

Title Page

The impact of the implementation of Behavioural Interviewing in Starwood Hotels in
UK, Ireland and Scandinavia

A dissertation submitted in partial fulfillment for BA Hons in Human Resource
Management

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Table of Contents

Page No.

1.0 Introduction to Literature Review

- 1.1 Background to research problem 6
- 1.2 Aims of the research 6

2.0 Research Issues – Literature Review

- 2.1 Introduction 9
- 2.2 Is Behavioural Interviewing a useful tool in selection 10
- 2.3 The Traditional Interview 12
- 2.4 The Situational Interview 13
- 2.5 Behavioural Interview 14
- 2.6 Interviewer Decision Making 15
- 2.7 The reliability and validity of interviews 16
- 2.8 Why do organisations choose Behavioural Interviewing 18
- 2.9 Conclusion 29

3.0 Research Methodology

- 3.1 Research Problem and Literature Review 27
- 3.2 Starwood Hotels & Resorts Company Overview 27
 - 3.2.1 Brands within the organization 28
- 3.3 Industry Competition 29
- 3.4 Behavioural Interview Roll-out 30
- 3.5 Service Culture roll-out 31
- 3.6 Competition in Human Capital and the introduction of BI 32
- 3.7 Data Collection 36
- 3.8 Research Methods 37
 - 3.8.1 On-line survey questionnaire 39
 - 3.8.2 Structured Interviews 40

4.0 Analysis of Research

- 4.1 Introduction 44
- 4.2 Labour Turnover Figures 45
- 4.3 Improvement in Starvoice 49
- 4.4 Integration in the field 50
- 4.5 Consistency and Structure 53
- 4.6 Training for BI 53
- 4.7 Benefits to Starwood Hotels & Resorts 54
- 4.8 Consistency of use 56
- 4.9 Legal Requirements 57

4.10	Weaknesses in the BI tool	57
5.0	Conclusions	
5.1	Introduction	59
5.2	Findings and Results	59
	5.2.1 Issues with the Traditional Interview and Interviewer ratings	60
	5.2.2 Reasons why organisations use Behavioural Interviewing tool	62
5.3	Limitations of research	65
5.4	Recommendations	66
5.5	Conclusions	67
6.0	List of Appendices	
6.1	Bibliography	68
6.2	References	71
6.3	Appendices	
Appendix 1	Labour Turnover Figures for all Business units	
Appendix 1a	Average Turnover charts and trends	
Appendix 2	On-line Survey Questionnaire	
Appendix 3	Pie Chart from Qu.4 on-line survey relating to engagement survey	
Appendix 4	HR Practitioners Individual Interview – 1 Sample transcript	
Appendix 5	HR Practitioners Individual Interview - Questions	

CHAPTER 1 - INTRODUCTION

1.1 Background to Research problem

Behavioural Interviewing was implemented across 440 Starwood Hotels and Resorts in 2005/2006. The roll-out was a huge undertaking within the company and one of the first major global HR initiatives under a new Vice President of Human Resources.

1.2 Aims

The aims of the research was to establish if the introduction of the Behavioural Interview selection tool was an improvement on the previous traditional model and review the overall impact it has had on the Starwood Hotels UK/Ireland Scandinavia business units.

The introduction of the Behavioural Interview in 2005/2006 was a significant change in the way selections were managed. All owned and managed hotels across the company, 700 of the 1000 total hotels were given this new tool to implement.

I looked at how is compared to the traditional interview model which was used in all the units prior to the new tool. The areas of Engagement and Labour Turnover were also reviewed to see if the Behavioural Interview made any impact in these areas.

Chapter 2, the Literature Review. I approached the literature review with a broad lens and familiarised myself with some of the main theorists in this area, as there are many who have written on the subject of interviewing. I researched in the area of Behavioural Interviewing so to outline the history of this tool as well as its reliability and validity as a selection tool. The literature review also looked at why organisations who currently using this had chosen this tool. It also outlines the traditional interview and the components of this and how it compares with the Structured Behavioural Method in terms of validity and reliability. The research included an on-line questionnaire and telephone interviews with each of the HR Directors of each business unit in the UK/Ireland and Scandinavia, as well as Employee Turnover data given by each of the business units.

Chapter 3 – Research Methodology. This chapter was to review the data on how well the BI tool was it accepted and used by the HR practitioners using it, how the Human resources users feel it stands up to scrutiny and overall to conclude if it was worth the investment made by the company to roll this process out across the global business, particularly in the UK, Ireland and Scandinavian business units.

The data was collected using an on-line survey and individual interviews.

Chapter 4 – Data Analysis. This chapter was to analyse the data gathered and explore themes and patterns that emerged from the research methods.

Chapter 5 – Conclusions and Recommendations links the Literature Review and the data analysed and completed the dissertation.

CHAPTER 2 - LITERATURE REVIEW

2.1 Introduction

Behavioural Interviewing was introduced in the 1970's when studies showed that the traditional interview was not a strong predictor of a candidate's ability to do the job. The traditional interview gave hypothetical questions, allowing hypothetical answers, for example - What would you do in x situation? The candidate's response would be - I would do x. However this allowed good "sellers" to concoct stories in the interview and the behaviour they would be describing would not necessarily be behaviour they would use, it could be behaviour they believe the interviewer is looking for in this role. In an industry such as hospitality, where there is a strong emphasis on the behaviours' and characteristics of the individual, it is often the case that these were influenced by personalities who were "expressive" and "drivers" as these personality types would be able to "sell" themselves better than the "amiable" and "analytical" personalities. The literature review will discuss in more detail how "impression management" is a key area of challenge for interviewers. As the Behavioural Interview is more structured, it allows the interviewer and candidates stay on track in the interview and not be distracted by the interaction between a similar type of interviewer and candidate.

2.2 Is Behavioural interviewing a useful tool in Selection?

There are a number of key researchers in the area of the employment interview and one of the areas of difficulty with the research was the age of the information. Many studies have been published by the major reviews (Avery, 1979; Avery & Campion, 1982; Poulakis & Schmitt, 1995; Anderson, 1992) with less being completed in the past ten years. Within the research completed in this area, there seems to be a variety of views on the validity of the interview and more specifically to this subject the behavioural interview which I will outline during this review.

Anderson has written a great deal in the area of Selection tools and in particular the interview as a tool. Anderson (1992) summarises his research by outlining two different theoretical perspectives on the function and functioning of the interview. He describes the first as the "objectivist-psychometric" Anderson (1992) 11 perspective and the "subjectivist-social perception" Anderson (1992) 12, perspective.

Anderson (1992) believes that the interview is seen as an imperfect method of information gathering, the main source of imperfection is judged to be the interviewer's behavioural and cognitive actions. This perspective says that by controlling the potential biases of the interviewer you can make the interview achieve an acceptable level of psychometric objectivity.

The "objectivist-psychometric" perspective according to Page 9. this sees the interviewer as a personally detached information gatherer and processor. However this also gives the view that the interviewer is the "primary sources of error, detracting from validity and reliability".

Page 11, Anderson (1992), also makes the point that the interview as a selection tool has a strength in its flexibility and the opportunity it gives for a "bi-lateral exchange of information between parties". The meta-review of reliability of the interview points to the fact that individual interviewers process information very differently from each other and this is another point about the human factor, which he outlines. He concludes that the information processing in the interview process has a number of dysfunctions that work against the ideal of objective decision making. However this does not necessarily mean that the objectionist ideal is unachievable.

Anderson (1992), believes that sufficient evidence has not been presented to counteract the idea that the issues with the interviewers decision making could be completely overcome, thereby making the process more reliable. He, also outlines another perspective on the interview process he labels "Subjectivist-Social Perception Perspective". This belief is that the interview is a social interaction that promotes the development of a psychological contract between the prospective employer and candidate during the process. During the process both sides through face to face meetings and other interactions outline the expectations of the future work responsibilities and commitments. The assessment made by the interviewer is an

aside to the main process of exploring the synergy of both parties and their expectation of the potential working relationship.

2.3 The Traditional Interview

The traditional interview as outlined in this document is one that is one to one, unstructured and with no measurement criteria. This has been the principal selection tool used within Starwood prior to the introduction of BI in 2005.

The view of the traditional interview as outlined by Bowers and Kleiner (2005), is that a good interview is both valid and reliable. A HR professional, line manager, or a number of layers within the organisation can carry out interviews, panel interviews are carried out by a number of people at one time. In a traditional interview candidates are measured against each other, rather than against criteria, which would indicate their ability to be successful in their role. The traditional interview is often no more than guess work, with the interviewer no wiser at the end of the interview and unable to objectively support their decision to hire a specific candidate. In our organisation, the "gut feeling" statement was something that was used on a regular basis, this indicated the "feeling" that a candidate was the best person for the job.

The role of the interviewer is a complex one, with many tasks involved. This role involves, ensuring the candidate has a favourable experience throughout and leaves with a positive view of the organisation, managing this interaction, whilst at the same time

asking questions and noting answers. In the traditional interview where there is only one person, there is a lot for one individual to complete well.

In a situation where one person is interviewing and making the decision, there is an argument for error. Even if a second interviewer has met the candidate, they are still interviewing alone and facing the challenges outlined above. The traditional interview does not have a structured format, it can differ from one candidate to the next and this leads to a lack of reliability.

2.4 The Situational Interview

Like many hiring managers, I have been surprised by the best people we have hired as I have been disappointed by those who turned out to be under performers. Barclay, J 1998 who concluded a study of the application of behavioural interviewing by 49 organisations, criticised the situational interview process, which gives candidates hypothetical situations because it makes the assumption that what they say they will do is what they actually do. She also criticised ability tests by saying the tests that relate to the job is too simple as the job is usually more complex than any test given.

Latham and Sue Chan, 1999 carried out research on the situational interview and showed that "intentions predict behaviour", however they stated that more studies were required to compare the Situational interview with the Patterned Behaviour Description Interview tool outlined in the next section.

However, it appears that to ask a candidate about what they would do, would lead to them being able to make up answers and leaves the interviewer with very little ability to probe deeper, as they are not giving real life answers and at most it could be described as supposition or guesswork.

2.5 Behavioural Interview

Dr T Janz carried developed a procedure called Patterned Behaviour Description Interviews (PBDI's), the outline of behavioural interviewing is that past behaviour is the best indicator of future behaviour and therefore allows assessors to predict how a potential candidate will respond by proof from their past.

The system as outlined by Anderson & Shackleton (1993) is made up of two elements. The first is to undertake job analysis is undertaken and establish "critical incidents" which distinguish between effective and ineffective on-the job behaviour. Then "performance dimensions" are formed as critical types of behaviour. Supervisors then validate the dimension descriptions to agree validity. The interviewer virtually minutes the candidate's responses and tries to find out past behaviour in situations similar to those outlined as critical incidents.

