

## CASE STUDY

**Allied International Credit** dramatically lowers turnover in fast-paced third-party collection industry by choosing the right candidates with the help of The McQuaig System™



**Carole Geroux, Human Resources Generalist**  
“The McQuaig System gives me the edge.  
It’s the final piece of the puzzle.”

Human Resources Generalist Carole Geroux knows firsthand the importance of having the right temperament for the job. Seven years ago, as a newly recruited Collection Officer with **Allied International Credit**, she realized immediately that her temperament made her ill-suited for the job. “Collecting debt for clients is tough, demanding work,” says Geroux.

“Personality is 90% of the job. Only people with a certain temperament and approach are going to be successful in this business. It’s very fast paced and can be very stressful, especially for Collection Officers. It’s all outbound phone work, which in itself is stressful. And when they make a call, Collection Officers never know what they’ll get at the other end of the line. They face a multitude of personalities. You need a special type of temperament to handle it.”

As Geroux discovered, many people can’t handle it. After her own failed stint as a Collection Officer, Geroux transferred to a different department in Allied, one of Canada’s most respected and successful players in the intensely competitive third-party collection industry. She continued to observe as an endless stream of new recruits flowed in and out of the company.

“Turnover for our Collection Officers in particular was very high - 76%. It reminded me of the revolving doors in a major department store at Christmas. People were constantly coming in and going out,” she laughs.

Although high, Allied’s turnover rate wasn’t unusual for the industry - 100% is the norm. But Geroux knew that, unless they lowered turnover, thousands of dollars would continue to be lost to training and recruitment. And she believed Allied could provide better service to clients if the company lowered turnover by ensuring a better fit between new recruits and the temperament requirements of the job.

Because she believed centralizing the recruiting process would help stem the tide of people through the door, Geroux pitched the idea of starting a Human Resources Department to Allied President David Rae. She launched Allied’s HR Department later that year and, just as expected, turnover dropped from 76% to 50%. But it wasn’t enough. Geroux felt she needed more help in her battle against high turnover.

A year later, she brought in reinforcements by adding The McQuaig System to her arsenal.

### **The McQuaig System™ Helps Allied Match Candidates With Job Requirements**

The System helps employers define the temperament/behavioural requirements of a job, identify candidates who have the desired temperament traits, and retain these carefully selected employees by tailoring management, training and promotion opportunities to their specific temperaments.

The System is comprised of tools for each of the three steps to successful recruitment: **Define, Assess and Retain.**

Geroux first used The McQuaig Job Analysis™ and THE McQUAIG JOB SURVEY® to help define the responsibilities and behavioural requirements for the job. To gain consensus on the traits required to do the job well, both she and senior managers completed The Job Analysis and THE JOB SURVEY.

Then, a number of employees who were in the Collection Officer role completed THE McQUAIG WORD SURVEY®, a self-evaluation tool which provides a temperament profile. Geroux had a number of Collectors

## **BACKGROUND**

- Allied International Credit Corporation at a glance**
- One of Canada’s key players in the third party collection industry
  - Founded in 1955
  - Helps clients in retail, finance, insurance and government minimize losses through a professional systems approach to debt collections
  - Head Office - Markham, Ontario. Canadian offices in Ottawa, Winnipeg, Vancouver. U.K. offices in London and Glasgow
  - 250 employees throughout the organization

she considered to be excellent and several she considered to be poorly suited for the position complete THE WORD SURVEY. By comparing The Job Analysis and JOB SURVEY results with THE WORD SURVEY results, she developed a composite, or benchmark for the Collection Officer position. She learned that among the people who could do the work effectively there were some very consistent behavioural traits (see side bar on reverse).

Geroux then began using THE WORD SURVEY and The McQuaig Interview Guide™ during interviews to provide an assessment of candidates’ temperament/behavioural styles which could be compared with the job composite. The Interview Guide is used by managers and



**David Rae, President**

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HR staff to help draw out further information in the interview which, among other things, helps them clarify and understand THE WORD SURVEY results.

