

# Improving The Predictability Of Human Capital Decisions...



## *Helping Organizations...*

- ✓ Streamline Operational Efficiencies
- ✓ Mitigate Human Capital Risks
- ✓ Reduce Unnecessary Financial Expenditures
- ✓ Empower Performance-Based Leaders



## *Character-Based Human Capital Solutions for...*

- ✓ Values Alignment
- ✓ Talent Acquisition
- ✓ Employee Development
- ✓ Succession Planning



## Improving the Predictability of Human Capital Decisions

During these challenging economic times, organizations are searching for viable business solutions that can help streamline their operational efficiencies; mitigate their risks; reduce unnecessary expenditures and a process to empower their human capital assets (People). Organizations continue to be concerned about hiring, developing and retaining the right people with not only the right job skills, but more importantly, the right people with good character and behavior that are aligned with their overall culture, mission and business objectives.

**Human capital is the #1 investment and #1 risk for most organizations. It is imperative to have viable business solutions that help improve the predictability of human capital decisions.**

- » Most organizations are very clear what job specific skills are required to do a certain job at a proficient level and have established a rigorous interviewing and hiring process to search out the best person with the right skill competencies for the job. This is referred to as the “*can do*” of the hiring and employee development process.
- » Many organizations find it to be very important, but difficult, to align the skills required for a specific job with the right person that has certain character competencies and behavioral traits required to do the job efficiently at a sustained level of performance and productivity. This is referred to as the “*will do*” of the hiring and employee development process. **Most organizations agree that the “will do” is considered as important as the “can do” when it comes to hiring, developing and retaining a valuable employee.**
- » Organizations today are very concerned about finding and keeping the right people that are “*compatible*” and that “*fit*” within the corporate culture as well as within the various sub-culture groups that exist within many organizations (i.e. Regions, Divisions, Branch Offices and Project Teams). The more proficiently an organization can *assess, align, empower* and *evaluate* their various cultures, the better opportunity they will have to streamline their operational efficiencies; mitigate their risks and reduce unnecessary financial expenditures.
- » The majority of organizations are committed to providing training that enhances the skill competencies of their people. However, many organizations lack in providing a strategy that focuses upon “personal leadership” that incorporates a methodology to *assess, empower* and *evaluate* the strengths of a person’s character competencies as well as identifies areas for personal leadership improvement. In today’s changing business environment organizations that want to retain quality people must have an on-going commitment to personal leadership development and a process that provides for *routine maintenance*...if people are expected to maximize their personal leadership efficiencies.

### Restructuring / Getting Positioned For The Economic Recovery

Organizations that implement strategies that align people with their culture (values) and assess the top performers to identify their strengths that drive performance in a specific hiring position (character and behavior alignment) will be well positioned to take advantage of business opportunities as the economy rebounds. Human capital assets that are aligned with the vision, mission and performance requirements of an organization will result in multiple benefits to the key stakeholders.

### A Person’s Character and Behavior Are Critical...To Any Organization!

#### *A person is an asset when they are...*

- ✓ Properly aligned with culture
- ✓ Achieving performance results
- ✓ Retained as a reliable team member
- ✓ Empowering team performance
- ✓ Contributing to customer satisfaction

#### *A person is a liability when they are...*

- ✓ Not compatible with culture
- ✓ Underachieving performance expectations
- ✓ High risk for turnover
- ✓ Hindering team performance (*Conflicts / Disruptions*)
- ✓ Causing customer dissatisfaction

## Organizational / Team Success Is Dependent Upon...Individual Personal Leadership

- ☑ **Fact:** The bottom-line for any organization to achieve maximum sustainable performance results, regardless of industry sector, product or service mix, is dependent on the individual's efficiency of "personal leadership effectiveness." This statement holds true regardless if it is the CEO/President, C-level leaders, managers, supervisors or the people that comprise the general employee population.
- ☑ **Fact:** When dealing with the subject of personal leadership, we are dealing with the subject of a person's character and behavior. It is imperative to have "*character-based business solutions*" that have the capacity of being integrated into an organization's overall culture as well as more specific applications for talent acquisition, employee development and retention.