Barclay, J 1998 concludes that all selection tools are flawed including Behavioural Interviewing, and she suggests that it should be taken into account that because

people have made errors in the past, this behaviour may be corrected and more improved behaviours learned overtime because of these errors. Of course, this has to be taken into account, however with a correctly structured interview, the information about the learning gained from these errors can be extracted by the interviewer and analysed with all the other information. Barclay suggests that it's crucial to "gather several examples of behaviour" and to look at overall trends, we shouldn't rely in a single example, particularly if this is a negative one.

Barclay also outlines that her view that it's more difficult for candidates to "fake" their answers if the questions are based on past behaviours. When the candidate is probed correctly it requires detailed evidence of past behaviour which is very difficult to produce in a Behavioural Interview. Barclay also suggests that Behavioural interviewing is more flexible as it gives candidates the opportunity to demonstrate their experience through real experiences rather than having to make up hypothetical experience.

2.6 Interviewer Decision Making

Interviewers are often underrated in organisations, their role requires skill in listening to volumes of information and deciding what parts of this information is relevant and then making a decision on the basis of this information. Anderson 1993 also outlines that while the interviewer is doing all this, they must also maintain the personal interaction with the candidate. Errors in interviewers decision making are crucial to

the problems with validity of the traditional interview. Anderson 1992, 17, presents an overview of eight decades of employment interview research and overviewing the studies into dysfunctions in interview decision making, states "it is apparent that interviewers are prone to many of the biases in impression formation found to be prevalent in social psychological studies of person perception, personal liking bias, similar to me effect, primary-recency effect etc". There are twelve biases outlined by Anderson in total.

In our industry, where the personal experience is crucial to the success of our guests' stays, the personality and character of our Associate/Employees was key, however personality and character was not measured in a structured way and therefore there was no way to indicate what type of either would lead to on the job success. The Manager and Hr practitioner were able to judge subjectively only that the person was a naturally outgoing individual and those candidates best able to "sell" themselves were more often than not able to secure a job offer.

2.7 The reliability and validity of interviews

There is endless research in this area and the questions continue to exist between the validity of the traditional interview, situational interview and the behavioural interview and the research already completed in this area has looked into this in depth. It appears that a lot of the theorists have tried to show a scientific approach to measuring selection tools, particularly the interview and show which interview style produces the best results.

Anderson 1992, believes from his research that the interview stands up well as a selection tool and is both valid and reliable overall, however the interview in a structured format is more valid.

The situational interview has also proven to be valid and reliable and was developed from work by G Latham, 1989 and also uses critical incident job analysis. However the key difference is that candidates are asked what you would do in a particular situation, therefore the questions are future related rather than focused on the past as in the case of PBDI, (Patterned Behaviour Description Interviews).

Anderson 1992, agrees that the trend of research findings is that structured interviews based on formal job analysis are generally more valid and reliable than unstructured interviews or those not grounded on formal job analysis.

Oliphant, Hansen and Oliphant, 2008 criticise the lack of research into the area of Behavioural Interviewing and highlight their concern about this given the amount of practitioners who are using this method. However if you look at findings of Konig et al 2010, it is clear that the decision by practitioners to not use one tool over another has nothing to do with the amount of research in this area, but for far more practical reasons.

Oliphant, Hansen and Oliphant 2008 present research that suggests that candidates who scored well in a BI, performed to higher levels and were less likely to leave an

organisation because of poor productivity, however it does not take into account the influence placed on the individual by the organisation through training, development and coaching.

Research that supports the idea that structured experience based interviews using more than one interviewer outperform the traditional unstructured interview and the situational interview is proved by Krajewski, Henryk, Goffin, Mccarthy, Rothstein Mitchen, Johnston, 2006 and Pulakos and Schmitt 1995.

Bowers and Kleiner, 2005 outlined how an interview should be conducted, giving guidance on the more specific details that make an interview successful, for example spending time at the beginning of the interview rapport building with the candidate to ensure they more relaxed. They also discuss note taking and assessment at the end of the interview.

2.8. Why do organisations choose Behavioural Interviewing

So why do organisations actually chose the tool of BI? Konig, Klehe, Berchtold and Kleinmann 2010 carried out some interesting research in relation to why companies choose Personnel Selection Procedures. As this data is so up to date, I believe it's invaluable and therefore worth including. Although it does not review or include the Behavioural Interview specifically, what it does look at it reasons why companies choose the procedures they choose. The main factors for organisations to choose

specific selection criteria relate to three main areas, how the applicants will accept the process, the costs of the process and its "diffusion" in the field. It is used across levels of organisation, industry sector and in the case of Starwood across countries and cultures. Why? Because the opportunity of person to person meeting is invaluable in assessing a candidates' behaviours and characteristics, technical skills and general "fit" to the role and organisation.

Konig et al. 2010 suggests that there is very little correlation between the validity of the selection technique chosen. They go onto conclude by suggesting that there is a gap between the scientist and practitioner that requires more research.

Areas of weakness exist within the Behavioural Interview however and these need to be considered, although they do not make the tool less valid, they should however be taken into account when it is being implemented. The first is that the structure allows very little flexibility for the interviewer to ask their own questions which may be seen as a weakness. J Barclay (2001) highlights her weakness as the fact that it is also limited because it doesn't take into account the fact that whatever behaviour is being measured may be considered poor from the example given by the candidate as this system does not take into account the fact that the candidate may have in fact used this incident as a learning mechanism and have adjusted their behaviour accordingly. However there is no mention of the possibility that an experienced or well trained interviewer may be able to extract this information during the interview. The other weakness outlined in her research is that someone with poor memory recall may not

perform well in the interview and this again is a weakness in the tool. However, a skilled interviewer using

This tool is trained how to coach and help probe the memory of a candidate who is at a loss and whilst it cannot be said that this will help in all situations, this weakness can be overcome by highlighting it during training.

It can be important to review other selection techniques when considering whether to use the interview and all below are used within Starwood Hotels in varying frequency and consistency

- § Ability Tests
- § Personality Tests
- § Group Exercise, such as those used in Assessment Centres

Barclay (2001) p97, believes all selection tools have limitations and therefore although Behavioural Interviewing is not perfect, "nor is any method".

It can be questioned that the Behavioural Interview may also cause problems for those candidates who have limited work experience, those who have recently left school, or individuals who may have taken career breaks which do not give them much experience to draw from during the interview. In this area, Barclay (2001) suggests that candidates should be given more notice of the interview style, as

Behavioural Interviewing is not yet a common tool that everyone will have experienced.

The experience a candidate has during an interview is crucial, as they are more likely to accept a job or continue in the process where they have had a positive experience, this is enhanced by a solid, structured approach to the interview, rather than a random series of questions and no real insight into the organisation or the role given by the interviewer.

An area that has been highlighted throughout research in this area is the gap between the research completed and how it operates in practice. L Di Milia 2004, conducted research in this area and it showed from a review of 218 organisations that Behavioural the Interview was always used by 46.9% of the organisations. 48.1% of organisations conducted more than 1 interview and 41.5% of organisations used HR and Line to complete the interviewing process. 42.4% of interviews were conducted by 2-3 interviewers. This research did not find the use of unstructured interviews to be a problem. They state that earlier research into unstructured interviews largely dismissed this tool and states that meta-analytic findings place this style of interview on a par with validity data for bio data and Assessment Centres.

Research from Australian studies, Patrickson and Haydon, 1988 and L Di Milia and Smith 1997, outlined the three areas of selection most popular. 1. Application Form

2. The interview 3. Reference Check . Structured application forms aside, the other two forms have historically been found to be poor predictors of candidates

Di Milia, 2004 suggests that line managers are present to provide the technical knowledge and insights as well as having ownership of the decision making process. This is another similarity with our own organisation, with the introduction of BI, line manager is now required to attend the Behavioural interview with HR at the same time so both parties were able to discuss and score a “consensus” score at the end of the interview. Historically they met the candidates separately.

In the area of how research translates to the practitioners, Di Milia and Oliphant et al 2008, both make comments about this in their research findings.

Di Milia 2004, found that although Behavioural Based interview technique and structured interviewing questions were used in 35% of organisations in New Zealand, the use of a rating scale as an assessment of the candidates was not. Overall however the studies in the past ten years in New Zealand showed that "contemporary research findings were being transferred into practice". There was recommendation that dialogue between academics, professional bodies and practitioners be ongoing. This contradicts the findings of Oliphant, Hansen and Oliphant, 2008 that raised the concern that practitioners were using the Behavioural Based Method, even though there was a lack of research in this area.

Di Milia 2004, research also suggests that the unstructured interview will continue to be used within organisations as it gives the interviewer “greater autonomy”, authority and a greater input into the “fit” of the candidate to the culture of the organisation as well as being able to communicate this culture directly to the candidate. This has similarities to the view held by Anderson, 1992 around the interview process he labels "Subjectivist-Social Perception Perspective.

Under the Freedom of Information Act, an individual may be able to access information held by public organisations and have the right to get reasons for decisions that may have affected them. In the circumstances where a candidate is not hired for a position, they may question this decision or claim that there was unfairness to it. The structured behavioural interview helps to show that each candidate was interviewed in the same way, by being asked the same questions and the interviewer is able to rate the answers in a more structured way and this makes it easier to show non-bias.

David Cohen in this book *The Talent Edge*, 2001, discusses that tailoring a behavioural interviewing system to the organisation is crucial, as merely using the methods will not have as much of an impact. This would mean that organisations should conduct thorough job analysis to tailor questions and measurements for each role and the analysis should be conducted with the organisation's highest performers. A poor organisational fit is costly, not just in relation to turnover, in fact often a poor fit, does not immediately leave, they

linger in the organisation having a negative impact on their colleagues. It also costs the time of those trying to improve or remove this individual from the organisation.

2.9 Conclusion

The strength of the tool is that it gives the interviewer an opportunity to interact with the candidate and form a psychological contract between the two parties and an opportunity to outline the expectations of the employer, using the "Subjectivist-Social Perception" outlined by Anderson.

The traditional interview, which is mainly one to one and unstructured, causes numerous issues, not least interviewer errors.

The main factors for companies to use this tool are the cost of the process, how the process will be accepted by applicants and how it can be rolled out into the field.

One of the potential pitfalls outlined by Barclay, J 1998 is that BI, by the way is designed to review past behavioural examples does not take into account that if a past behaviour is incorrect or caused problems there is a possibility that the individual can learn from their mistakes, however it's the ability of the interviewer to extract these learning's from past mistakes from the candidate which is crucial.

The interview in general used as a tool is seen as an imperfect method of gathering information and the interviewers conducting these are seen as the main source of error. The areas where errors may be made are based around biases in impression formation, not gathering several examples.

The individual interviewer is open to being influenced by an impression of a candidate. Anderson 1992, outlined the areas that are open to this bias as 1. Liking bias, 2. Similarities to the interviewer 3. Primary and Recency effect. The primary and recency effect outlines how we remember information. The effect means that we remember what comes first best, what comes last second best and the least information we remember is what comes in the middle. Therefore if an interviewer is completing lots of interviews in a short period of time, this can be an issue. Or within the interview the information that is shared can become a victim of this effect if the interviewer relies on memory.

