

Two Simple Steps to Help Avoid Hiring Mistakes

by:
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Current economic challenges have resulted in a bounty of talented candidates for organizations seeking to hire. However, making an offer to a potential new hire is an expensive proposition. Furthermore, it can take many months to recoup the initial investment and many more to see a return on that investment. The key to assuring that you hire the best talent for your business and to keeping turnover costs down is to move beyond the typical hiring steps. Reviewing resumes, interviewing, and checking references are simply not sufficient to get the best return on your hiring investment.

One practical way to improve the odds of hiring the right person for the job and your specific organization is the inclusion of a validated pre-employment assessment tool. There are a number of advantages to using an assessment tool during the hiring process:

1. Establish of an objective hiring process.
2. Benchmark the required skills and profile for each role to identify the candidates that fit best.
3. Certify that candidates who present well on paper and in person, do in fact match the profile your organization is seeking.
4. Identify areas where additional probing could be helpful.
5. Understand the working style and motivators for the candidate that will drive results.
6. Increase retention and reduce turnover.

Quality assessment tools add objective information allowing for better decisions, better selections, better performance, and better organizations. For example, a Midwest staffing agency sought to enhance employee productivity and hire more effectively for their sales positions. With this goal in mind, a study was conducted to examine the relationship between employee productivity (in the form of sales totals during the first six months) and “job match” to a qualified benchmarking assessment tool.

Using sales dollars, the company classified its 13 recruiters as either top performers (six) or bottom performers (seven). Average sales dollars generated by the six top performers during a six months view was \$107,011. Average sales dollars generated by the bottom performers for the same six months was \$40,977. Based on the information gathered from the employer, an Assessment Job Match Pattern was developed that described the qualities of the existing top performers. The pattern was tested with the existing group of employees proving a high percentage of accuracy in properly grouping the employees.

The company used the benchmark to predict recruiter performance. Average sales dollars generated by new hires who matched the Job Match Pattern during a 6 month view: \$97,730. By using the proper assessment tool, this company selected employees that were likely to succeed, earning more now and in the future.

To get the most value from the use of an assessment tool in the hiring process, make sure it is no more than 1/3 of the decision process, that you choose one that is scientifically validated and that meets the Department of Labor Guidelines for Occupational Assessments:

1. Use assessment tools in a purposeful manner.
2. Use the "whole-person" approach to assessment.
3. Use only assessment instruments that are unbiased and fair to all groups.

4. Use only reliable assessment instruments and procedures.
5. Use only assessment procedures and instruments that have been demonstrated to be valid for the specific purpose for which they are being used.
6. Use assessment tools that are appropriate for the target population.
7. Use assessment instruments for which understandable and comprehensive documentation is available.
8. Ensure that administrative staff is properly trained.
9. Ensure that testing conditions are suitable for all test takers.
10. Provide reasonable accommodation in the assessment process for people with disabilities.
11. Maintain security of assessment instruments.
12. Maintain confidentiality of assessment results.
13. Ensure that scores are interpreted properly and consistently.

Once it has been decided that a person has the right personality and tools necessary for the job, it is imperative to ensure the person has no skeletons in the closet which may negatively impact your company. Negative issues may affect you monetarily, such as fines, lawyer fees, and/or stolen funds. An assessment test is a wonderful tool to match the skills to the job. Employee background checks provide the additional documentation to qualify the character of the candidate.

The most important idea to keep in mind is, “What position am I, as an employer, looking to fill and what is a reasonable amount to spend to properly fill that role?” A secretarial position might not require as much detailed screening as a CEO. Additionally, it is important to assess the duties of the position. For example, will that person have access to personal data of other employees or customers? If this is the case, it is worth further exploring a potential hire’s employment and litigation past rather than just his/her criminal past.

Finally, be mindful that your information is coming from an FCRA compliant source. It is possible that a non-compliant company will provide you with expunged criminal records, litigation records that are older than 7 years, and credit issues to which you should not have access.

While it may seem costly in the outset, proper employee assessment and employee background screening practices will save you and your company time, stress, litigation and overall costs associated with hiring the wrong individual for the position.

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