Searchlight

A Guide to
Predictive Talent Models

All people leaders want to hire great people who will stay, thrive and help their organization do amazing things. But it's a candidate's market - 33% of employees leave within 90 days and 46% fail within 18 months.

If Heads of Talent, Heads of People and CEOs don't have complete data on their company's values, culture and work environment, how can they possibly know what the "right" hire looks like and how to enable them?

What is a Predictive Talent Model?

A predictive talent model analyzes highly successful employees at an organization and then uses that data to improve their hiring process. Its goal is to produce **a holistic picture of the most successful employees** that includes their strengths, competencies, working styles and workplace behaviors as well as traditional metrics like their experience, education and background. This model can then be used to inform the company's hiring and recruiting strategy to attract more candidates likely to excel. Since every organization is different, every model will be unique. There are no universal traits for highly successful employees — it's all about the **bidirectional fit** between the employee and the organization.

Make high quality and efficient hiring decisions

A successful model will compare highly successful employees with everyone else to identify what sets them apart, quantify all of these strengths and weaknesses with hard numbers, and audit for bias that could derail the results.

- **Hiring faster and more efficiently.** A Searchlight customer reduced recruiting costs by 20-30% and decreased time-to-fill by weeks by knowing the profile they were selecting for.

- Creating a **virtuous cycle** where knowing the talent model of a successful employee equips the recruiting and hiring teams to attract more successful employees and build a culture of excellence.

- Reducing prestige bias and **unconscious bias** to identify desired candidates

more accurately. More effectively hire for competencies and skills, rather than credentials.

- Improving **Quality of Hir**e to drive stronger business performance. Psychology research has found that high performers are 400% more productive than average performers. A Searchlight customer hired candidates that collectively generated $3M more in revenue in one year.

- **Improving onboarding** by giving managers data on the power skills, capabilities and work motivations of new hires.

- Improving overall talent intelligence at the organization, clarifying to all parties the type of candidate they want to hire, and helping leadership and HR understand their employee base more deeply.

Importance of Behavioral Data

A model is only as good as the data that goes into it. Because a staggering **89% of mishires are due to a soft skills mismatch**, the success metrics used in a predictive analytics model must include more than just technical skills.

Behavioral data is vital. This is data that describes the observed actions of candidates or employees and indicates how they'll perform on the job — how they act while they're at work.

Searchlight recommends four types of behavioral data to measure success in these models:

Competencies	**Power Skills**	**Cultural Alignment**	**Career Motivations**
Can they do the job?	Will their strengths add value?	Will they work well with our team? Will they make our team stronger?	Can we help them grow?

It's tempting to focus on hard metrics of employee productivity when building these models, but in the long term the behavioral aspects of candidates are a better indicator

of their success. Remember, McKinsey found that organizations in the top quartile of culture return 60% more to shareholders than median companies[1].

[2]https://www.google.com/url?q=https://www.mckinsey.com/business-functions/people-and-organizational-performance/our-insights/the-organization-blog/culture-4-keys-to-why-it-matters&sa=D&source=docs&ust=1644612588699158&usg=AOvVaw3ODptKBDyXNahuDzvy89iU

Customer Example: Snapdocs

To illustrate how Predictive Talent Models work, here's a walkthrough of the process with a Searchlight customer, Snapdocs. Snapdocs is the mortgage industry's leading digital closing platform. Powering millions of closings each year, Snapdocs combines an open platform, patented AI technology, the largest settlement network, and a team of industry experts to ensure digital closing success. Snapdocs has 500-1000 employees across the U.S. with more than a $1.5 billion valuation.

Building the Model

The research collection and analysis for Snapdocs' Predictive Talent Model took less than 4 weeks to complete through Searchlight. Each participating team member completed a self-assessment and was reviewed by 2-3 others including at least one manager. The surveys each took 15 minutes to complete and focused on Searchlight's four dimensions of Behavioral Data (more details on the validity of our People Assessments are in this **whitepaper**).

