. Why Making the Wrong Hire is So Common
- 4. Simulations: The Key to Making a Fantastic Hire
- 3. The Cost of the Wrong Hire
- 5. The Benefits of a Simulation
- 7. Keys to Effective Simulation Design
- 12. Creating Enthusiasm
- 13. The Importance of Holistic Evaluations
- 14. Where to Begin?
- 16. Simulation FAQs

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# Why Making the Wrong Hire is So Common

Hiring is a challenge that is not only easier said than done; it's a process that determines the critical trajectory for a team and a business.

Will a new employee contribute to the team with increased productivity, innovation and collaboration? Or will they detract from the business by making errors and poor choices, sapping organizational energy, team morale and damaging customer relationships?

Unfortunately, making a bad hire is more common than most people realize. So many organizations find themselves asking the same question over and over:



*"This candidate was perfect on paper, and they spoke so well to their experience in the interview. It seemed like a perfect fit. Why didn't this work out? Where did I go wrong?"*

Too often, the outcome of hiring in "good faith" based on experience, rather than on concrete evidence/proof of a candidate's aptitude and ability to perform, ends up in a misfit.

## Common Reasons for Making the Wrong Hire

**1. Urgency.** Unexpected vacancies can leave businesses in a lurch. The urgent need to take on a new team member can cause a business to hire hastily, without properly vetting a candidate. They over-rely on a candidate's experience. *Having experience in a role doesn't mean the candidate was good at it.*

**2. Biases.** Managers often consciously or unconsciously hire someone because they identify with or like them. A potential hire may be charming and funny, or have significant commonalities with the interviewer – leading the interviewer to either gloss over deep vetting or to overlook red flags. And on the other side of the coin, negative bias can result in ideal candidates being overlooked.

**3. Misrepresentation.** New hires may claim (and genuinely believe themselves) to be "great communicators," "detail-oriented" or "skilled strategists," but without seeing them perform within the context of the environment that they would be in daily, it's not possible to be certain of their skills or abilities. Conscious or unconscious misrepresentation results in unmet expectations... and the need to make a new hire quickly.

# The Cost of the Wrong Hire



By making one or more of the mistakes above, businesses end up hiring the wrong person for the job.

The result?

A major inconvenience – and major costs.

## Costs of the Wrong Hire

**1. Lost time and money.** Recruitment may have involved job posting or recruiter costs, travel expenses, significant time spent on interviewing, and administrative costs. Onboarding involves time spent by managers, teammates, the new hire, and others for training, as well as resources. Compensation including taxes and benefits adds up quickly. And all these costs double when the hire didn't work out and needs to be replaced.

**2. Opportunity costs.** Every interaction is a representation of a brand. A poor hire can mean clients do not give referrals to people in their network. They don't come back for repeat business. And all the time spent hiring, training, and cleaning up issues from the wrong hire is time not spent on profit-producing initiatives.

**3. Lost Innovation.** A poorly performing hire typically drains energy away from the team, slows down work, and consumes time that could have been better spent elsewhere. A team that's burdened by an underperformer won't typically have the mental or emotional capacity or enthusiasm to begin new initiatives.

**4. Damaged Morale.** It can be a deeply frustrating experience to continually retrain a team member, clean up mistakes, or assume someone else's workload. It's difficult to work at peak performance when feeling that sort of frustration. It can also cause valuable team members to leave – representing a significant loss in knowledge, experience, and output (and a need to hire their replacement).

Though the financial impact of making the wrong hire may seem inestimable, there is a way to tally costs of how a business has been affected.

To access the Cost of a Wrong Hire Calculator, [click here](#).

To read a more extensive article on “Why Hiring the Wrong Person Costs You More than You Think,” [click here](#).





# The Benefits of a Simulation

If designed well, each candidate will perform very differently. It is a fascinating study of human behavior, and provides a wealth of information even beyond just skills and qualities needed for the job.

Ultimately, a simulation gives the potential employer an opportunity to see how the candidate will actually perform on the job, and provides the candidate an opportunity to see how they will actually like the job.

## Simulation Benefits



### Benefit #1: Confirmation of Skills and Qualities Needed for the Role

A candidate's career history provides insight into tasks for which a candidate was responsible, but does not provide insight into their ability to do those tasks well.