To help Allied retain these top-notch recruits once hired, Geroux began using THE WORD SURVEY and THE McQUAIG WORD SURVEY® OBSERVER, a 360° feedback tool, on an ongoing basis, to provide insights and strategies to help train, motivate, supervise and promote these employees according to temperament.

For Geroux, The System provided the missing link between the specific temperament/behaviour patterns required to do the job and the temperaments of candidates she interviewed. She began using it across the entire organization, using The System software to prepare assessment reports for potential new hires for all of Allied’s offices across Canada.

**Allied's Turnover Rate Drops With The McQuaig System™**

In the first year of its use, The System helped Geroux knock Allied’s turnover rate from 50% to 39%. The company continued to use The System faithfully for the next three years and the turnover rate dropped steadily during each of those years, including two years ago, when Allied saw its biggest expansion to date. Even though

the staff grew by 67%, the turnover still dropped a percentage point, so that, by the year end, turnover was at an all-time company low of 37%.

During this time, Geroux became an expert at using The System. “It was my baby. I tested it, experimented with it.” And then she did something that, today, gives her unshakeable faith in the value The System brings to Allied. A year ago, she stopped using it. “It was a very busy time,” explains Geroux. “We hired a new HR person and too much was going on. The System just got pushed aside.” By the end of that year, turnover had shot back up from 37% to 47%.

“I’m sure it was because we stopped using The System because we weren’t doing anything else differently,” states Geroux. They’re back using The System consistently today and, while it’s too soon to have figures for this year, Geroux is “confident the turnover figures will reflect this fact.”

According to Allied President David Rae, that’s a good thing because retaining employees helps Allied conduct business according to the company’s mission and philosophy. “Obviously, lowering our turnover has had a tremendous impact on the bottom line. But it goes beyond that,” he explains.

“Because we work hard at providing the highest possible level of satisfaction to Allied’s customers, we set very high standards for our employees. They have a mandate to deliver results to our customers and to achieve these results with respect, courtesy and integrity. It’s almost impossible to instill this kind of value system in employees if your workforce is constantly turning over.”



**Laurie McNall, Project Manager**

**“I don’t make a hiring decision until I’ve seen THE WORD SURVEY results. It plays an important role in the hiring decision.”**

**What It Takes To Be A Good Collection Officer**

**“It all comes down to what I call soft skills rather than any specific training”, says Geroux. “Good Collection Officers first and foremost need the right temperament.”**

Geroux has discovered there is a range of profiles for people who make good Collection Officers. But they all share one common behaviour trait which she always looks for first on a candidate’s WORD SURVEY assessment.

**“They’re all extremely competitive. They’re risk-takers who hate to lose and generally, they’re ambitious and driving,” she explains.**

Many Collection Officers who fit the profile are analytical, preferring to deal with facts rather than emotion.

**“But, some of our most effective Collection Officers are very social and people-oriented,” says Geroux. “They have a high degree of empathy, which nets good results.”**

**And what are the results Allied is looking for? “A win/win/win outcome between our clients, their debtors and Allied”.**

Laurie McNall, A Project Manager at Allied, also recognizes the value The System has brought to the hiring process at Allied. “It’s definitely been an asset to us,” she states. Like Geroux, McNall has had a great deal of experience using The System. She became familiar with it while working in Allied’s Glasgow office several years ago. There, she relied on it heavily to help her rebuild a department which had been dismantled.

Since returning to Canada, McNall, who oversees the Administrative Data Entry staff at Allied, has continued to use The McQuaig System faithfully. “I don’t make a hiring decision until I’ve seen THE WORD SURVEY results. It plays an important role in the hiring process.” Geroux agrees. “Fit is everything.

Recruiting employees is like a jigsaw puzzle. The interview, references, background checks and my own gut feeling are all pieces that have to fit together before a hiring decision is made. The McQuaig System gives me the edge. It’s the final piece of the puzzle.”

**The insight to assess and manage people.**

The McQuaig System™ is a unique set of proven assessment tools designed to help you tap into the full potential of your people. The System takes a systematic approach to help you accurately define the job requirements, to select the right individuals for the job and to develop them to their utmost ability. The System brings benefits to your company that directly impact the bottom line.