Individuals with strong impression management techniques are in a stronger position to influence interviewers.

Proof from research throughout the Literary Review shows that the Behavioural Interview outperforms the traditional interview in all studies. The research from Australia by Di Milia, proved more interesting because it put aside the other traditional elements that we have attached to the traditional interview in Starwood

Hotels and Resorts, that of the Application form and the Reference, the study suggested both these elements were "poor predictors of candidates".

This research also shows that assimilation in the field is key to the choice of a selection procedure which I investigated in the data collection and that there is very little weight put on the validity or reliability of the tool.

Chapter 3 – Research Methodology

3.1 Research Problem and Literature Review

The aims of the research was to establish if the new tool was an improvement on the previous traditional model and review the elements that one would expect a selection tool change to impact including, Engagement, Performance and Turnover, which would all improve the costs of dealing with problems in these areas for the organisation.

In the literature review I have outlined research that offers the view that the BI is more valid and reliable than the Unstructured or Traditional Interview. There is also evidence that highlights the reasons why organisations use the interview as a method of selection.

3.2 Starwood Hotels & Resorts Company Overview

To understand the data presented in this document it is important to have an overview of the company as a whole. Our operations are reported in two business segments, hotels and vacation ownership and residential operations. Our revenue and earnings are derived primarily from hotel operations, which include management and other fees earned from hotels we manage pursuant to management contracts, the receipt of franchise and other fees and the operation of our owned hotels. At December 31,

2009, approximately 145,000 people were employed at our corporate offices, owned and managed hotels and vacation ownership resorts, of whom approximately 34% were employed in the United States.

At December 31, 2009, our hotel portfolio included owned, leased, managed and franchised hotels totaling 979 hotels with approximately 292,000 rooms in approximately 100 countries, and is comprised of 63 hotels that we own or lease or in which we have a majority equity interest, 440 hotels managed by us on behalf of third-party owners (including entities in which we have a minority equity interest) and 476 hotels for which we receive franchise fees.

3.2.1 Brands within the organisation:

St. Regis®: They provides flawless and bespoke service to high-end leisure and business travelers. St. Regis hotels are located in the ultimate locations within the world's most desired destinations, important emerging markets and yet to be discovered paradise.

The Luxury Collection®: A group of unique hotels and resorts offering exceptional service to an elite clientele.

W® feature world class design, world class restaurants and “on trend” bars and lounges and its signature Whatever\Whenever® service standard.

Westin® a lifestyle brand competing in the upper upscale sector around the globe. Each hotel offers renewing experiences that inspire guests to be at their best.

Le Méridien® is a European-inspired brand with a French accent. Le Méridien offers a unique experience at some of the world's top travel destinations.

Sheraton® is our largest brand serving the needs of luxury and upscale business and leisure travellers worldwide. We offer the entire spectrum of comfort. From full-service hotels in major cities to luxurious resorts by the water, Sheraton can be found in the most sought-after cities and resort destinations around the world.

Four Points® delights the self-sufficient traveller with a new kind of comfort, approachable style and spirited, can-do service — all at the honest value our guests deserve.

AloftSM a brand introduced in 2005 with the first hotel opened in 2008, provides new heights, an oasis where you least expect it, a spirited neighbourhood outpost, and a haven at the side of the road. Bringing a cosy harmony of modern elements to the classic American on-the-road tradition,

ElementSM a brand introduced in 2006 with the first hotel opened in 2008, provides a modern, upscale and intuitively designed hotel experience that allows guests to live well and feel in control.

3.3 Industry Competition

The hotel industry is highly competitive. Competition is generally based on quality and consistency of room, restaurant and meeting facilities and services, attractiveness of locations, availability of a global distribution system, price, the ability to earn and redeem loyalty program points and other factors. Management believes that we compete favourably in these areas. Our properties compete with other hotels and

resorts in their geographic markets, including facilities owned by local interests and facilities owned by national and international chains. Our principal competitors include other hotel operating companies, national and international hotel brands, and ownership companies.

We encounter strong competition as a hotel, residential, resort and vacation ownership operator and developer. While some of our competitors are private management firms, several are large national and international chains that own and operate their own hotels, as well as manage hotels for third-party owners and develop and sell Vacation Ownership properties, under a variety of brands that compete directly with our brands. Changes in the general availability of suitable land or the cost of acquiring or developing such land could adversely impact the profitability of our vacation ownership and residential business.

3.4 Behavioural Interview Roll-out

The Behavioural Interview tool was rolled out in 2005, although Le Meridien brand was later in 2006. BI trainers were sent to each business unit to train the HR practitioners.

3.5 Service Culture rollout within Starwood

This is a significant event in the history of the company in the past few years as this was a complete change of culture and identification of each of the hotel groups as individual and clearly identifiable brands. This also identified very clearly the "fit" for each brand and following job analysis for each role within the organisation it also identified the structure for the Behavioural Interview guides. The Service Culture introduction began in 2006 and it very quickly allowed each organisation and it's employees to identify with it's own brand. The objective was that employees would understand how and where their roles as service delivery individuals fit into The Westin Brand and what it's new Service Culture looked and felt like both to them as employees and to our guests.

The impact this may have had in relation to this research is that each brand developed an "Associate/Employee profile model" which outlined the behaviours required to be a successful employee within that brand. This impacted those Associate/Employees

who did not possess those behaviours and in some instances them where they were unable to learn and develop these behaviours led to them leaving the company, which may explain some of the turnover peaks in 2006.

3.6 Competition for Human Capital and the introduction of Behavioural

Interviewing

As HR practitioners, Recruitment and Selection forms are large part of the HR function within organisations; therefore the tools we use to perform this are important to our profession. To use tools that don't deliver consistent results of a high standard leave the function with an undermined reputation within the organisation. In short, it's crucial that we are able to perform this key role and defend the hiring decisions made at all times.

The attraction and retention of the best talent within the organisation has for a long time been a key goal for growing organisations. Starwood Hotels are no different in this respect and as a global company with a mission to grow by 500 units in seven years the need to attract the right talent and be able to adequately predict the success of those hires and the process for doing this on a consistent basis became a priority within the group. Over the past 5 years in The Westin Dublin the average cost of payroll vs. Revenue has been 35%. It is the largest cost within our organisation and the largest investment most companies make. Technology can be copied, buildings can be designed and facilities within these can also be copied. In the luxury hospitality business in recent years the competitive areas lay around facilities and products such as beds, destination spa's, 24 hour room service and although in most of these areas for some period of time we have been the market leader, our competitors have quickly developed their own product to match ours. However the

last area of competitive advantage is human capital and more so in the Hospitality Industry than in others. However the most successful companies, succeed not on the basis of their human capital, but because they have the right human capital.

Almost 5 years ago, I was responsible for the introduction of the Behavioural Interviewing technique to a business unit, involving a management team of 25 people. The change in process was a significant shift from the traditional style of unstructured interviewing to Behavioural. The process change included the following details:

§ Each business unit was issued with a series of branded and pre-printed BI Questionnaires issued by position and by brand ie there were specific sets of questionnaires for Westin Hotels, Sheraton Hotels etc.

§ Each questionnaires outlined the specific brand centric competencies

§ BI Training completed initially among all managers with selection responsibilities

In the hospitality business where our business unit averaged 30% employee turnover per annum, the issue of poor hiring was a large cost to our organisation. In more general terms, we would be slightly behind the industry average, following a review of the Failte Ireland Employment and Training Survey 2007, the survey findings indicate the turnover rate for year-round staff in the hotel

sector for example, is estimated to be of the order of 32% so our organisation was in line with the industry figures.

As I stated previously the cost of poor hiring is a large one for our organisation, however it is important to measure this within other industries and organisation and to do this I reviewed a study by Herbert & Millard, 2000 they stated, "in an average sized company with a \$1 million - \$2 million annual revenue, a turnover of just one employee could cost the agency as much as \$86,000 to \$115,000".

I found industry specific sources who outline their views on turnover costs. All opinions are that the costs are 1/3 of the employees annual salary.

The managing editor of HR.BLR.com (an on-line compliance company based in the US), states that "the cost of replacing an employee is usually estimated to be one-third of his or her annual salary. Although that ratio varies by employer and position, the expense is significant every time an employee walks out the door".

The American Management Association states that they view the cost of an employee leaving an SME to be 30% of their salary.

Based on research carried out by Taleo, who are the vendor that manage Starwood's internal recruitment database system, they estimate that "the total cost of losing a single position to turnover range from 30 percent of the yearly salary

of the position for hourly employees (Cornell University) to 150 percent, as estimated by the Saratoga Institute, and independently by Hewitt Associates" *Internal Mobility*, Taleo Research 2003.

The costs of replacing an employee include, advertising costs, time spent reviewing applicants and interviewing. There maybe the cost of temporarily replacing the employee in the interim, as well as loss of productivity, both from the run up to the employee leaving, other employees having to cover their work and managers organising the responsibilities within the team for that team member while a replacement is found.

In 2006 the organisation began a major shift in organisational service culture introducing very specific segregation of the brands within our business, as feedback from our customers globally suggested that the number of different hotels within our organisation was very confusing and they found it difficult to see the difference between the different brands. Within this cultural shift was the outlining of the type of Associate/Employees required for each brand and therefore the major project began to introduce better ways of identifying specific profiles of Associate/Employee for each of the different branded hotels.

3.7 Data Collection

In the business units I was using to collect data from, the Human Resources professionals at this level have been within the UK/Ireland/Scandinavia region and often in the same property over the period of time when Behavioural Interviewing was introduced. They were all in a position and comfortable sharing their experiences and commenting on the implementation of this tool.

Unfortunately the US based Human Resources Board member and Vice Presidents of Organisational Capability who responsible for the implementation of the process in the US and then Europe, African and Middle East are no longer with the company, however I did have access to one of the Vice Presidents for Organisational Capability who was at the development stage, so I was able to get an insight as to the reasons behind the implementation of this. I was unable to interview in detail, given the time lapse and I felt it a little insensitive to request a more detailed insight, as they had been made redundant following an organisational restructuring 18 months ago. I was also able to request information from the Regional HR Director who has had overall responsibility for the HR function in the region and played a crucial role in the roll out of this tool to the business units in her region.

I used empirical data and used an on-line survey and a structured interview to provide this data and also give a balance to the data collected. The aim was to

assess the impact of Behavioural Interviewing in the business units across Ireland/UK/Scandinavia. The design focuses on the responses from the most senior HR practitioners within each of the units and those who have experienced the introduction of Behavioural Interviewing while they have been working for the company, whether they were in Human Resources during that experience or not.

3.8 Research Methods

The research method was chosen to give both qualitative and quantitative data for analysis. In this area neither one method nor the other would have delivered balance to the data. The challenge in researching in this area has been to put my own ideas in this area aside and carry out the process of interviewing in an objective manner.