Almost everyone has known someone that managed to stay in a role for a long time even though they were not great at their job. A simulation provides hard evidence of required core skills and qualities.

For example, the potential hire may speak well to reports they created in Excel during an interview, but in a simulation demonstrate a lack of logic in their formulas or miss key details in data. In their current job, they may be producing inaccurate

reports. Or perhaps another team member spends a lot of time cleaning up their reports. Or perhaps their knowledge is so narrow that they are unable to apply it to another environment.

On the flip side, a candidate who has very limited experience in Excel and/or the industry/role, but has strong logic, attention to detail, the resourcefulness to look up information on the internet (e.g. formulas), and is provided some basic background information, can often outperform the candidate who has years of Excel experience but no logic or attention to detail. A well-designed simulation will always reveal the truth.

There is no skill or quality that cannot be assessed in simulation, when the simulation is designed strategically, holistically, and comprehensively.

# The Benefits of a Simulation

By timeboxing the simulation so that all candidates have exactly the same amount of time, speed can also be assessed. A team member that can accomplish twice as much as another in the same amount of time without sacrificing quality or relationships represents double the value.

## Benefit #2: Insight into Personality, Culture Fit & How a Candidate Shows up on the Job

Beyond a simple confirmation of skills and abilities, simulations also provide deep insight into how the candidate might show up at work.

For example, some candidates may ask endless questions that could be easily answered with a bit of internet research. Other candidates may ask no questions, not confirm their understanding of the assignment, and produce something different than they were asked to produce.



Simulations allow employers to gauge how a candidate communicates with other team members, their work style, level of autonomy, etc. Paying attention to every interaction provides a wealth of information, including how the candidate might contribute to (or detract from) overall company culture.

## Benefit #3: Ability for the Candidate to Decide Whether the Role is Right for Them



A significant number of people quit their jobs because their role was different than they imagined or understood during the hiring process.

Providing candidates with much deeper insight into communication styles of other people in the company, the ability to try using the tools and resources they would have on the job, etc. helps mitigate that risk.

Assuming the simulation was designed well, a simulation allows the candidate to make a much more informed decision about how excited they might be to start each day in this position, potential challenges, etc.

# Keys to Effective Simulation Design

A simulation is only as effective as its design, and requires strategy, creativity, and holistic thinking. This section outlines some of the key factors of effective design.

## Clarity of Simulation Goals

First and foremost, it's important to keep the general goals top of mind during design. The ultimate objective of a simulation is to ensure the candidate will be successful AND happy in the role at the hiring company. This is further broken down into the following specific goals that guide design:



- Confirm the candidate possesses the skills and qualities needed to succeed in the role – regardless of their experience (or lack thereof – even if experience is required for the position).
- Understand the candidate's work style and communication style and how it fits into the environment.
- Provide the potential hire with a realistic and holistic view of the opportunity.

## Comprehensive Clarity on Skills and Qualities Needed

Before beginning design, it's important to outline all the skills and qualities needed for a candidate to succeed in the role, company and team. Sometimes organizations end up with poor-fit candidates because they only have a partial picture of what they need when they make a hire.

The ideal candidate profile should function as a blueprint for designing the simulation, as well as all other steps in the hiring process. The following are key considerations in designing that blueprint:

1. **What skills (hard and soft) and qualities do top-performers possess**, both in the role and the company overall, that help them succeed?
2. **What have people who failed in the position specifically lacked?** NOTE: This should also include an honest inventory of any potential issues in company culture that need to be addressed. For example, was the issue a lack of communication from a failed hire, or a lack of inclusivity that allowed that hire to feel safe speaking up?

# Keys to Effective Simulation Design

3. **What *exactly* does the job entail?** There are usually more nuances than hiring managers realize – especially if they haven't done the job themselves. What resources exist? What unexpected issues arise? If the simulation designer hasn't done the job themselves, they must shadow someone in a similar role and ask questions along the way – imagining every potential point of failure during those conversations.
4. If it's not feasible to have a candidate who possesses every single ideal skill and quality, **what is most important, and what can be traded?** These should be delineated with “must-have” and “nice-to-have” and further prioritized. It's important to **outline which of these skills are trainable** (for someone with strong learning aptitude and the right qualities) and which are not, with a realistic assessment of resources that would be available for training if a candidate doesn't have the skill.
5. **What is required in order for the person in this role to carry out the company mission, vision, and values?** A candidate may be able to perform well technically, but if values don't align, it will show up on the job. For example, if one of the company values is collaboration, and a candidate values working independently, how might that show up on the job, and what are the potential consequences of that misalignment?