Survey completion was 90% within 10 business days, and reached 100% soon after with automated reminders through the Searchlight platform. All personal information was redacted in Searchlight.

As the data came in, Snapdocs tagged each participant with their most recent performance review rating to identify high performers (HPs). For each person, Searchlight created a unique talent profile and used various data analysis techniques to surface the most prominent characteristics that differentiated the most successful employees. Before presenting the results to the customer, Searchlight vetted the results to check against adverse impact of bias and found no evidence of adverse impact.

Here is the Predictive Talent Model for Snapdocs' Customer Success Manager role. For comparison, we include a Predictive Talent Model of a comparable company's Customer Success Manager role to demonstrate how different companies will have different success profiles for the same role.

Snapdocs – Customer Success Manager

Education/Background: Bachelor's Degree

Work Experience: 15 years of work experience & 10 years of relevant experience

HP DISTINGUISHING STRENGTHS

		Frequency Over NHPs
Fast Learner	Masters situations or information easily and quickly.	2.6x
Results-Driven	Focuses on achieving results and outcomes.	2.2x
Resourcefulness	Finds alternative solutions to overcome obstacles.	2.2x
Strategic Thinking	Anticipates and prepares for future events.	2.2x
Intuition	Successfully uses insight not supported by obvious facts and data.	1.9x

BEHAVIORAL CONTINUUMS

Openness – HPs are 25% more biased towards being fluid.

Fluid	Structured
Love taking on a variety of challenges with exposure to stimulating opportunities.	Love diving deep into one area to become an expert.

Execution – HPs are 18% more biased towards speed.

Quality-Oriented	Speed-Oriented
Produce work with no errors, even if it takes longer.	Executes quickly and deals with errors later.

Comparable Company – Customer Success Manager

Education/Background: Bachelor's Degree

Work Experience: 5 years of work experience & 2 years of relevant experience

HP DISTINGUISHING STRENGTHS

		Frequency Over NHPs
Attention to Detail	Is rigorously detail-oriented and meticulous.	4.6x
Dependability	Can be relied on and accountable for one's own work	3.6x
Collaboration	Works well with others to realize better results	3.2x
Hardworking	Is disciplined and works vigorously	2.0x
Problem Solving	Effectively identifies and solves challenging problems	1.8x

BEHAVIORAL CONTINUUMS

Openness – HPs are 18% more biased towards being structured.

Fluid	Structured
Love taking on a variety of challenges with exposure to stimulating opportunities.	Love diving deep into one area to become an expert.

Execution – HPs are 10% more biased towards quality.

Quality-Oriented	Speed-Oriented
Produce work with no errors, even if it takes longer.	Executes quickly and deals with errors later.

Results

This Talent Model was built into Snapdocs' hiring processes to help them attract and hire candidates more likely to thrive. For new Customer Success Managers hired using this model, Time to Productivity decreased by one month and saved one month in training cost, positively impacting the bottom line.

Snapdocs also noted that the better onboarding experience and reducing ramp time had a positive impact on morale, culture, teamwork, and other key elements to productivity. They estimated that hiring a top performer and decreasing ramp time improves an employee's lifetime

> The Customer Success hires we made post-Searchlight were by far the strongest people we've hired in the 2 years we've recruited for our team. On whether or not Searchlight has improved the quality of hires, it's an unequivocal, strong yes.
>
> **Chad Herring,** VP, Snapdocs

Learn more at searchlight.ai.

Searchlight

Searchlight's Predictive Talent Platform helps companies hire the right people faster by building complete Talent Stories. By connecting candidate reference and self-assessment insights to post-hire outcomes, Searchlight creates a virtuous talent cycle for retention that operationalizes Quality of Hire. Real-time information enables hiring professionals to increase efficiency, eliminate mishires, decrease time-to-fill, and make better data-informed decisions when identifying high performers. Searchlight is on a people-first mission to make hiring a win-win for everyone by understanding talent holistically. See the light with Searchlight. Learn more at **Searchlight.ai**.