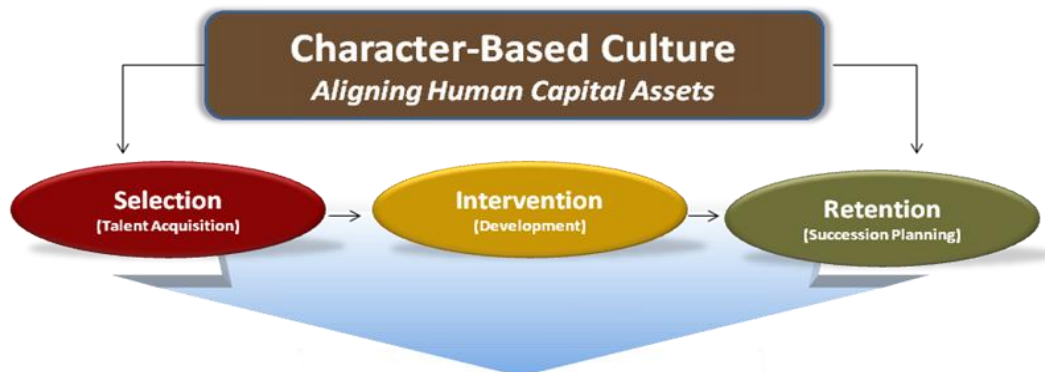
The marketplace today is filled with a myriad of professional consultants, trainers and coaches who provide an array of leadership programs, products and services to help try to meet the demanding needs of an organization's human capital requirements. The majority of learning content and implementation processes are provided in a fragmented manner that do not align and/or integrate with an organization's values and performance drivers. This approach, at best, is simply a "band-aid" to meet the short-term needs of an organization.

- ☑ More often than not, fragmented human capital solutions fail in helping organizations streamline their operational efficiencies, mitigate their risks and reduce unnecessary financial expenditures. In many cases, this fractured approach will cause more harm than good. When it comes to the subject of personal leadership, organizations need to provide their people with a simple and effective track to run on.

### Human Capital Success Formula...



- ✓ **Personal Leadership Effectiveness** (*Character and Behavior DNA*)
  - + Alignment to an organization's culture (compatibility / fit)
  - + Alignment to defined performance standards (specific job position)
- = Improved Predictability of Human Capital Decisions  
*(Risk Mitigation – Reduced Expenses – Operational Efficiency)*



**The Right People Determine The Success  
Of Any Organization!**

## Improving Your Net ROI Regarding Human Capital Decisions

Successful organizations view their people as an investment to be nurtured, not a cost to be controlled. It's always a good practice to make sure your organization is hiring, developing and retaining the right people. Organizations invest thousands of dollars to improve and maintain their financial assets such as equipment, products, property, etc. Organizations also continually invest enormous amounts of capital for job skills training for their management and employees. **Job skill training is critical...but it simply is not enough!**

- ✓ The factor that is often overlooked is the professional assessment of an individual's character and behavior...a very CRITICAL factor beyond just job skills.
- ✓ Organizations must assess a person's character and behavior. Even so, this critical process is still not good enough if the data gathered cannot be integrated with culture and performance outcome objectives.

**IN ADVANCE OF HIRING**, organizations must execute a business solution strategy that incorporates an assessment of a person's character and behavior to determine the person's alignment with the organization's culture and performance requirements related to a specific hiring position. If not, an organization increases its human capital risks and expenses, and loses valuable time by interviewing and recruiting the wrong person. On-boarding the wrong person is very expensive and can cause conflicts, disruptions, customer dissatisfaction and in many cases, increased legal risks due to unlawful employee dismissals.



Regarding the **CURRENT EMPLOYEE POPULATION** of an organization, it is equally important to assess the character and behavioral strengths and weaknesses of the leaders and employees, to review how each aligns to the values of the organization and the performance requirements related to their specific job position.

- ✓ If this process is not executed, an organization will not maximize the personal leadership efficiencies of their people, which will minimize individual performance and productivity.
- ✓ This process is a critical factor for retention of great people. Employees today want to know an organization is committed to helping them achieve their personal goals toward career enhancement.