## Ensure the Candidate is Not an Unpaid Consultant



Asking a candidate to do what *feels like* unpaid consulting or work for free is unacceptable – even if the employer does not plan to ever use the deliverables the candidate creates.

It's a poor candidate experience, and ethically questionable.

Instead, candidates should be asked to work on problems that have already been solved (without the solution being obvious via internet research), or working with mock data/projects/clients.

## Provide Resources and Systems Used in the Role

Candidates should engage in the systems and resources they would use on the job wherever possible to test their aptitude with technology, ability to quickly learn new systems, leverage available resources, and how well they would work within company systems. Most software providers offer trial, basic, or demo accounts, and dummy data is easy to access or create. The system doesn't need to and shouldn't be set up to the extent or complexity that the actual system is set up.

# Keys to Effective Simulation Design

## Assess Learning Aptitude

*If a simulation is well designed, a candidate without industry or role experience (but who has high learning aptitude along with the qualities needed to do well in the role) should be able to outperform the candidate with industry and role experience (but who performs poorly in their job).*

This requires scaling down the complexity of the work, and also providing background information and instructions that would allow them to succeed.

## Think it Through

A fantastic candidate should never fail a simulation because the instructions were unclear, conflicting, or problematic in some way. It's imperative that the instructions are thought all the way through. Subtle wording changes can make or break a simulation. State the obvious, as it is not always so obvious. Also, the simulation should be deeply thought through all the way to the end to ensure every detail has been covered. Gaps can easily crop up. Testing the simulation upon completion is also key.

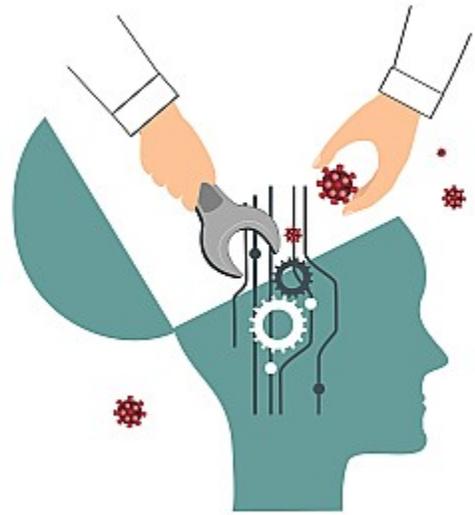
## Design Holistically



Think beyond the basics, and consider every single aspect of the simulation.

For example, if the role requires someone who is very autonomous and resourceful, and a candidate spends 20 minutes asking questions that could be answered in less than a minute via internet research when receiving instructions at the simulation start time, they *may* not be right for the role – even if they successfully complete the rest of the tasks in the simulation.

Or if they have an opportunity to listen to the instructions more than once (for example, a recording mimicking a voicemail is played with the ability to replay the message) and the candidate chooses not to listen to the voicemail a second time but then completes the assignment incorrectly, that will likely happen on the job.



# Keys to Effective Simulation Design

## Allow for Variation

Simulations should not be pass/fail, and should not look uniform upon submission. If the simulation is designed well, every candidate will perform dramatically differently, and these differences will provide key insights into how they show up on the job.

In role-play, one may make assumptions in conversations, while another asks extremely smart and probing questions.

In producing deliverables, one may go down rabbit holes and spend unnecessary time on one assignment and leave the others incomplete, another may get extremely creative and produce something better than could have been expected, and another may demonstrate a total lack of quality.

Additionally, simulations should provide a sense of how strong candidates are in a variety of areas.

For example, if the candidate is reviewing data, there should be a couple issues that only a superstar would notice, several issues that the candidate may or may not notice, and a couple issues that would be problematic if they don't catch them.

In a mock discovery call with a client, there should be some questions that any candidate should ask, and some that only the very best should ask. Ideally, the strongest candidates will ask great questions that weren't even in the answer key.

