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#### Cognitive Errors and Hiring

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Making a great hire is tough. In what is typically just a few short meetings, you must accurately predict whether or not a person can do the job and fit with your company's culture. The whole situation almost seems setup to fail. How can you possibly get to know someone well in such a short amount of time, and still be right most of the time about who they are, what they can do, and what motivates them? If marriage were this way, I doubt most people would participate in such an abhorrent process. This, however, is the world we live in. We are bound by practical limitations of time, money, and availability. As a result, hiring is difficult – but this isn't where the difficulty ends.

#### **Cognitive Errors and Hiring**

People do not evaluate each other accurately. In fact, they tend to be quite bad at it. The reason boils down to our predisposition to cognitive errors, or "traps," when making decisions, especially in a hiring context. First, our brains manage a constant flood of information each waking moment throughout our lives. This flood of information makes it essential for humans to take short cuts to function. While those short cuts can help you in some situations, they can also cause you to make mistakes when evaluating information. These mistakes can happen in a variety of ways, even without a person realizing it, and those same mistakes are particularly impactful in a hiring context. Let's review the six mistakes a little more closely.



## 6 Cognitive Errors and Hiring

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We tend to assume that people with some positive characteristics have other "positive" characteristics, such as abilities on the job, even when the two things are not at all related.

For example, we often unconsciously assume someone who is attractive and tall, is also smart. This is commonly referred to as a "halo" effect. Conversely, negative characteristics can result in the assumption of other negative characteristics about a person. This is referred to as a "horn" effect. These stereotypes also extend to how much an interviewer "likes" the person they are interviewing. People tend to assume someone they like will be good at the job (and this is often times a result of how similar the person is to the interviewer), even about abilities that are completely unrelated to likability.

#2 We tend to seek out information that confirms conclusions we've already drawn.

Known as confirmation bias, this sets us up to ignore relevant information, while focusing on information that supports a conclusion that could be wrong. In a hiring context, it is possible to quickly and inaccurately draw a conclusion about a candidate and then support that decision by focusing only on things that support the initial decision that was made, often in haste.

#3 We are frequently wrong about what factors are actually related to producing the result we want.

In hiring, the characteristics the interviewer believes results in success, may not actually lead to that outcome. These often arise from our own personal theories about performance. A few examples of such theories are: people who have played sports are more likely to be a team player, extraverts are hospitable people, or people who have attended an Ivy League school are entitled. Interviewers often draw linkages between certain events that seem obviously related to them, but are not reliably true. In hiring, you must be confident that the factors used to evaluate a candidate's potential are actually predictive of performance — not only because it is a more accurate method, but it is also legally required.

#### 6 Cognitive Errors and Hiring

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#4

We assign value to how much effort or time we've put into something.

Known as "sunk-cost fallacy," we miss or ignore logical facts, and instead, make irrational decisions based on our emotions. This can happen if the interviewer has invested a good amount of time, evaluating the candidate's abilities and getting to know them. Then when you discover information that would cause you to discontinue the candidate, it is harder to act on it than if it had been revealed earlier.

#5

We make decisions based on the first piece of information we acquire.

This is often called "anchoring" or "the anchoring effect," and this over reliance on the first piece of information offered (the "anchor") causes additional and useful information acquired later to be ignored or assigned with less importance. One example is when a candidate has a great resume with lots of education and experience. It's possible for that information to ultimately cause the interviewer to ignore later information that would seem to indicate a poor fit.

#6

We rely more on our recent, available memories, instead of a comprehensive set of facts.

This error, known as the "availability heuristic," comes into play when a person is trying to make a decision and they rely solely on the things that immediately spring to the forefront of their thoughts. If a hiring manager simply thinks back on the interviews that had been done that day, the interviewer is likely going to fall victim to this because he or she is going to rely on only the most memorable things that happened that day, versus a comprehensive recounting of everyone's abilities and individual responses.

#### 4 Steps to Creating and implementing a Hiring Process

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In short, hiring is tough. The logistics of it mean you are under very heavy time constraints and at the same time, your natural tendencies predispose you to make rash and incomplete decisions about others when evaluating them. So what can you do? Fortunately, just as much research has gone into solving this problem as there has in identifying the many ways we can get it wrong.

