

## UPS Delivers the Goods

When Jordan Colletta joined UPS in 1975, fresh out of school and newly married, he wasn't thinking about building a career. He just wanted some security. A former tracing clerk, Colletta managed to go a long way—to vice president of the shipper's e-commerce sales team. His advancement in the company was steady, the result of careful planning through UPS's career development programs. By putting resources into such programs and helping reps set goals and develop skills, businesses can allow employees to grow within their organization and reduce turnover rates in the process, as UPS has found: its turnover rate among full-time workers is just 4 percent.

Developing salespeople starts with a clear mission. At UPS, employees meet annually with managers to identify their strengths and decide what skills they need for a new job within the company. "We lay the foundation for future development and map out immediate, midterm, and future goals," Colletta says. "When I was a tracing clerk, I told my supervisor that my goal was to become a district sales manager. I then became a driver, then a salesperson, and in 1986 I reached my goal."

UPS spends \$300 million annually on classroom and online training for its employees. Career development entails implementing training programs and Internet career centers that can help companies grow their staffs. Employees take courses in order to acquire the pedigree that will make them candidates for management positions. But learning isn't just in the classroom. Mentoring programs in which man-

agers coach lower-level employees are also valuable. "Mentors are especially important," Colletta says. "They help you understand the opportunities that are out there. They helped me see what I couldn't because I couldn't look that far ahead yet."

Progress must be routinely monitored. Employee reviews and 360-degree reports are good ways to track improvement. So is a manager's involvement. "Have an open door policy to keep the communication lines open," he says.

Finally, when it comes to encouraging participation in these programs, companies should highlight successes. Colletta announces promotions during weekly calls with UPS directors and immediately sends messages to his employees throughout the country. "It can't be about talk," Colletta says. "You can't say 'We have opportunities to develop you' and then look around and not see anyone getting ahead. You have to celebrate it."

Source: Adapted from Eduardo Javier Canto, "Rising through the Ranks," *Sales and Marketing Management* 153, no. 7 (July 2001): 66. Copyright © 2001. Reprinted by permission of Reprint Management Services; Lea N. Soupata, "Prepare for the Future," *Executive Excellence* 21, no. 11 (November 2004): 15–16.

## QUESTIONS

1. What do you think are the main strengths of UPS's career development program?
2. What are the key outcomes that UPS wants to achieve?
3. What suggestions do you have for improving the program?

## Nike: Hiring Gets Off on the Right Foot

Technology is changing how companies recruit and select employees. Nike, the world's largest shoe manufacturer, is one example of a company using computer-assisted interviewing. The company has used an Aspen Tree product to hire some of its 24,000-plus employees, including employees for Niketowns, retail stores that showcase Nike products. At a single store opened in Las Vegas, for example, 6,000 people responded to ads for workers needed to fill 250 positions. Nike used IVR (interactive voice response) technology to make the first cut. Applicants responded to eight questions over the telephone; 3,500 applicants were screened out because they weren't available when needed or didn't have retail experience. The rest had a computer-assisted interview at the store, followed by a personal interview.

"We think it's important to give a personal interview to anyone who comes to the store," said Nike's manager of human resources for the retail division. "Applicants are customers as well as potential hires."

The computer interview identified candidates who had been in customer service environments, had a passion for sports, and would make good Nike customer service representatives. Interviews were done in batches. The computer interview (which includes a video showing three scenarios for helping a customer and asks the applicant to choose the best one) was given every forty-five minutes to a group of applicants. As applicants completed the interview, a printer in the next room printed their responses. Areas that needed to be probed further were flagged, as were areas that indicated particular strengths.

While the applicant completed an application form online, the interviewer used the printout to prepare for the applicant's human interview. Some applicants would be given only a short interview; other, more likely candidates would be interviewed at greater length. The computer not only helped interviewers screen for people who lost their temper in work situations or who demonstrated other undesirable behaviors, but it also helped the interviewers determine what to ask to reconcile inconsistencies in the computer interview or to probe applicant strengths in desired areas. Because Nike uses behavioral-based interviewing, applicants must document their areas of strength with examples from their work. Some applicants were offered jobs on the spot. Others were called back for second interviews.

Using computer-assisted interviewing has helped Nike staff up fast as well as reduce turnover in the retail division. The company saved \$2.4 million during a three-year period by reducing turnover from 87 to 51 percent, although other processes for coaching and leading within the stores have also played a part.

Other areas of the company are finding ways to use recruitment technology too. When an international division found itself besieged with as many as 400

resumes a week, it hired a solutions provider to automate the process of responding to applicants and tracking them. (Nike has a policy of responding to each potential employee with an individual letter.) Susannah Sanchez Perez applied for a job with Nike in May 2004, and remembers being impressed by how quickly the company responded to her. "I received an e-mail straightaway telling me that it would respond to me within three weeks," she said. "In fact, it only took four days for Nike to call me and invite me in for an interview. It took a long time to fill out the online form and that could be streamlined, but I was impressed by how professional the company seemed."

Source: Linda Thornburg, "Computer-Assisted Interviewing Shortens Hiring Cycle," *HRMagazine* 43, no. 2 (February 1998): 73-79. Adapted with the permission of *HRMagazine*, published by the Society for Human Resource Management, Alexandria, VA, via Copyright Clearance Center. See also Alex Blyth, "Winning Recruitment Race," *Personnel Today*, May 2004, 26.

### QUESTIONS

1. What do you think are the prime advantages and disadvantages of Nike's computer-based interviewing system?
2. Are there any EEO concerns regarding this system?
3. If interviews serve a public relations role, what should Nike be concerned about?
4. How would you suggest that Nike might modify and improve its system?