Moser and Kalton (1971:271) outline the survey interview as "a conversation between interviewer and respondent with the purpose of eliciting certain information from the respondent". This was my purpose with this method to ensure that information from the questionnaire could be examined in more detail and deliver richer material.

I chose this group, because it provides such a wealth of knowledge, expertise, experience and well versed Human Resources professionals who had all been

directly involved in this implementation process and can give feedback from before and after the implementation of this tool. The questionnaire was sent out via monkeysurvey.com links, to the HR Directors in each of the properties I wanted to cover in our region, UK, Scotland, Ireland and Scandinavia, which each person could complete electronically and this gave me quantitative information. The on-line tool made it easier and more timely for each of the respondents to complete, given the location distance, it would have been very time consuming to post out the surveys and have them sent back.

Each of the HR Directors have been in position for a number of years and all were in place when the Behavioural Interviewing process and tool was rolled out across the Europe, Africa, Middle East region. However I also wanted qualitative data to analyse in particular to understand the opinions and perceptions of the practitioners in the area and I did this by using a telephone interview.

Only the respondents who completed the on-line survey were interviewed, which meant the information more comparable. Telephone interviews can be challenging for inexperienced researchers and particularly if neither parties know each other, as there is no existing relationship. Having been part of multinational organisations for the past ten years, I have used the telephone interviewing technique very regularly and therefore was as comfortable with this method as I would be doing face to face interviews. I have also worked in conjunction with each of the interviewees for the past six years and have a good understanding of

each of their roles and styles, therefore making it easier to extract valuable data from the interview. Another key factor for remaining within this region was the strong relationships I have with this group, which almost guaranteed full compliance and honesty as well as the fact that all these properties are owned or managed properties. As the implementation of corporate processes such as a new selection tool is not something that is mandatory in all franchised properties, avoiding these made sense so as to eliminate the potential of inconsistencies in implementation of this process within a franchised properties.

I did not cover outside these properties, as to do so would have involved huge numbers, across multiple business units, both owned, managed and franchised, which in itself causes inconsistency. The challenge of multiple languages, across numerous countries would have been huge and to adequately translate each questionnaire would have proved costly.

3.8.1 On line Survey Questionnaire

The questions in the survey are outlined in Appendix 2.

The survey and structured interview was piloted with 2 HR practitioners who were not in the most senior roles and therefore would not be taking part. The pilot was to ensure that the questions were unambiguous and that the respondents would be comfortable answering the questions.

The methodology was structured so as to ensure all opinions were gathered on the subject area, not just quantitative data that would not have exposed the vast knowledge and experiences within the Human Resources teams taking part and therefore would have limited the research significantly.

Please note, the turnover figures totalled automatically in the on-line questionnaire, therefore, I extracted the data and put it into the Labour Turnover Graphs in Appendix B.

3.8.2 Structured Interviews

The structured interviews were conducted over the telephone due to the location issues and were recorded using a mobile phone recorder. The interview minutes were then transcribed into written documents. The interviews took approx 45 mins and the meetings were scheduled 1 week ahead to give time for preparation and to review their responses from the on-line survey. Electronic appointments were sent out to each and then scheduled. All this took place during work hours for the respondents.

The Interview outline is Appendix 5. The interview questions are outlined below with explanations as to why each question was asked.

Can you confirm turnover figures from survey?

- The cost of turnover to an organisation is large and this would have a major impact on Gross Operating Profit to any business unit if it was reduced. To ensure the numbers input on the survey were correct and to then have a further discuss if Behavioural Interviewing has had an impact in this area.

Do you believe BI has had an impact on the turnover figures in your business unit?

- In which category of questions in Starvoice Associate/Employee Engagement Survey have you noticed a continuous improvement since the introduction of BI and how is this measured
- These questions were to ascertain if there has been any impact on the overall Engagement within the business unit. Within Starwood Hotels, the engagement survey is an indication of stability within a business unit.

Associate/Employees hired on BI are more successful in their roles than prior to its introduction and how is this measured?

- This question is to discover if there has been any obvious improvement in the performance of candidates hired since the introduction of BI.
- How do you find the area of interviewer ratings and if they differ why do you think that is?

- This is to discover if there is any demonstration of this issue as outlined in the literary review of interviewer bias being a major area of issue in the area of reliability of the interview.

What major issues do you find using this structure vs the previous structure?

- This question was to provide evidence of whether there were any problems, so to outline challenges of “diffusion in the field” as outlined in the Literary Review.

How much Behavioural Interview training do you give to a new a Manager?

- This question was to discover the consistency of the training given to each interviewer within the organization and interpret whether this had an impact on the overall implementation

Would you prefer to use another selection tool? Why?

- This was to research if there was another preferred tool not known or currently used within the organisation which the HR practitioners felt was more useful.

Has BI made a positive impact on selection in your Business Unit and how have you measured this.

- Outside the main measurements of turnover and engagement, this question to discover if there were any other impacts on the business since the introduction of BI.

What feedback have you had from candidates who have used this process?

- This is to probe into the areas of candidate’s feedback as it’s another area that has an implication on the implementation of the tool.

- If you removed it would you see a difference?
 - To balance the questionnaire and give the respondents the opportunity to discuss negativity around this tool.

The Human Resources practitioners who took part in the on-line survey and structured interviews, did so anonymously, as there is a lot of information related to the company and opinions given on it, as well as the HR practices involved in Recruitment and Selection. It was also important to keep the information confidential because respondents felt more comfortable giving detailed information on how they use certain selection techniques if they weren't going to be identified.

The profile of the sample population is:

Male	3
Female	4

Length of Service with Starwood: Average length of service 10 years

Reasons for non- responses

- Covering for a Director of Human Resources, therefore had severe time pressures

Chapter 4 - Analysis of Research

4.1 Introduction

From the data collected in the online survey, which was completed by a number of HR practitioners in the business units the results highlighted that the previous selection tool within each business unit was the interview. The Interview tool as used prior to the introduction of the BI system was across all units surveyed an unstructured, one to one interview.

In the telephone interviews each respondent confirmed that the previous interview was unstructured and there was no definitive form or format used across each unit. Each unit used a variety of ways to screen applications, these included reviewing application forms or CV's and others used Assessment Centres that put all the applicants together through group exercises and speed interviews to screen applicants. I have attached a sample of the interview questions in Appendix 5 and a sample of 1 interview transcript in Appendix 4.

When the shortlist was agreed on, all units interviewed candidates, with Human Resources completing the initial interview and calling in a line manager at the end of the meeting for a brief discussion relating to their previous technical experience. The interviews were all individual sets of questions written by the individual HR and Line

Manager, so there was no consistency in the questions in the interview and therefore this must have delivered inconsistent results based on situational data.

4.2 Labour Turnover Figures

The survey respondents were requested to input their Labour Turnover figures into the questionnaire and this in turn was transferred to Graphs. The mean average was calculated from across the business units and these are displayed in graphs, which have been included in the Appendix - Appendix 1.

From the mean average figures, I was able to plot the overall trend of the numbers and this is displayed in the graphs in the appendix, I have also outlined the analysis below.

It's important to remember that within our industry and our geographical region the past 8 years have been economically successful ones for the company and for the region as a whole. However in 2009 the economic downturn reduced the revenues in each of the business units significantly. The figures for each of the units are highly confidential and cannot be included in this research. However each of the HR practitioners highlighted to me that 2009 figures would have been impacted due to the economic downturn. Employees were not moving jobs as there was an increase in unemployment in both the UK/Ireland and Scandinavia. Therefore I have not included 2009 turnover figures in this analysis, as in the uncertain jobs market and

serious economic issues there has been an effect on labour movement in general with the business units and this can't be attributed to the Behavioural Interviewing tool.

I have analysed the data across the business units and in Chart A and B the data shows the mean/average across each the properties and the overall trend is down both including and excluding the data for Hotel D. In hotel D the Standard Deviation is too high and this could mean that the data is not correct, or the process not steadily established. However it was explained in the interview between 2002 to 2005 the business unit was not owned by Starwood and in fact became financially insolvent, this was widely known in London and caused a large amount of uncertainty that definitely could have impacted on the turnover figures. The business unit was subsequently sold with the rest of the Le Meridien group to Starwood in 2006.

The overall trends across the 5 business units show a downward trend and an average (excluding Hotel D) of between 16% and 30%.

Taking the business units individually, I have reviewed the data, however given the high numbers in Hotel D which were put in by the respondent where there were actually no figures available and therefore skews the overall data, I have not included their numbers in the overall analysis of trends.

Hotel A

Overall the turnover in this unit has reduced by 10% from 35% to just under 24% between the period of 2002 to 2008 and although there wasn't a significant reduction in 2005-2006 when the Behavioural Interview process was rolled out if you take the period as a whole the turnover has decreased.

Hotel B

Overall the turnover in this units has reduced by 44% to just over 28% between 2002 to 2008.

Hotel C

Overall the turnover in this unit reduced from 24% to just over 16% with some much higher turnover in the intervening years, there is still overall a reduction between 2002 and 2008.

Hotel D

Overall the turnover in this unit reduced from 100% to 24% between 2002 and 2008.

Hotel E

Overall the turnover has reduced from just under 29% to 21%, this unit has seen the smallest reduction between 2002 - 2008.

Across each of the business units there has been an overall decrease in labour turnover figures, however when asked in the one to one interviews if the HR practitioners felt that this could be attributed to the introduction of Behavioural Interview, with the exception of one, they answered that they could not say that there was a direct correlation between the labour turnover decrease and the introduction of this tool.

Two of the respondents indicated they believed that the introduction of Behavioural Interviewing had had an effect on their turnover, but they were unable to justify their answer or back it up with any substantial data to link the two areas.

Further investigation across the units into the reasons for leaving could provide further information in this area. This data is not tracked in a consistent, methodical manner and an administrator in one unit may put that a person is leaving for x reason, however the criteria to support this are unsubstantiated and hence an administrator in another unit may put a different reason. Therefore without any clear guidelines to direct those inputting or processing the information, the data cannot be considered valuable or reliable.

It is important to note that the trend was down from 2002 to 2005 when BI was implemented and therefore there is a strong argument to say that BI has not impacted the Labour Turnover figures. This is also supported by the HR practitioners in these units. It is difficult to understand that a tool which from research proves it more reliable than the previous tool because of its structure, would lead to increased consistency and a more professional approach in hiring would not ensure better hires, better engagement and less turnover. However this is not borne out by the figures, their averages and trends, as if this were the case, you would see either an increase or no change from 2002 to 2005 and then the decrease beginning after the introduction of BI.

4.3. Improvement in Starvoice - Associate/Employee Engagement Survey

Starvoice is an annual survey used since the late 1990's that measures an Associate/Employee's attitude about their work environment. The two primary outcome metrics are Associate/Employee Engagement and Supervisor Effectiveness. The survey also includes other indicators of Starwood's work environment, including: the Human Truths (Belong, Be in Control, Feel Special and Reach our Potential) Strategic Alignment, Open Dialogue, Accountability, and Collaboration. Since 2004, data collection and reporting has been managed by an external company, Kenexa, who are a leading US HR consulting firm. Research shows that high levels of engagement and effective leadership create more loyal guests and reduce employee turnover. Starvoice resources' help managers identify areas to improve Associate/Employee engagement and build action plans aligned with their annual performance objectives.

