

Predictive Index (PI) – a central tool in strategic human resources development in a Norwegian savings bank

- By using the PRO-tool in the very beginning stage of the recruiting processes, we have obtained a much better background than earlier to assure the qualities of job description, job advertising and total recruitment, says HR-director Eldar Kjendlie in Sparebanken Hedmark.



*Managing Director of Sparebanken Hedmark, Harry Konterud, is also a PI-analyst.
HR-director Eldar Kjendlie to the left.*

Photo: Siv Stenseth

Sparebanken Hedmark has been a user of the Predictive Index (PI) since 1982. To begin with the PI-tool was mainly used to assure quality in recruitment and selection. The use of psychological tests and indexes was not yet common as recruitment tools in the Norwegian financial market at that time. Thus, an amazed managing bank director could scarcely believe that such an apparently simple tool could give so much interesting and useful information.

Sparebanken Hedmark has been a client of PI Europe, a PI Worldwide® member firm, since 1982. At the time, behavioral assessment tools were not commonly used by the Norwegian financial and banking industry. Sparebanken Hedmark began using the Predictive Index® (PI), along with the Performance Requirement Options tool (PRO), which profiles the behavioural requirements of the job, to assure quality in the recruitment and selection of its employees. Soon after deploying the tool, the bank's HR Director, Eldar Kjendlie was amazed by how easy PI was to use and the depth of interesting and useful information it could provide his team. "By using PI in combination with the PRO in the early stage of the recruiting process, we can obtain a much better background than we could before, as well as assure the quality of job description, job advertising and total recruitment," explains HR Director, Eldar Kjendlie.



Organizational Development

After this initial period, the PI little by little, based on further knowledge and experience, also became a central element in the bank's total human resources management and organization development. Based on the bank's knowledge and experience in using the tool, PI has become a central element in the bank's human resource function, which includes organizational development. In addition, PI is used at both a strategic and operational level, in areas such as: personal planning, recruitment, performance assessment, conflict resolution, team building and coaching.

Performance Assessment

PI is used in preparing performance assessment interviews as an integrated element in organizational development, describing basic personal qualifications related to the dynamic changes in job demands. "Our use of PI has made it easier to develop more motivating and productive job positions for our employees," explains Eldar.

Conflict Resolution

PI is also very useful in team building, coaching and conflict resolution. "PI has proven to be very important in creating confidence, understanding, and frankness between colleagues. PI helps to develop more productive and collaborative teams within our bank," Eldar adds.

PI as a Development Tool

There are two main factors that make the PI a development tool fitting the bank's general view of its human resources development strategy:

- PI is used as an index to provide insight into a person's natural, motivating, work behaviors.
- As a dynamic tool, PI gives a description of the person's current behavior, and uncovers strategies and opportunities to strengthen behavior/job fit.

These factors help the bank's managers in coaching both individually and dynamically.

PI Analysts

Today there are about 80 authorized PI-analysts in the bank and its subsidiaries. The HR- department has the main responsibility regarding the general use of PI, but the majority of the analysts are managers at the bank's ten profit centres and its two subsidiaries. During the recent 15 years the bank has frequently been using Performance Requirement Options (PRO) (which is the job describing tool in the PI-system) in personal planning and recruitments.

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Outstanding Economic Results

For the past twenty-five years, Sparebanken Hedmark has obtained outstanding business results. Measured in a national scale, the banks economical results during these years has been among the very best. During this same period, the bank has also been on a high and stable level of customer as well as employee satisfaction, and the bank's turnover rate has been low (on average about 3 % over the last 5 years).

Measured in an international scale during the past twelve years, the bank has been rated among the very best of the Scandinavian banks in the international financial periodical Bankers - twice making the top of the list.

"The Predictive Index has been a valuable tool in and developing and maintaining the bank's human resource and management functions during this successful period for our bank, – and it still is!" explains Eldar.



Facts about the bank:

Sparebanken Hedmark is a regional savings bank in the south-eastern part of Norway with its head office in the winter Olympic city of Hamar. The bank has about 500 employees serving 29 bank offices, and it has a 50% market share. The bank's total assets are about 45 billion NOK. Its main market strategy is "competence and authorization close to the customers – based on long term personal relationships".

Hamar, 21.09.2009/Eldar Kjendlie

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