



Measuring the Qualities Needed for Success

iParty uses survey tool to define behavioral traits for managerial positions and match candidates with jobs they naturally enjoy

Being able to understand managerial candidates' natural needs and behaviors is essential to finding a person who will find his assignment energizing and satisfying, and, therefore, will do well in the job, says Lori Chamberlain, vice president of human resources at Dedham, Mass.-based iParty. That, in turn, leads to increased productivity.

Party goods specialty retailer iParty is using PI Worldwide's Predictive Index (PI), to help define job positions, the qualities that individuals need to perform well in specific jobs and whether a candidate has, or can develop, the qualities needed to be successful.

Dan Handalian, senior consultant at Wellesley, Mass.-based PI Worldwide, says the Predictive Index measurement tool is an efficient system because "you put very little in and you get a lot out."

Based on how an individual responds to qualities identified in the PI survey, a hiring executive trained to read a PI can measure what a specific individual needs from the work world, says Handalian. "The needs we measure are every bit as real as the needs for food and shelter."

The survey is a concise list of personality traits. Individuals who take the survey highlight those traits on the list that they believe best describe who they are and who they believe others expect them to be, such as "I am brave," "I am persistent" and "Others expect me to be brave and persistent." The survey takes about 10 minutes.

Interpreting the PI is accomplished by clustering answers in three areas: an individual's self, a measurement of his most natural behaviors and needs; an individual's

openness or perceived need to change to adapt to his current workplace environment, and a combination of the two.

In effect, the PI measures how well an individual's natural self is in sync with the current or prospective work environment. An ideal match identifies a candidate who can slip into a job situation like a hand fits into a custom-made glove.

"People are most effective when they are able to tap into their natural behavioral traits," explains Handalian. "That means most of their energy is going into their jobs instead of changing themselves."

NOURISHING NEEDS Chamberlain first began working with PI Worldwide in 1992 when she led human resources at Iron Mountain, a records management company. For her, PI Worldwide is an extension of iParty's human resources department.

"The Predictive Index allows us to define the behavioral traits that we want someone to have to be promoted or hired into a specific job. In a very objective way, PI allows us, as managers, to say whether an individual job candidate has those behavioral traits," Chamberlain explains.

"If the natural traits are close but not exactly what we want, the PI helps us determine whether the gap is too far away to manage or if it's close enough that, with

support, it can be closed," she adds. iParty administers the PI to all prospective management employees. In the future, the retailer plans to extend its use to selecting store associates.

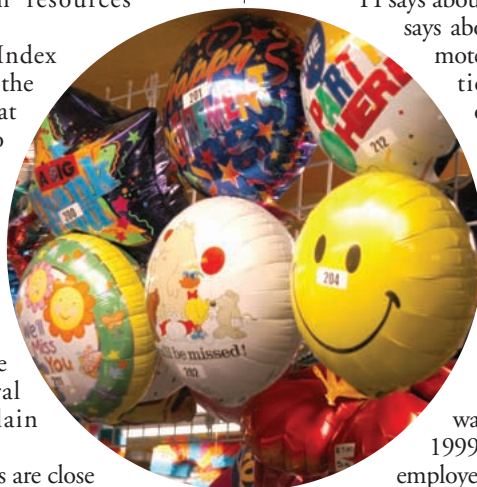
iParty also uses the PI to help managers interact with employees in a manner that meets and nourishes their personal and professional needs. Managers are trained to interact with individual employees in ways that suit both their styles, for example. The goal is to create positive relationships that stimulate creativity and productivity, while minimizing negative, energy-draining and non-productive exchanges.

"It helps everyone understand everyone else, and it helps us understand ourselves as well," says Chamberlain. "One of the first things we do with a new employee is sit down and say, 'Let me tell you what your

PI says about you and what my PI says about me.' It really promotes strong communication throughout the organization. It promotes understanding, and it keeps people energized and productive."

iParty also uses the PI for conflict resolution, team building and employee development.