### Action Steps That Will Improve Human Capital Predictability / Net ROI

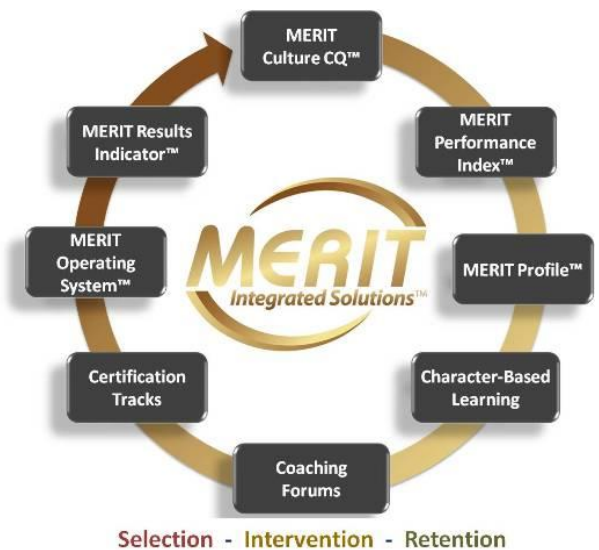
- The first recommendation is to become familiar with several proprietary “character-based” human capital business solutions referred to as, **MERIT Integrated Solutions™** (see overview on following pages).
- The second recommendation is to get started with a “cost-effective” **Human Capital Appraisal Audit**, so that your core stakeholders and leadership team are engaged to help identify the “gaps” regarding your organization's culture, talent acquisition, employee development and succession planning initiatives. Once a Human Capital Audit Report is provided, reviewed and approved, the following next steps are recommended.
  - 1) Select the type of people that best represent your organization's values and then incorporate the MERIT Culture CQ™ methodology, supported by the MERIT Profile™ technology, within your organization. This process enhances alignment, compatibility and fit of people to your culture.
  - 2) Choose the hiring position that is most active and/or has the highest turnover and have a **MERIT Profile** assessment completed upon each person within a target group of people (high / mid / low level performers). The objective is to assess and determine the success correlations of the “top performers” to establish a hiring process that emulates those success attributes. (MERIT Performance Index™ technology).
  - 3) Mobilize your leaders and employees by implementing a “character-based” leadership program that can incorporate the vision, mission and values of the organization to enhance leadership and employee alignment, improve communications and help to build trust, respect, loyalty and relationships throughout the entire organization (Empowering A Performance-Based Workforce).



Future Achievement’s proprietary predictive analytic technology solutions and learning processes help organizations optimize their human capital initiatives regarding talent acquisition, employee development and succession planning. Each process provides cost-effective, concrete solutions for business growth and risk management, which improves the overall performance and productivity of an organization’s human capital assets. **Integration, with a common thread of character throughout an organization’s culture, is a major benefit and differentiator.**

The critical and often missing ingredient is a lack of understanding regarding the character attributes that are linked to risky behaviors in the first place. The financial loss resulting from a lack of human capital optimization could literally be ten times that of an equivalent loss of non-optimized equipment. In today’s competitive, multi-cultural workforce environment, traditional human capital development is simply ineffective.

- ◆ **MERIT Culture CQ™** – A solution that determines the current state of an organization’s culture, provides insights defining the future state relative to vision and the core values, which then can be used to compare the degree of “compatibility” and “fit” of an individual to the culture.
- ◆ **MERIT Performance Index™** – Technology and online process that captures, interprets and applies relevant business performance data to help management assess talent, empower leaders and to predict future employee outcomes to improve its overall human capital decision-making.
- ◆ **MERIT Profile™** – Web-based, character and behavioral assessment tool which is provided in a 6-page Recruitment Report for hiring professionals, and a 13-page Employee Development Report that is utilized to train and coach leaders and employees.
- ◆ **Character-Based Learning** – Character development training to help empower and build a character-driven team of managers, supervisors and employees at all department levels (Customized programs available upon request).
- ◆ **Coaching Forums** – Personal leadership is so critical, within any organization, that it requires an ongoing sustainable learning process to enhance overall performance and productivity. Coaching forums can be conducted one-on-one and/or within a group environment.
- ◆ **Certification Tracks** – Certification / train-the-trainer programs that help to create leader-coaches to become better equipped so they can empower their employees toward maximizing their “personal leadership efficiencies, performance and overall productivity.”
- ◆ **MERIT Operating System™** – Multiple character and behavior development “blended learning modules” that will provide individuals and organizations access to an e-learning environment so they can go deeper with their learning for each of the MAXIMIZERS™ Principles (Under Development).
- ◆ **MERIT Results Indicator™** – Assesses and measures performance of the MERIT Culture CQ and MERIT Performance Index applications, over a sustained period of time. This process help determine the bottom-line R.O.I. benefit.