A simulation like this might allow an employer to say "Gosh, this candidate has incredible attention to detail and analytical skills, but is very poor in understanding client requirements. Do we have the bandwidth and ability to train for this, and is the candidate coachable in this area?"



# Keys to Effective Simulation Design

## Include the Unexpected

Most job roles will include natural distractions that arise throughout the day to steer someone away from their primary task. These sorts of small requests – typically delivered via email or phone from mock coworkers/vendors/clients – should be included, both to provide the candidate with a realistic picture of the role, and to understand how they respond to and prioritize these sorts of things.

## Logistics



Depending on the complexity and seniority of the position, a simulation typically lasts anywhere from 30 minutes to four hours. This can be inserted anywhere in the hiring process, but frequently makes the most sense to administer just to the top 3-7 candidates who already passed a deep-dive interview.

Each of those candidates then works through the exact same simulation, allowing the employer to compare apples-to-apples.

The candidate must not use *more* than the allotted time for the simulation to finish their tasks. If one candidate uses more than the allowed time frame they have an unfair advantage.

Similarly, each candidate should be given the exact same instructions delivered in a uniform way. It is critical to compare apples-to-apples.

## Debrief

The debrief after the simulation can be just as valuable as the simulation itself – both for the employer and the candidate. The following should be discussed at the debrief:

- 1) Any differences between the simulation and the actual job.
- 2) How the candidate feels about the opportunity after having tried it for themselves.
- 3) Feedback (optional for candidates). Providing candidates with feedback similar to the type of feedback they would receive on the job allows them to get a much better sense of management style, and allows the employer to get a much better sense of candidate coachability.



# Creating Enthusiasm

## How to Create Candidate Buy-In for a Simulation

If the concept of a simulation is presented well, 99.9% of candidates will choose to participate. The key is in the presentation of the idea.

The hiring process should be described as being mutually beneficial. It will allow them to showcase their skills and abilities – even if they don't have as much experience as other candidates. It will allow both parties to ensure that the candidate has the ability to be successful in the job. And it will provide the candidate much deeper insight into every aspect of the opportunity that they can't get through interviews. This will allow them to ensure that their next professional home is one where they can be excited to be each day.

Candidates should never be surprised/blindsided by a request for a simulation half-way through the hiring process. The hiring process should be explained in the very first phone screen with candidates, just after creating realistic enthusiasm about the opportunity as a whole.

Here is how Scalability Solutions® LLC presents the hiring process to candidates: <https://vimeo.com/297214624>



# The Importance of Holistic Evaluations

Many companies wonder how important interviews are once they incorporate simulations into the hiring process. Is one superior to the other? Which will provide deeper insight? Can one replace the other?

The truth is, *both* are equally important in providing the insight needed to make a phenomenal hire.

The simulation provides clear and accurate evidence that the candidate has the skills, qualities and learning aptitude that are required specifically at that hiring company with that particular team.

An in-depth interview provides an understanding of what will help the candidate to be happy and thrive with long-term retention.

It's an ideal forum to better understand a candidate's retention potential, values, preferences, emotional intelligence, knowledge, etc.

Holistically evaluating a candidate based on *both* the interview and the simulation provides a comprehensive understanding of that person.



For example, a candidate may have finished their tasks quickly in the simulation, but admitted in an interview that they feel very stressed and eventually burned out when having to keep up with the fast pace of their previous position.



Interviews also tend to be rife with bias, usually bias that is unconscious and often that differs from the interviewer's values or declared beliefs. Simulations allow companies to disprove judgements about candidates made based on biases.

It's also important to look at interactions beyond the interview and simulation. For example, how did the candidate treat the Administrative Assistant (if applicable) that scheduled the interview for the hiring manager? How much research did they do before the initial phone screen? If used, how thoughtful were their answers to online application questions? Were their emails filled with typos, and if so, will they be emailing clients if hired?

Ultimately, companies need to consider the entire picture holistically. By conducting both an interview and a simulation, and considering interactions at all other steps, the employer is much more likely to get a grasp of who the candidate really is.

To learn how to interview phenomenally well, take this short online course:  
<https://scalability-solutions.com/courses/revolutionized-hiring-interviewing/>

# Where to Begin?

Upon hearing of simulations, most companies say something to the effect of, "This sounds like such a great idea. But I'm not sure it can work for this particular role."