From the results of the on-line questionnaire in Appendix 2 I have outlined the areas highlighted in the Questionnaire as having seen continuous improvement in a Pie Chart in Appendix 3. This information is followed up in the interviews to draw a link between BI and Engagement.

The link to Starvoice was asked about in the questionnaire and further investigated in the interviews. None of the respondents could see a link between the two tools,

although they all highlighted an area of the engagement survey they felt had been impacted by Behavioural Interviewing. One practitioner stated "it makes sense, if you hire the right person and they are the right fit, then they have to be more engaged than someone who is not". However no evidence can support this view. This then would indicate that overall engagement should increase, but this has not been reported across the properties. There are many more elements to the 50 plus questions that can be impacted by other elements within the organisation and therefore a direct tie is an assumption.

4.4 Integration in the field

Following Konig, Klehe, Berchtold and Kleinmann 2010 research into why companies choose Personnel Selection Procedures, I decided to look at how the BI process "diffused" in the field operations of our business units.

From the data collected there were obvious signs that Line/Operational Managers/Heads of Department understood and more importantly agreed with the need to introduce a new Employee Selection tool. 84% of respondents agreed that their operational teams understood and agreed upon the need to implement a new Employee Selection tool. This is a crucial element of the implementation, as there was no resistance to the introduction of BI in the field that has been shown in this survey.

The data supports an understanding of the BI tool from the field, but it's also important to understand how they adapted to it when it was implemented. It is often the case with new systems that old managers continue to use their own tools. In this case 66% of respondents agreed that Line Managers had adapted quickly and easily and the other 33% neither agreed nor disagreed. This is a good foundation for the implementation of BI as it indicates a positive response from the operational or field managers, which allows the tool to be accepted and implemented without too much resistance to the change. Resistance would make the process more difficult to implement and also lengthen the time for the process to have an impact.

HR practitioners all agreed that they would not prefer to use another tool, although sometimes this tool appeared cumbersome to them, because of the rating requirements after each interview. However even the practitioner who felt that their experience of over 20 years of interviewing put them in a position to measure candidates well, they felt that to go back to the traditional interview would not be a positive step.

One area highlighted was consistency, one practitioner stated when asked if they would remove the BI system "situational interviews can be answered in any way, they give me no proof and I don't know what they say is what they do".

One of the areas highlighted in the introduction was the competition for talent between organisations, this is why I included a question on talent to see if the

implementation of BI has improved the pool of talent coming into the Starwood Organisation. 83% of respondents agreed with this, however when follow up questions were asked in the individual interviews there were no measurements of this to support this opinion.

Another area that was interesting was the question of “Where Associate/Employees hired on BI more successful in their roles than prior to its introduction”.

50% of respondents agreed that the Associate/Employees in their units hired using BI were more successful, however the other 50% neither agreed nor disagreed. When I followed up this in the interviews, what came across was that all respondents stated that what they deem to be problem employees, those with disciplinary records or performance issues were hired before BI. This was a consistent answer from all business units, however when I followed this information up with further probing as to whether it was because the employees in question were having issues because they were bad hires or because they had been in their roles for more than 5 years (before the introduction of BI), the respondents all agreed that it could be a combination of both reasons.

One particular unit explained that they had a high level of cases in the Employment Tribunals and that all of these were with employees hired before BI was introduced. They felt that the combination of an Assessment Centre and BI had improved the

selection process enough that it was able to identify those employees who “would cause issues further down the line”.

4.5 Consistency and Structure

The importance of consistency and structure has been high both from defending legal challenges as well as giving inexperienced interviewers an easily used tool that has helped them work with more experienced interviewers confidently. What came across from the interviews in this area was the importance of BI when new managers were interviewing for the first time in their careers. There was a high level of support and even the experienced HR practitioners agreed that it helped to have something to measure against, although one still felt that with all the experience they had in interviewing they were able to “get a feel” for the candidate.

There was also evidence from the interviews that although interviewing wasn’t an exact science, it at the very least limited the variability in the candidates hired.

4.6 Training for BI

This was an interesting result, the data collected through survey and interviews showed that all the units consistently trained all interviewers in BI using the same training course and for the same length of time. The company made it mandatory for each interviewer to undergo this training before they could interview using BI. There were no corners cut in this area. The company also provided a specific training programme which could not be

amended by anyone outside the Organisational Capability team and this again was adhered to and ensured the training delivered was again consistent.

Prior to the implementation of Behavioural Interviewing, there was little or no evidence of consistent training for managers on how to interview, there was no universal system within the organisation as a whole to teach them.

The implementation of a strong training structure, has ensured that everyone is confidently using this tool and the interviews with the HR practitioners showed this. Their feedback was that there was very little ratings differences between the interviewers. The data that came back through the interviews was positive in this area, they did not have to coach or argue their scores with their co-interviewers.

The confidence within the operational managers began with a strong training foundation and was built with the experience of interviewing.

4.7 Benefits to Starwood

80% of respondents to the on-line survey agreed that there were benefits to Starwood

The data collected through the on-line questionnaire and the interviews was that prior to the introduction of BI, within Starwood, our managers were able use unstructured interviews in all cases measuring skills rather than behaviours. The data showed that

across all the units, the general outcome was to hire the most technically experienced candidate, this was the person with the most skills in that area, i.e. a Receptionist would be considered a strong candidate for hire they had previous 5* Hotel experience.

There was no mandatory interviewing guide or style within Starwood and Managers did not have to have formal interviewing training before they could interview. Interview techniques may have been learned and developed in other companies outside Starwood Hotels and Resorts and were simply used, as they were methods known to them. There was no system to challenge this and no way of disproving their opinions. Managers interviewed alone, which allowed no consensus review and there was no set structure for the interview. The Manager attended the interview with no more than a copy of the candidates Curriculum Vitae or Application Form.

This has changed with the introduction of BI and the evidence from the questionnaires and interviews showed that there have been benefits to this tool, the main one has been in the area of structure and consistency, which according to the theoretical research shows a more reliable and valid outcome to the interview.

One of the HR practitioners gave their insight into the benefits by saying that "once you get the right people, you tend to hold them longer and you don't tend to have the same performance concerns that you have with people who are just hired for their technical ability". This was supported by the labour turnover figures trending down throughout the period from the introduction of BI to 2008.

The consistency argument was another raised in the interviews, that with everyone using the same tool, it provided consistency of hiring across business units which was not the case before.

The structure of the BI questionnaire itself supports the theory put forward by Barclay J, 2001 where she outlines the importance of obtaining several examples rather than a single one so as to make the process more valid. The Starwood BI tool has a series of questions for each level of employee and the reason this was incorporated was not because of the fear of over reliance on the question, but more the fact that when the job analysis was completed, there were a number of key criteria for each level of employee role that needed to be evaluated in the interview process to ensure successful potential employees were selected.

4.8 Consistency of use of the BI across the Business Units

It's important to establish if the technique is actually used consistently, otherwise it's useless to use the information from that business unit, as it can't be seen as reliable. All respondents agreed that this tool was used all of the time.

4.9 Legal Requirements

The question as to whether BI covers the legal requirements in the UK/Ireland and Scandinavia tests the theory by Barclay, J, 1999 that Behavioural Interviewing may cause an issue in the area of equal opportunities, particularly when dealing with young candidates with no previous work history. All respondents stated that the legal requirements in UK/Ireland and Scandinavia were met with this tool and there was some opinion that the tool itself made claims easier to defend because of the structure and criteria in the BI and the consistency of the questions asked to all candidates versus the traditional interview that had ad hoc questions and was subject to bias on the part of the interviewer.

4.10 Weaknesses of the BI tool

In the course of the interviews with HR practitioners, data collected from 3 highlighted an area of weakness with this selection tool. In addition to language being a problem in understanding the questions, it became apparent that two profiles of candidates struggled with this tool, they were chefs and engineers, both skilled roles and candidates not used to being measured on their behaviours. These candidates would normally be used to having the technical skills questioned and on the basis of their skills being selected for a role. The other candidate profile highlighted was someone moving from a line level position to a Supervisory or Management position. In this situation they would be asked

questions to demonstrate their behaviour in relation to managing people, however they would be coming from a position where they would not have had this responsibility and therefore would have no experiences to share with the interviewer. This links in with previous research which highlighted a lack of work experience as a weakness, as the candidates would not be able to give examples, J Barclay (2001). However, these challenges can be overcome by sympathetic and experienced interviewers taking time and supporting the candidate through the process and the data from the interviews did not indicate that the BI tool was changed for these specific candidates, therefore supporting the view that weaknesses highlighted can be overcome.

Another area that caused challenges for a number of respondents and may be perceived as a weakness of the tool was how candidates for whom English was the second language related to this tool. The HR practitioners in 4 of the units felt that the questions in Starwood's particular questionnaire was challenging for someone with a different mother tongue. However 2 of the units used this as a measurement of the language skills and determined if they were not able to understand these questions, they would be unable to communicate with guests or colleagues if they joined the organisation. There was no examples of having to change the system because of the language challenges, the feedback was that an experienced interviewer was able to re-phrase questions and support the candidate to allow them to answer the questions the best way they could.

Chapter 5 – Conclusions

5.1 Introduction:

The aim of the research was to establish if the new tool of Behavioural Interviewing was an improvement on the previous traditional model and how it had impacted the organisation.

5.2 Findings/Results

There are many things that cause the success or failure of a business or in this situation it's Labour Turnover, Employee Engagement, Performance of it's employees and a number of other areas and it is virtually impossible to narrow down the impact of one particular tool.

The Labour Turnover figures in each business unit have trended down since 2002, and as I outlined previously it's a difficult argument to make that the introduction of BI has had an impact either positive or negative on turnover, as the downward trend was present before the tool was introduced.

The overall findings were that the Behavioural Interview has been a useful tool to the business and overall an improvement on the previous traditional interview.

It has removed the range of errors made by Interviewers by introducing structure, measurement criteria and adding an additional interviewer so the entire process is not based around one person.

The errors in the area of bias are also reduced as candidates are measured against criteria rather than each other. A candidate who has demonstrated high standards of the required behaviours is hired rather than whether the candidate is liked by the interviewer or has similar personality or falls into the other areas of bias as outlined in the literature review.

5.2.1 Issues with the Traditional Interview and Interviewer errors

The interviewer is key to the traditional interview and is also the main source of errors as outlined in the literature review. One of the sources of errors focuses on impression formation by an interviewer which is open to bias based on the interviewer's personally liking candidates and interviewers preferring candidates who are similar to themselves.