When iParty.com was launched in October 1999, the e-retailer had 25 employees and no bricks-and-mortar stores. By the time Chamberlain joined the company in December 2001, iParty had acquired a chain of 33 stores, increasing the



iParty's success depends on good store managers

staff to more than 700 employees. Since then iParty has added about 150 more employees and opened five more stores.

Chamberlain brought iParty and PI Worldwide together very early in her tenure, precisely because the retailer was experiencing so much change. "We wanted to make sure that we were hiring the right profiles for senior management. These are not positions you want to see turnover in," she says. "For us, the PI profiles were, and are, very important."

LEVERAGING STRENGTHS Because of iParty's rapid growth, the retailer's executives realized that managerial roles would evolve as the company continued to grow.

"Our management roles are very interesting to fill, and they have some intriguing components to them that we can't always figure out on our own," Chamberlain says. "PI Worldwide has been great in helping us understand what the profile should be. That's been very important because, as we've grown, our people haven't gotten bored, and they haven't felt that their roles have evolved beyond them."

The PI differs from a performance review in that it's not used to rate people, but to develop them. According to Chamberlain, it's great for understanding and leveraging people's natural strengths. "There's a benefit for the employees because they're matched with jobs that they naturally enjoy," she says.

Recently, iParty needed to replace a senior executive. Rather than launch an immediate search, several iParty executives worked with PI Worldwide to better understand the type of person they needed in the position to allow the company to be effective today and in the future.

To help shape their thinking, the team turned to another PI Worldwide tool called the PRO, a resource that helps clients evaluate the position instead of the person. With the PRO, iParty is able to create a pattern for a position under development by bringing together members of the management team to brainstorm what the position's needs are.

The team completes the PRO survey to bring the new position into focus. "It gives us an idea of what qualities in that new position we should look for, what behaviors," says Chamberlain.

By defining the position up front, iParty can also streamline the job search process. "We've been able to write ads that are more focused and targeted to what we're looking to hire. It's helped us in our behavioral

manager for our positions," notes Chamberlain. "We use the PI and the PRO to make sure we have the right profile as well as the right person."

FEEL THE DIFFERENCE Chamberlain estimates that iParty generated a return on its PI investment in approximately three to six months. "It took three to six months for us to notice something was different. You can actually feel PI. You can feel the difference,"

she says. "It's quite amazing when you read a PI to someone or you discuss their development plan off a PI. There's enthusiasm and excitement.

"It's as if you know what they're feeling and what they're sensing. There's more camaraderie and understanding, and with that comes a sense of trust. Our employees sense that they're in good hands, that we have their best interests at heart," she adds.

Although many of the benefits that Chamberlain cites fall into the soft ROI realm, they're also key to building a strong and committed management team with minimal turnover.

"Our turnover at the store manager level and above is better than the industry average," notes Chamberlain. "The PI and the PRO have given us substantial bench strength. We know we have people waiting in the wings."

Chamberlain also credits PI with helping to enhance iParty's bottom line. "We believe that profitability can be increased if we hire the right people and focus them on the right things," says Chamberlain. "PI seems to have given everyone who works for iParty the sense that they are all individually responsible for the well being of the workplace and for the well being of the customers who shop our stores and buy our products.

"It's everyone's job to make sure we're heading in the same direction. Everyone is responsible for creating an environment that is positive, upbeat and comfortable for everyone who works here," Chamberlain continues. "By explaining the PI and offering the PI readings up front, it's as if we're saying, 'We're putting our money where our mouth is.'" — *Liz Parks* **STORES**



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questioning of candidates," she explains. "We're able to target our questions around the PI and what we're looking for in the profile, so it's really helped recruiting in more ways than one."

iParty also uses PRO to re-evaluate the role of its store managers.

"As we grew, our store manager profiles changed, and our success going forward depends on our hiring the right store



PI Worldwide