**Every single role in every single company can include a simulation that makes the hiring process more effective, efficient, and significantly more successful.**

**Implementing an effective simulation into the hiring process is *always* feasible.**

It may feel overwhelming at first, but with some strong knowledge and the right team helping, it is always achievable.

## Where to begin?

### Option 1: Just give it a try!

Start small with just a very simple timed work assignment. Slowly incorporate more. Build on lessons learned. Note that there absolutely will be A LOT of lessons learned.

The idea of simulations are simple, but there are a tremendous number of potential pitfalls that can make them less effective.

After discovering each pitfall, tweak the simulation and continue to increase its effectiveness.

### Option 2: Get help from a team experienced in designing and facilitating simulations

Hiring the right candidate for the job is tough. It requires intentional strategy, thoughtfulness and time.

Making a phenomenal hire with long-term retention *is* very achievable, but it requires an extremely well-designed hiring process that allows the employer to accurately and thoughtfully evaluate candidates.

The concepts outlined in this document are simple, but not easy. There is a steep learning curve.



# Where to Begin?

Scalability Solutions helps its clients make phenomenal hires with long-term retention on the first try... Either by providing clients with all the tools and training to make fantastic hires themselves, or by doing the candidate vetting for them.



The team at Scalability Solutions has spent decades perfecting and fine-tuning these methods. This has resulted in a 92-95% retention rate in the hundreds of hires clients have made while working with them.

Whether a client is looking to be empowered to *effectively* design and implement a simulation and in-depth interview themselves, or they'd like someone to do all the heavy lifting for them, Scalability Solutions helps them harness the power of a proven hiring process that nets outstanding results.

Every team member at Scalability Solutions has a background as a hiring manager and/or business owner, and knows the unique challenges associated with identifying the right candidates. Scalability Solutions helps its clients to build their own happy, successful teams.



To learn more about how Scalability Solutions might help you to make a great hire, [book a free consultation here.](#)

*What sorts of roles or industries are best for incorporating simulations?*

# Simulation FAQs

A simulation can be used for hiring someone into absolutely any role, at any level, in any industry. Designing a truly effective simulation that produces accurate, valuable insight into candidates' skills and qualities is *always* possible.

*Is a simulation for a particular role universally applicable to that role for other companies/industries?*

No. Every simulation should be entirely unique. Even when two different companies are hiring for the same role, have similar clients/projects, etc., the simulations for the two companies will still be different. The two companies will each have different expectations for the person in the role, different leadership styles, different cultures, systems, etc. The simulations should reflect these differences.

*Are candidates really willing to go through simulations when other hiring companies don't require it?*

Yes. When the hiring process is explained in the very first phone interview, and the candidates are told that simulations are mutually beneficial and will be just as valuable to them as to the hiring company, they respond with enthusiasm. It's critical to get buy-in from the beginning and get them excited about participating in a process that helps them learn if the job is a good fit for them, and gives them the opportunity to prove their excellence during the hiring process.

*How is a job simulation advantageous over an interview?*

Both are important and should be considered holistically.

*How does a job simulation help my business save money?*

Making a poor hire is profoundly expensive, representing wasted money on logistical costs, and a major loss of opportunities and valuable time. Conducting a single simulation can save tens of thousands of dollars—or more—and ultimately generates inestimable value by finding a candidate that stays with the business, innovates, excels and contributes to the team.

*Where does a simulation fit into the hiring process?*

It depends. Because simulations demand both time and energy of candidates, they are most often conducted after the candidate has already passed the in-depth interview. Typically, the simulation is conducted with the top 3-7 candidates, depending on the size of the applicant pool. Here's a typical hiring flow:

# Simulation FAQs

1. Phone call to screen candidates
2. In-depth interview
3. Simulation
4. Final interview

However, some companies prefer to insert the simulation into the hiring process, and only interview candidates that already demonstrated skills and abilities. This is up to the employer, but it does take a bit more buy-in for a candidate to invest in a simulation before having a longer conversation with the potential employer.

*How do I get started on implementing simulations in my hiring process?*

To get started on designing and implementing a simulation that can help you make an excellent hire, book a free consultation with Scalability Solutions.

We'd love to talk to you about your specific needs and what it might look like for you to create a hiring process that's tailored to your business.

[Book a consultation here.](#)