The traditional interview which was used by all the units reviewed was one to one and unstructured, as outlined in the literature review and borne out in the data collected, there were no criteria for candidates to be measured against in the previous interview technique used. More often than not, candidates are measured against each other, rather than against criteria which would indicate their ability to be successful in their role.

What can be seen in the introduction of the BI into Starwood is that with a structured interview and very specific behaviours required, the interviewers are able to reduce the opportunity for error by interviewing with another person, having specific behaviours/criteria against which they can measure the candidate rather than measuring them against other candidates. This structure and criteria helps to reduce a reliance on impressions and being open to bias in the interview which is an area highlighted as causing interviewer errors.

One of the main reasons that organizations choose specific selection tools was outlined in the literature review as assimilation in the field. This has proven to be one of the key areas of success, it has been supported by the field and the HR functions within the field have all shown that their operational managers have accepted the tool and understood it to be a positive change.

The implementation of the Behavioural Interview Selection tool by completing Job Analysis and outlining criteria against which behaviours can be measured has meant that in line with research has made this tool more reliable. The research by Janz outlined in the literature review presented a similar model known as PBDI.

Also the BI system is set up providing a structure to the interview which also according to research in the literature review makes the tool more reliable and valid.

Weaknesses highlighted in the research by Barclay, J (2001) in the literature review did not impact in the field and all indications were that the system was not changed to adjust to certain profiles of candidates to help them. However the experience and confidence of the interviewer played a major part in overcoming these weaknesses and ensuring they did not effect the candidates performance.

There are strong similarities between the Patrickson and Haydon, 1988 and L Di Milia and Smith 1997 findings in their research studies and Starwood Hotels and Resorts implementation of Behavioural Interviewing. HR and Line Managers complete interviews (2 people), we always use Behavioural interviews. However, we would not consistently interview more than once.

5.2.2 Reasons for organisations to choose BI as a tool

Organisations choose selection tools because candidates are open to this process, the costs attached to the implementation and the acceptance in the field. There is evidence that BI has been accepted within the field (business units) and the use of the BI consistent since it's introduction. There is no evidence that there are pockets of individuals not using this and continuing to use the traditional interview.

The cost of the Behavioural Interview tool roll out was not prohibitive and accepted by the senior operational team leaders within the organisation. The financial data in relation to this programme is confidential.

Further feedback from candidates could be gathered to provide information as to whether they are open to this process. We do not gather this data at present and as there is no indications or feedback to suggest that we are losing potential candidates, it would not seem correct to start to gather this data at this stage.

The fact that managers adapted the tool well is important and I believe linked to the question in relation to the amount of training that has been given. The training used to support the implementation cannot be overlooked, as this was mandatory and also the programme used to train all interviewers was consistent. Therefore ensuring that everyone used the same tool in the same way and understood how it worked before using it on “live” candidates.

It is difficult to prove bad hires are poor performers, however the consistent message from across the business units is that those Associate/Employees hired since BI are not poor performers or problem employees, but this does not necessarily mean that they are more successful in their roles prior to the introduction of BI. The area of performance was highlighted in the data collected in the interviewers, where all respondents highlighted this as an area of improvement.

Another area of positive impact was the fact that this tool assisted new interviewers or new managers who now had responsibility for selection. The tool gave them a structure and clear guidance and made interviewing much easier and the outcomes more

consistent. This was seen in particular when they were interviewing with more experienced HR practitioners, who stated in all the interviews that the ratings did not differ even with less experience interviewers. This meant that the new interviewer was able to give their input into the selection on an equal level, rather than deferring to the more experienced HR practitioner.

The indications on the overall impact this new selection tool has had on the organisation are more difficult to prove. However with labour turnover figures trending down across all units and feedback from the field that they felt these were impacted by BI, this data cannot be dismissed. I would conclude in this area that BI has given the organisation better hires, who are more stable and therefore has reduced turnover overall.

It isn't possible to pin point an impact in the area of engagement, although again the feedback was that they feel it has been positive, but they varied in their views as to what area of engagement it had effected. Two respondents highlighted the areas that BI had impacted as overall Engagement, as well as an improvement in Supervisor Effectiveness and understanding the Starwood Journey (Company vision and mission statement).

The conclusion in relation to Engagement is that to improve the organisational selection tool, must provide a better organisational fit and therefore these employees are more stable and engagement employees.

5.3 Limitations of Research:

My research was limited to the immediate business units in the UK/Ireland and Scandinavia as these have consistent measures of employee turnover and engagement. They all come under the same region and therefore it is possible to have access to the senior HR practitioners, 4 of these have been in place since before the introduction.

I would have liked to broaden my research to our North America Division, as I believe it would have highlighted a number of issues with this tool, particularly in the area of diffusion in the field and consistency of use. However this may be based on the higher numbers of franchised properties in the NAD, as these do not have to use this tool.

My research was also limited by the removal of the senior HR team in our Corporate office in New York, who planned and implemented this tool across the organisation. The Organizational Capability team members who were responsible for this are no longer with the organisation and although I contacted one of the team members to understand some background to the introduction, I was not able to collect data on a large enough scale to use it in this research.

5.4 Recommendations

One of the recommendations from this research is that further research be carried out internally into the impact of a robust BI system has on organisations and how to measure so to clearly make the link.

One of my ex-colleagues who was a senior member of the Organisational Capability unit who were responsible for the formation of this tool and roll-out stated "On measuring success, I have to admit that we didn't do all that much. We made no attempt to database interview results. So most of the business case was based on other studies that showed the benefit of structured, behavioural questions as opposed to unstructured, typical interviews. Short answer: We knew it worked better than the alternative, and didn't invest the time to prove it".

However I believe that to complete the process, we should invest the time to measure it now.

5.5 Conclusions:

The aim of the research was to establish if the new tool of Behavioural Interviewing was an improvement on the previous traditional model and how it had impacted the organisation.

This research I believe has established that BI has been an improvement on the previous model and has impacted a number of areas within the business units.

Improvements in Labour Turnover figures have been shown, performance and overall consistency within the field. By training and then giving inexperienced interviewers a tool to use that is structured with clear goals and measures they gain consistency in hiring very quickly and they are more confident than previously.

We as an organization should see that we now have employees being hired who “fit” our organizations and brands more closely and are able to perform consistently well within our organization.

Our interviewers are more confident in their roles, their decision making more reliable. The tool used is more valid and reliable and has been assimilated well throughout the business units.

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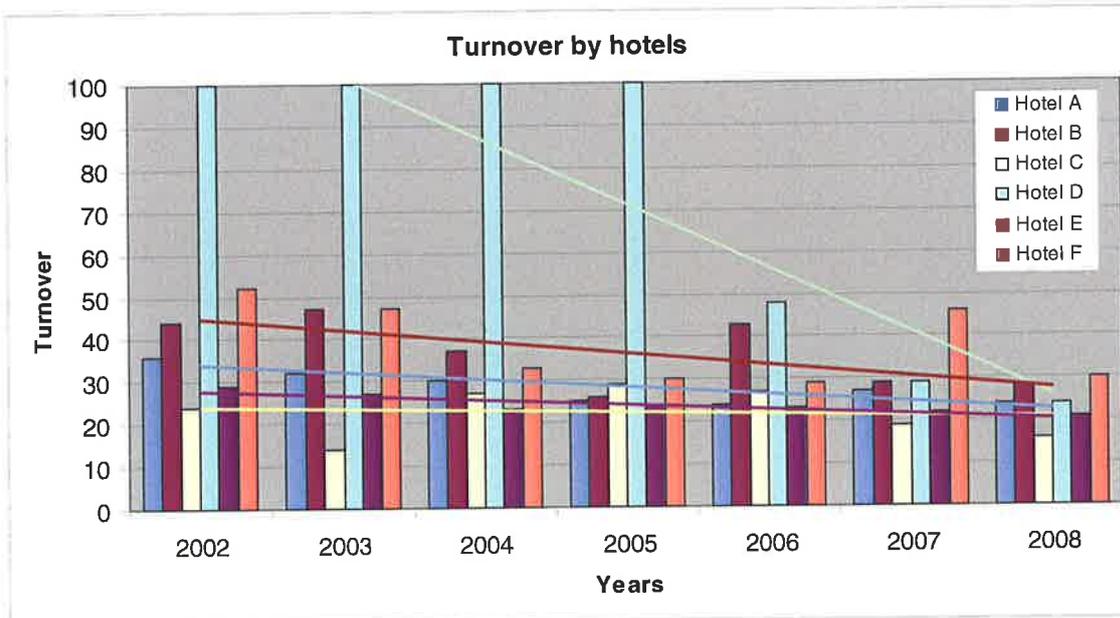
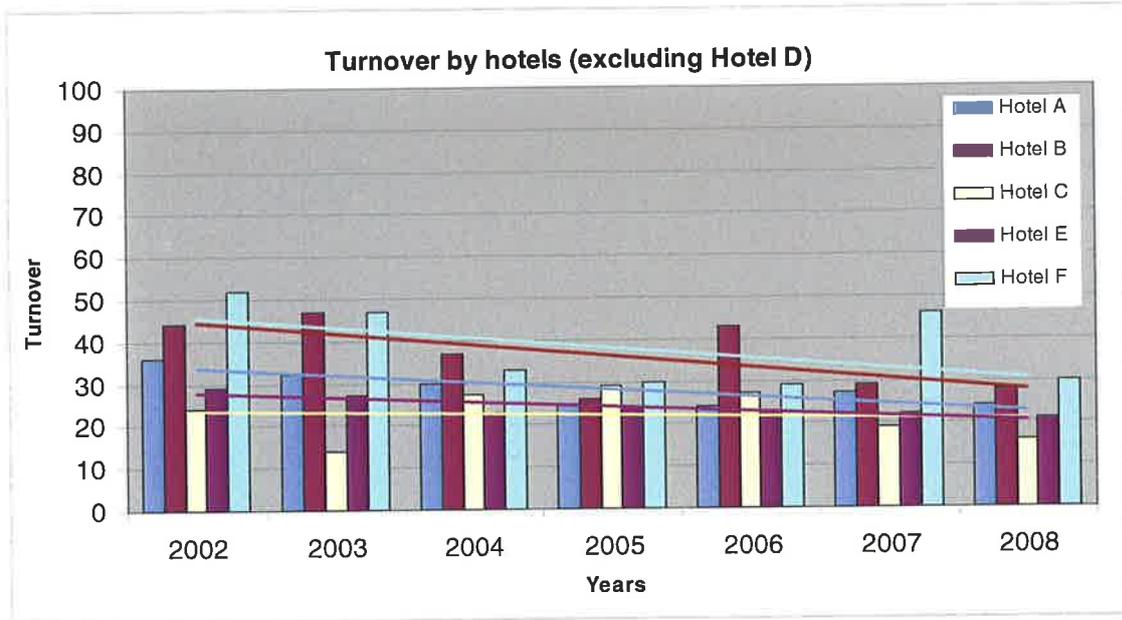
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Appendix