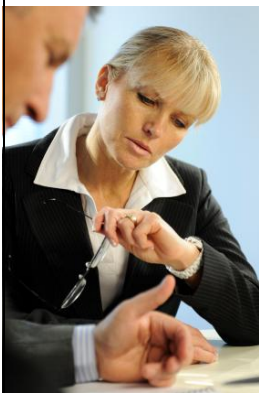


**MAXIMIZING EMPLOYEE RESOURCES...IMPLEMENTING TRANSFORMATION™**



The MERIT Integrated Solutions platform provides a human capital appraisal framework and data-driven processes that are designed to identify the character and behavioral attributes linked to four overarching business objectives:

1. **Culture Shaping:** Implementation of a **MERIT Culture CQ** (Character Quotient) solution captures the quantifiable attributes representing the core values, mission and vision of an organization’s culture to enhance the *"alignment and fit"* of an organization’s overall human capital assets. This process involves identifying the character competencies linked to achieving company-specific business standards. Most importantly, this methodology helps communicate the values established throughout the entire organization.
2. **Performance:** Isolation of the Key Performance Indicators (KPI’s) unique to each job position to achieve maximum human capital alignment with desired business outcomes. FAI’s proprietary technology and process (**MERIT Performance Index**) helps organizations integrate customized business data with the desirable character competencies and behavioral traits for a specific job position.
  - ☑ Process outcomes can include savings in talent acquisition costs, enhanced hiring predictability, minimized turnover, and a reduction of overall human capital risks. Risk mitigation is accomplished by identifying the traits associated with high-risk behaviors leading to workplace accidents, health and wellness issues and/or quality control problems resulting in product liability claims.
3. **Trust / Confidence / Morale:** Structuring a *character-driven leadership* platform helps to *"restore trust and confidence"* at all levels of an organization. To sustain performance and productivity it is critical to have an established, on-going learning and coaching process, which equips participants with a full understanding of how a person’s Attitudes - Beliefs - Commitments (Human Capital DNA) impact overall performance and productivity through all levels of the organization.
4. **Assess / Develop / Analyze:** Major succession planning steps can be accomplished by establishing a formal process to *assess, develop* and *analyze* a person’s performance, productivity and character and behavioral DNA over a defined period of time. It is critical to select the right person who not only has the right job skills to replace someone leaving the organization, but also to have a complete understanding of what character competencies and behavioral traits are required to succeed at the job being vacated.



## Character and Behavior DNA *Must Be Aligned...*



“Data Collection”

“Data Integration”

**NET ROI: Enhanced Predictability of  
Human Capital Decisions!**

- Talent Acquisition
- Employee Development
- Succession Planning



Aligning People With  
Organizational Values



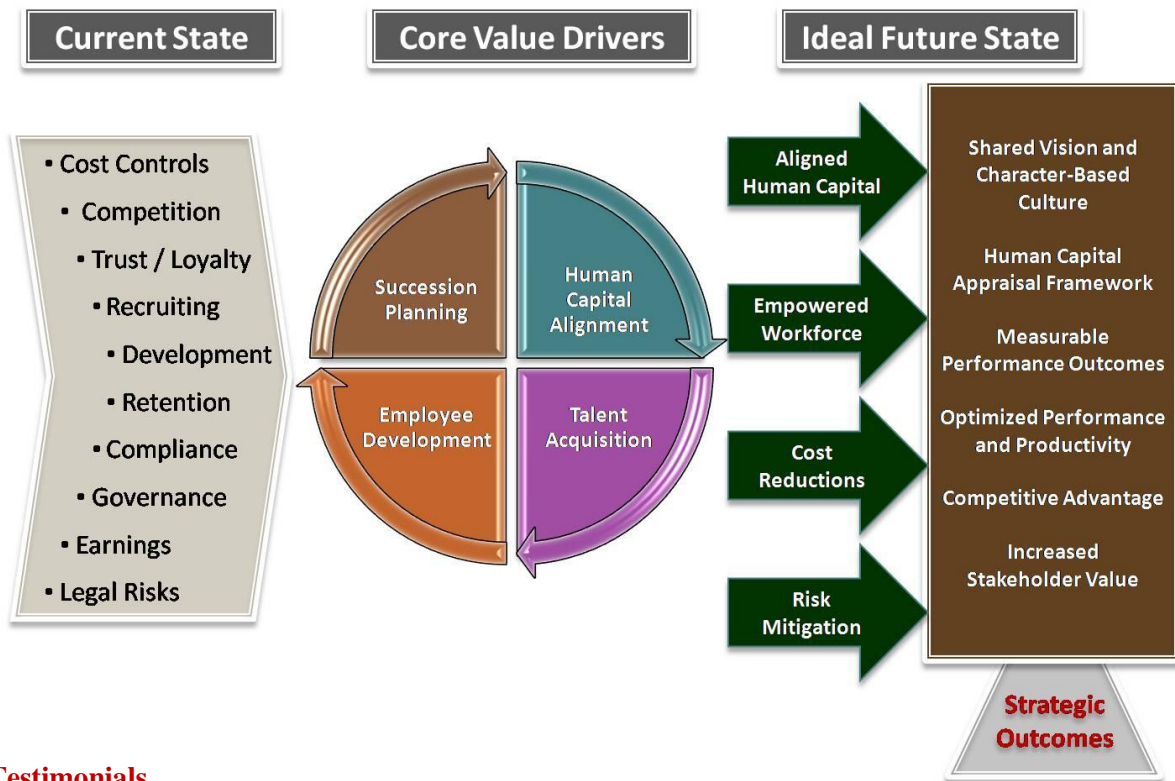
Aligning People With Expected  
Business Outcomes