In this eBook, we outline the four major steps to creating and implementing a hiring process that minimize cognitive errors and traps that otherwise can cause you to hire incorrectly, while at the same time, taking into account the practical limitations associated with hiring in the real world.



- 1 Start with the end in mind
- 2 Build the right tools
- 3 Implement your hiring process
- 4 Evaluate success

## Profile vs. Performance-Based Selection

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A frequent mistake made when creating a hiring process is to not fully think through the actual goals for a particular position and instead, rush to create a "profile" of what a successful person will look like. The profile either comes from a composite of the highest performing employees or, the profile is simply assumed – for example, we need someone that has "x" amount of education or has "x" type of personality, without establishing a sound theory for why each characteristic is or is not important.

Both the composite and assumed profiles are relatively easy to do and they are intuitive, unfortunately they both have large disadvantages that arise out of the process.

#### **The Composite Profile**

The composite profile requires that high performers be designated prior to the development of a profile. This places considerable weight on the ability of managers to accurately identify and assess performance and keep it separate from personal bias. As we just noted, biases come into play here. Such things as political issues among supervisors, departmental loyalties, buddies choosing buddies, and people nominating people with whom they are most comfortable, all affect manager nominations of "high performing" employees. These biases are always problematic, but can also be highly counterproductive to a company that is trying to increase employee diversity or move to an even higher level of performance.



## Profile vs. Performance-Based Selection

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#### **The Composite Profile**

Another issue is that only high performers are considered for the profile. It is entirely possible that a characteristic in common with your top performers has nothing to do with their actual performance. For example, we might conclude that a person has to be a "dominant" person because all of your top performers are that way. However, you might find all of your low performers are also dominant — clearly that factor alone doesn't drive performance.

The net of all these issues with creating the profile is that a company focused on raising performance standards, changing the definition of effective performance, or selecting employees on a more inclusive basis, has begun with a profile that works against all of those objectives. Instead of selecting the best person, you may very well select just an adequate person, or worse yet, a poor performer. This is because the process began with a series of incorrect assumptions, leading to these limitations:

- The employees profiled typically were hired without a rigorous selection process in the first place
- The employee may not be at all representative of the ways employees can be successful (e.g., there is only one profile)
- Most people cannot accurately identify performers beyond the five to ten percent of employees who are at either extreme of performance and, as we have stated before, people are bad at just "evaluating" people through simple reflection
- Single definitions of what it means to perform well are typically used, failing to reflect the specificity and diversity of performance that is actually required on the job

Profile vs. Performance-Based Selection

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#### The Assumed Profile

In the instance of the "assumed profile," the people responsible for the hiring process do little to no research and simply assume, or guess, that specific qualities are linked to performance. As we discussed earlier, we are often wrong about what factors are actually related to producing a particular type of performance. In hiring, this is often because the characteristics the interviewer assumes results in success may not be what actually results in success. This relates back to inaccurate perspectives that are grounded in social and personality biases. For example, believing you require someone that is narcissistic or money-hungry for a sales position. On the surface, this might fit our stereotypes of a sales person, but if vetted, might not be true because it was never adequately researched and just assumed.



## Profile vs. Performance-Based Selection

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Another major mistake made when evaluating which knowledge, skills, abilities, and other qualities are necessary for a particular job is only focusing on WHAT the person will do – the functional or operational aspects of the job (i.e., "What I need to do to get my job done correctly."). You also need to consider HOW the person will do the job – these are the interpersonal parts of the job (i.e., "How can I best behave to accomplish the most in the best way?") – and WHY they are doing the job – the motivational aspects or an individual's overarching sense of purpose about the job (i.e., "Why do I need engage in the activities that I do for the business?").

By considering this basic framework, you are sure to begin to ask the right questions to end up with the right answers and information needed to set a clear set of performance expectations. Because of this focus on performance, the process we recommend is called, performance-based selection. It is similar to profiling in that the aim is to identify the characteristics of successful employees that can then be applied to job candidates, but is different in one major respect: While profile-based selection focuses on the characteristics of the job incumbent, performance-based selection focuses on actual job behaviors and success (e.g., how effective performance, fit, and retention are defined) without regard to the personal characteristics of current job incumbents.