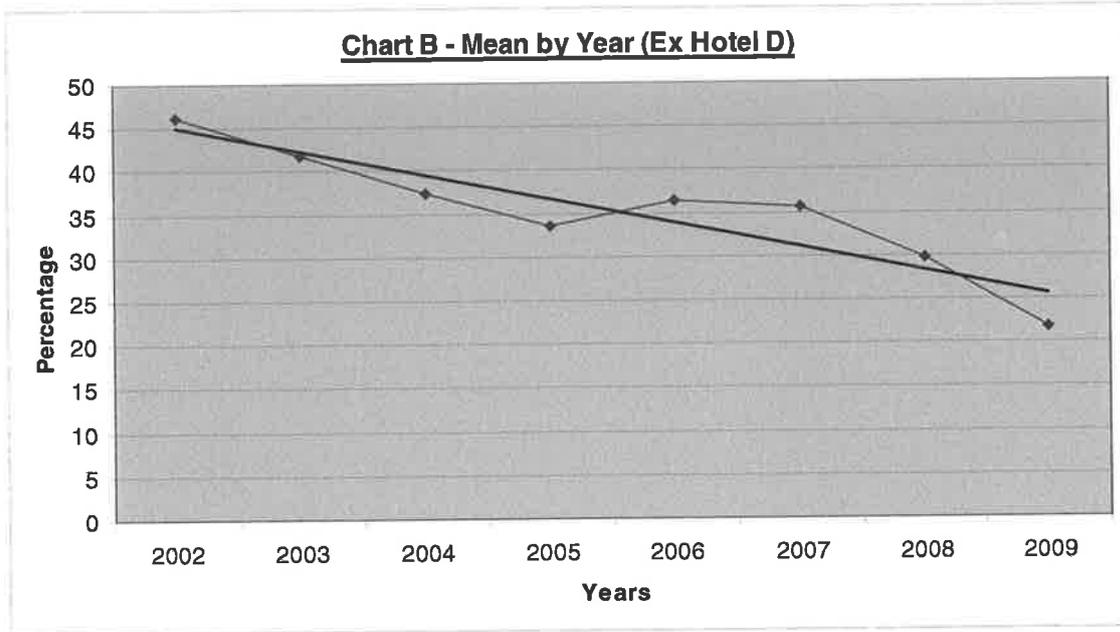
- Appendix 1 Labour Turnover Figures for all Business units
- Appendix 1a Average Turnover charts and trends
- Appendix 2 On-line Survey Questionnaire
- Appendix 3 Pie Chart from Qu.4 on-line survey relating to engagement survey
- Appendix 4 HR Practitioners Individual Interview – 1 Sample transcript
- Appendix 5 HR Practitioners Individual Interview - Questions

Appendix 1 - Total Labour Turnover for business units in UK/Ireland and Scandinavia from 2002 - 2008



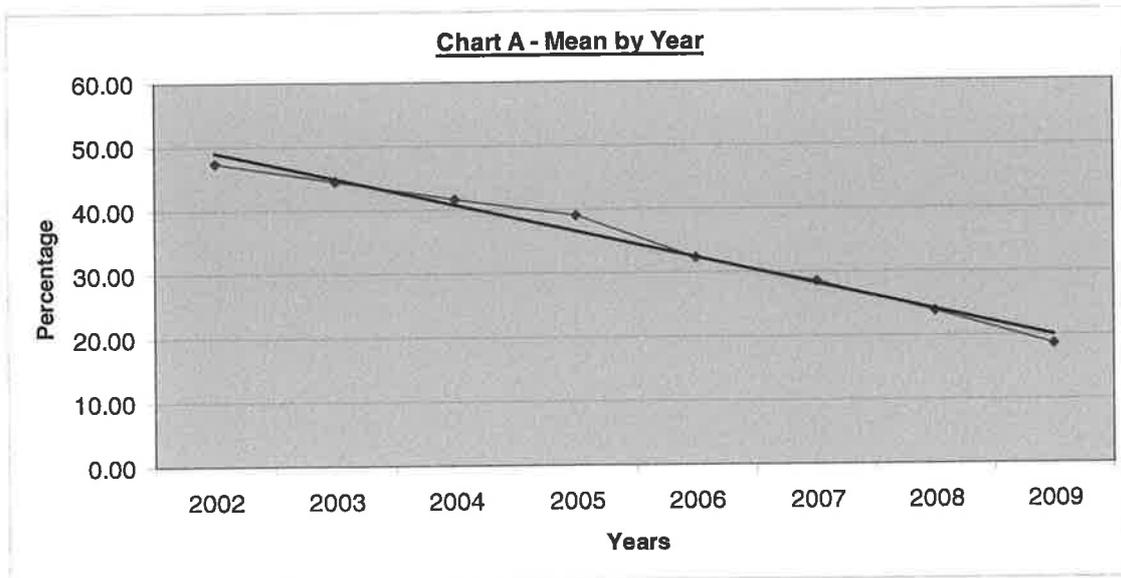
Appendix 1a:

Total Labour Turnover Average/Mean for all business units from (excl Hotel D) 2002 - 2009



Appendix 1b:

Total Labour Turnover Average/Mean for all business units from 2002 -2009



Appendix 2 – On-line Survey Questionnaire (PDF Document inserted)

The introduction and impact of Behavioural Interviewing

1. Before the introduction of Behavioural Interviewing to your property what type of selection method did you use

	Response Percent	Response Count
Interview	100.0%	7
Other	0.0%	0
answered question		7
skipped question		0

2. What were your employee turnover figures in the 2 years prior to the introduction of BI?

	Response Average	Response Total	Response Count
2002 Annual Turnover %	46.60	233	5
2003 Annual Turnover %	44.00	220	5
2004 Annual Turnover %	43.40	217	5
answered question			5
skipped question			2

3. What were your employee turnover figures since BI was introduced?

	Response Average	Response Total	Response Count
2005 Annual Turnover %	40.80	204	5
2006 Annual Turnover %	33.00	165	5
2007 Annual Turnover %	25.20	126	5
2008 Annual Turnover %	22.60	113	5
2009 Annual Turnover %	18.00	90	5
	<i>answered question</i>		5
	<i>skipped question</i>		2

4. In which category of questions in Starvoice Associate Engagement Survey have you noticed a continuous improvement since the introduction of BI.



	Comments (please specify)	3
	<i>answered question</i>	6
	<i>skipped question</i>	1

5. Our line managers understood and agreed with the need to introduce a new Associate Selection tool

	Strongly Agree	Agree	Neither Agree/Disagree	Disagree	Strongly Disagree	Rating Average	Response Count
Please rate one	16.7% (1)	66.7% (4)	16.7% (1)	0.0% (0)	0.0% (0)	2.00	6
						<i>answered question</i>	6
						<i>skipped question</i>	1

6. Our line managers adapted quickly and easily to this new process of Associate Selection

	Strongly Agree	Agree	Neither Agree/Disagree	Disagree	Strongly Disagree	Rating Average	Response Count
Please rate one	16.7% (1)	50.0% (3)	33.3% (2)	0.0% (0)	0.0% (0)	2.17	6
						<i>answered question</i>	6
						<i>skipped question</i>	1

7. BI has helped improve the talent within our organisation

	Strongly Agree	Agree	Neither Agree/Disagree	Disagree	Strongly Disagree	Rating Average	Response Count
Please rate one	50.0% (3)	33.3% (2)	16.7% (1)	0.0% (0)	0.0% (0)	1.67	6
						<i>answered question</i>	6
						<i>skipped question</i>	1

8. Associates hired on BI are more successful in their roles than prior to it's introduction

	Strongly Agree	Agree	Neither Agree/Disagree	Disagree	Strongly Disagree	Rating Average	Response Count
Please rate one	16.7% (1)	33.3% (2)	50.0% (3)	0.0% (0)	0.0% (0)	2.33	6
						<i>answered question</i>	6
						<i>skipped question</i>	1

9. Behavioural interviews are more structured and consistent than previous Selection techniques used in your property

	Strongly Agree	Agree	Neither Agree/Disagree	Disagree	Strongly Disagree	Rating Average	Response Count
Please rate one	33.3% (2)	66.7% (4)	0.0% (0)	0.0% (0)	0.0% (0)	1.67	6
						<i>answered question</i>	6
						<i>skipped question</i>	1

10. Intensive training for the interviewers added to the success of the implementation of this programme

	Strongly Agree	Agree	Neither Agree/Disagree	Disagree	Strongly Disagree	Rating Average	Response Count
Please rate one	16.7% (1)	66.7% (4)	16.7% (1)	0.0% (0)	0.0% (0)	2.00	6
						<i>answered question</i>	6
						<i>skipped question</i>	1

11. My property has seen the benefits of the BI Selection process

	Strongly Agree	Agree	Neither Agree/Disagree	Disagree	Strongly Disagree	Rating Average	Response Count
Please rate one	33.3% (2)	50.0% (3)	16.7% (1)	0.0% (0)	0.0% (0)	1.83	6
						<i>answered question</i>	6
						<i>skipped question</i>	1

12. We use the BI technique at all times

	Strongly Agree	Agree	Neither Agree/Disagree	Disagree	Strongly Disagree	Rating Average	Response Count
Please rate one	16.7% (1)	83.3% (5)	0.0% (0)	0.0% (0)	0.0% (0)	1.83	6
						<i>answered question</i>	6
						<i>skipped question</i>	1

13. We are able to defend our hiring decisions with more confidence since we began using BI?

	Strongly Agree	Agree	Neither Agree/Disagree	Disagree	Strongly Disagree	Rating Average	Response Count
Please rate one	14.3% (1)	71.4% (5)	14.3% (1)	0.0% (0)	0.0% (0)	2.00	7
						<i>answered question</i>	7
						<i>skipped question</i>	0

14. Behavioural interviewing meets the legal requirements of the UK/Ireland

	Strongly Agree	Agree	Neither Agree/Disagree	Disagree	Strongly Disagree	Rating Average	Response Count
Please rate one	28.6% (2)	57.1% (4)	14.3% (1)	0.0% (0)	0.0% (0)	1.86	7
						<i>answered question</i>	7
						<i>skipped question</i>	0