Developing  
Authentic Leaders™

## Customer Value Proposition

The MERIT Integrated Solutions platform utilizes strong predictive analytics with a proprietary character competency grid, enabling organizations the ability to link their key performance indicators (KPIs) to strategic business outcomes and alignment to core values.



## Client Testimonials

- "I believe there is an enormous opportunity to deliver Future Achievement's proprietary character-based platform to multiple corporate, government, community and educational institutions. The MERIT Integrated Solutions can impact the performance and productivity of organizations worldwide."

*Marc McBride, CEO  
McBride Companies*
- "For businesses to grow, they need to constantly embrace and enrich their unique human capital circumstances. To that end, Future Achievement offers integrated human capital solutions which can help any firm with their business growth challenges, especially related to talent acquisition, development, succession planning, and culture shaping. I believe any firm can benefit from their product or service offerings."

*Terry King, President, Founder  
King & Associate / TalkCare*
- "Future Achievement's character-based solutions integrated with performance standards, driven down into each positional level within an organization is REVOLUTIONARY!"

*Tom Jordan, Chairman/Founder  
ECI Companies*
- "Our company mission and culture depends substantially on our ability to foster and reward a common language around strong character. **Future Achievement's MERIT Character-Driven Leadership** program has given our 250 Managers the tracks to run on in terms of their personal and professional growth. It has also equipped them with the tools to mentor our employees and leverage this positive character-focus into a competitive advantage."

*Steve Thorne Chairman, CEO/President  
Pacific Dental Services*

## Improving The Predictability Of Human Capital Decisions...

Assess

Align

Empower

Evaluate

### Changing Times: Changing Trends

- ✓ The pace of change has accelerated dramatically in recent decades, producing seismic changes in business and society. One consequence of these shifts is that people are more important than ever to success. Their importance will only grow in the future.” (Creating People Advantage: How to Address Human Resource Challenges Worldwide through 2015, Boston Consulting Group: study of 4,700 executives in 83 countries)
- ✓ Saratoga Institute: As much as 60% of the turnover at non-exempt levels is the result of “character-related” issues, such as relationship fractures, peer confrontation and self-absorption.
- ✓ Les Csorba, Heidrick & Struggles: Fundamentally, what our customers are asking us is this: Can you look beneath the observable skills and talents of a candidate to tell us something about their character? Les Csorba is the Author of a book titled TRUST – One thing that makes or breaks a leader.
- ✓ “The future of business is going to require a more data-driven, fact-based method to hire, pay and reward top performers.” (Worldwide Human Capital Management 2007, Top 10 Predictions, Information Data Corporation)
- ✓ “Many leaders have the drive and competence to lead. But too often, organizations elevate people who lack the integrity. Such leaders seldom last, for the simple reason that without all three, especially the moral compass, it is difficult to engage followers to sustain results.” Warren Bennis, Leader to Leader Institute (formerly the Drucker Foundation)
- ✓ “Enhancing workforce performance in today’s business environment requires: 1) an adaptable workforce that can rapidly respond to changes in the outside market; 2) leadership to guide individuals through change and deliver results; 3) an integrated talent model that addresses the entire employee life cycle; and 4) data and information to deliver strategic insights and measure success.” IBM Global Human Capital Study, 2008

### Differentiation / Competitive Advantages

If you are like most organizations, you are asking what are the major competitive advantages and the differentiators of the MERIT Integrated Solutions technologies and learning processes. To help you answer that question in detail take the next step and review our [MIS Advantages / Differentiation](#) document as part of your due diligence process.

#### ☑ Additional Steps

- ✓ To learn more, please participate in a [MERIT Integrated Solutions Webinar](#).
- ✓ To speak to a Company representative, please complete a [Client Inquiry Form](#).

#### ☑ Contact Information



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**The Right People Are The Greatest Asset To Any Organization!**