15. The introduction of Behavioural Interviewing to your property been beneficial

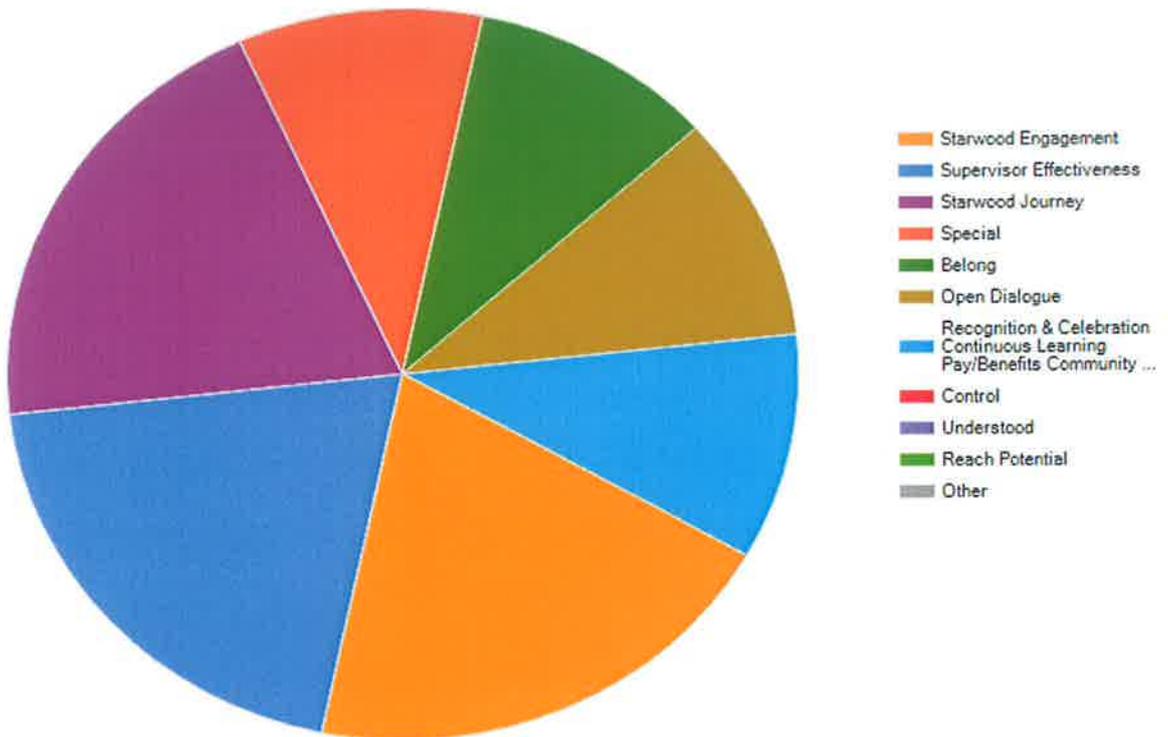
	Strongly Agree	Agree	Neither Agree/Disagree	Disagree	Strongly Disagree	Rating Average	Response Count
Please rate one	14.3% (1)	85.7% (6)	0.0% (0)	0.0% (0)	0.0% (0)	1.86	7
						<i>answered question</i>	7
						<i>skipped question</i>	0

16. Any comments you would like to add in addition to your answers above? (Please note the question no. your comment relates to)

	Response Count
	2
<i>answered question</i>	2
<i>skipped question</i>	5

Appendix 3 – On-line Survey Qu.4. Engagement Survey Categories highlighted by respondents as having improved since the introduction of BI.

In which category of questions in Starvoice Associate Engagement Survey have you noticed a continuous improvement since the introduction of BI.



Appendix 4 – HR Practitioner Interview – Sample transcript

Interview with Director of Human Resources from Le Meridien Piccadilly, London

- Qu: Can you confirm turnover figures from survey
Yes, confirmed figures on the on-line survey
- Qu: Do you believe that turnover has been impacted by the introduction of Behavioural Interviewing
- ST: Only anecdotally, because we changed so much all at the same time here, because we also put in assessment centres, psychometric testing. I don't think there was a very effective ... recruitment process previously, if that makes sense. It was put in just before I started in Piccadilly
- Qu: Did you put it in Edinburgh?
- ST: Yes, at the very beginning.
- Qu: How long did you see it in Edinburgh, 1-2 years
- ST: Couple of years, yes. Same complication in Ed But we also changed out process and put in assessment centres, psychometric testing and all those things, so it makes it harder to isolate BI.
- Qu: What psychometric testing do you use?
- ST: Thomas, we use for most PPA roles and we use the EI for specific roles.
- Qu: The Starvoice Engagement survey what category did you see improvement
- ST: Supervisor Effectiveness
- Qu: How do you measure it, how do you know
- ST: Very hard to isolate, when I came, just after BI was introduced, the managers here, had only been here for a very short tenure and were a very low quality. And since that time, a lot of it comes down to BI, because we haven't changed the management recruitment so much, other than putting in Psych Testing in. But the people we have hired have been of a much better calibre than the people that were already here.
- Qu: Is that because of BI or change in people hiring?

ST: Could be a bit of both, bit of situational as well. They had a lot of trouble hiring because the hotel was essentially bust before Starwood turned up, so they people didn't want to come and work at a hotel that was bust, so it became a lot more attractive.

My experience that we have no problem getting candidates here the key part is the selection process for success, you don't need to do too much desperate recruitment, it's really down to whether you're making the right decision and that's where BI comes in.

Qu: How do you find the area of interviewer ratings and if they differ why do you think that is?

No, not hugely, I've interviewed with a lot of managers out of here and its rare, on the whole we see it pretty similarly, it's very consistent.

Qu: The previous selection tool you were using was the unstructured interview, has there been a downside between it and BI?

ST: I wouldn't say a downside, the thing I would say is some managers thinking that that is the be all and end all of interviewing rather than getting onto their own probing questions and they rely entirely on the BI, but on the other side, the structure of the questions, really does

Qu: Upside, the structure of the qu's really does dig out honest answers rather than the standard rote answers you would get from someone who's not massively experienced in interviewing.

Qu: How much training do you do, with a new manager?

ST: We have hub trainers here, we send our Heads of Departments off to Hub trainers, we do interviews with them prior to that. We team them up with an experience certified interviewer who leads the interview, but there is a bit of a lag before they do the full training.

Qu: How long is the training?

ST: It's a 2 days programme, but I don't think you need that much time

Qu: Would you prefer to use another selection tool.

ST: No, not for the interview, I think it's quite valid

Qu: What feedback have you had from candidates?

ST: It's more challenging particularly where English is the second language, some of them do struggle with understanding the structure of what we are looking for, and for some of them they find it very difficult.

Qu: How do you overcome it?

ST: My view is if they can't understand the structure of the BI, then in reality we're going end up with problems further down the line when we start to do SC training and all that stuff, that they won't get that anyway, so that forms part of the assessment for me, if they don't understand the structure of what we're looking for, we're going to have all sorts of problems further down the line.

Qu: What other views on it, works, doesn't, we should do this, other than the fact that you don't seem to be entirely convinced it's made a positive impact on it's own.

ST: No I do, but I think it would be very hard for me to single that out, because we changed everything so much in recruitment, it's not that I don't think it's had a positive impact, that I couldn't isolate or measure how much of it. I wouldn't want to go away from it.

Qu: Can you see how the managers have adapted to it.

ST: They actually quite like it, particularly new ones, because it's got so much structure to it. Once they've learnt the structure of the interview, then it goes step by step through everything so for the new ones it makes it much much easier, they're not having to make up their own questions and that sort of stuff. And for them it's easier to adapt to.

Qu: Who interviews?

ST: It's a manager, plus HR. But the step before is the AC, so in the AC we do all our assessment, we do a cut, so we only interview those who are successful in the AC.

Qu: So that's your sorting mechanism.

ST: Yes, so we only interview approx I'd guess about 20% of those who attend the AC. There's a fairly high success rate of those who go to the interview, so we do a lot less interviewing than most I think.

Qu: And the people you interview you're confident they are strong candidates?

ST: Yes

Qu: Is it easier or more difficult for a candidate to "work" or lie their way through a BI.

ST: It's much more difficult, you can always tell the ones that are making up story when you start to dig down and ask the background, the story starts to fall apart, you can see they haven't thought it through to the degree that you're going to ask the questions.

Qu: Other than candidates with poor English, are there any other profile of candidate that it doesn't work for.

ST: Skills based jobs, chefs and engineers, you could argue that it doesn't assess everything that you need, but on the other hand it gives you a good understand of what sort of person they are which is as important for any role, it doesn't matter if they're customer facing or not.

Qu: Hiring decisions, we are able to defend with more confidence.

ST: When you say defend do you mean in legal claims.

Qu: Not just that, but internally when you are going to Senior Management with a candidate for approval, why have you chosen this individual, if there's a query you can support your decision.

ST: There is a fair bit of faith in the system here, I mean obviously recruitment, you always can get something wrong, the system is good, but some people can slip through the cracks. If you've been rigorous with the interview process and selection process at the ac and everybody's taken a look at them (candidates), then at worst we've reduced the variability in the people we have hired.

Qu: Can you see a reduction in performance issues?

ST: The one thing I could stick my hand up for sure, I've been to the employment claims tribunal here more times than the rest of my career combined and every person we've been to tribunal on was hired before we began behavioural interviewing. Not one since the intro of BI

The combination of AC, they pick out people with behavioural problems, particularly the group exercise, but I think that is also supported with the BI, that you find out the people who are the real trouble and the ones that are going to cause you issues further down the line, that don't integrate well with people.

Qu: Have you had to defend any of your hiring decisions in a court.

ST: Not rigorously, one claim that fell apart before court, but I'd have no problem in using it to defend ourselves, because we can still say that we have a structured interview system in placed and that makes it easy to defend.

Qu: Do you believe that the ref checking system plays as much a role in your selection system as it used to?

ST: It plays next to none, we ran the numbers and decided that the whole reference thing was a waste of time.

Qu: Why

Because the only value we get in referencing, if someone comes from one of the competitor hotels and we can talk to a contact there, you get a really valid ref, but in practice if someone has been dismissed and they don't put down the person for a referee who's going to tell you they were dismissed.

So now we offer subject to references, so we give them a contract and we shoot out reference request, but we don't follow them up rigorously, because a lot of people won't give them now.

Qu: So it's more to do with you can't get valid references or you're just getting 2 line confirmation of position and dates of employment than you have great confidence in your BI system that you don't need to reference. It's really the referencing is the issue?

ST: Yes.

Qu: It's not telling you anything you can't see on a CV?

ST: Yes

Qu: Clarify where you rolled this out?

ST: Sept 2006, started in Le Meridien Piccadilly, they had been doing BI a couple of months. Prior to that Starwood property in Edinburgh.

Appendix 5 – Interview Questions - Sample

HR Practitioners Questionnaire - Example

- 1. Can you confirm turnover figures from survey?**
 - a. Do you believe that turnover has been impacted by the introduction of Behavioural Interviewing**

- 2. In which category of questions in Starvoice Associate Engagement Survey have you noticed a continuous improvement since the introduction of BI?**
 - a. How is this measured**

- 3. Associates hired on BI are more successful in their roles than prior to its introduction?**
 - b. How is this measured**

- 4. How do you find the area of interviewer ratings and if they differ why do you think that is?**

- 5. What major issues do you find using this structure compared the previous structure?**

- 6. How much Behavioural Interview training do you give to a new a Manager?**

- 7. Would you prefer to use another selection tool? Why?**

- 8. Has BI made any other positive impact on selection in your Business Unit and how have you measured this?**

- 9. What feedback have you had from candidates who have used this process?**

If you removed it would you see a difference?