## Performance-Based Selection

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Steps to developing a Performance-Based Selection Process:

**#**]

#### Identify what a quality hire does, rather than what he or she looks like.

At this step, job incumbents are not included in the process. Rather, groups of job experts, results from job analysis, and the needs of the company are reviewed to develop a definition of performance, fit, and retention. At this stage, the goal is to remain at a task level, while always considering the what, how, and why of the job.

#2

#### Organize the tasks into general performance dimensions: competencies.

In conjunction with job descriptions and knowledge, job experts create the performance dimensions to fit their definition of successful performance. An important goal at this stage is to not only include aspects of performance that are currently important, but to also include aspects that will be important to the company in the foreseeable future. These dimensions are the beginning of what will eventually become a competency model.

#3

#### Create a competency model.

Organizing the competencies and descriptions into a comprehensive set for each position, reflecting all aspects of the job, is the process of developing a competency model. This becomes a blueprint for all of your talent management processes. In an ideal scenario, this blueprint of the competencies and behaviors required for performance, has the following qualities:

- Is job-related
- Is aligned with the company culture, including terminology
- Shows the relationship of the job requirements between positions, highlighting similarities and differences as jobs change on both the horizontal and vertical axis of the organizational chart
- Includes clear definitions and behavioral examples of competencies, and does not rely on interpretation of names or titles

#### SAMPLE COMPETENCY MODEL

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#### **CUSTOMER FOCUS**

"Understands what delivering a great customer experience entails and works to consistently meet or exceed customer expectations."

Proactivity - Warmth - Product/Service Knowledge - Energy/Passion - Empathy - Respectful Communication

#### Completely understands what delivering great customer service entails for his or her position and the team

**Individual Contributor** 

- Proactively assists customers and makes them feel special by anticipating and recognizing their needs and preferences
- Energetically educates customers about products and services that the company offers

#### Assistant Manager

- Completely understands and teaches what delivering great customer service entails for his or her position and positions he or she oversees
- Consistently listens to and relays customer feedback with a sense of urgency to improve services and products offered and acts upon the feedback as appropriate
- Removes any barrier impeding customer service

#### Manager

- Ensures that others are equipped to deliver great customer service through communication, training, hiring practices, promotion, etc.
- Proactively searches for ways to increase customer satisfaction and relays that information or acts upon the feedback, as appropriate
- Monitors, measures, and evaluates customer-centric outcomes through in-house metrics

#### General Manager

- Ensures that locations are equipped to deliver great customer service through quality programs and promotions, communication, training, and clear and concise expectations
- Anticipates and evaluates the impact his or her actions and decisions will have, and currently have, on the customer experience at his or her location
- Works across departmental lines to initiate and support customer-centric programs and outcomes

#### Corporate Leadership

- Effectively sets strategy designed to maintain and improve upon the customer experience and sustainable product knowledge
- Creates and supports systems and processes that influence the style, message, and frequency of the customer experience
- Evaluates the success of the business with delivering upon the intended customer experience using multiple sources of information, and responds accordingly

There are a variety of tools and methods that can be used to evaluate candidates during a hiring process, and all have both pros and cons that should be considered. With all well-developed (i.e., validated, proven, evidence-based) hiring tools, however, the goal remains the same — control for error and bias while providing insight beyond what an unstructured and unscientific process would provide otherwise.

Before exploring the specific characteristics of the most common types of hiring tools, let's discuss the practical considerations you should take into account when evaluating which tools should be used.



Practical Considerations

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## #]

#### **Effectiveness**

One of the most important elements of any hiring tool is to ensure it is effective, meaning it is a valid and reliable measure of a particular competency - in other words, it predicts performance and behavior. Unfortunately, due to the nature of people measurement, there are at least two relatively easy ways to fail at creating an effective tool:

- The content of the tool does not measure the competency it is supposed to measure. This may seem surprising, but it is remarkably easy for an individual to assume that a particular question actually relates to a certain ability. For example, asking someone "What color would you be in a box of crayons?" (a real question that has been asked by Urban Outfitters) might be assumed to evaluate a person's creativity, when in reality, may have nothing to do with creativity on the job at all.
- The structure of the tool results in unfair or inconsistent treatment of candidates. If proper steps are not taken to ensure the tool is administered correctly, it can either undermine the content or fairness of the tool. For example, you might not adequately control for human error during administration, or the tool might lack the proper guidelines to ensure consistent usage. As a result, when evaluating the effectiveness of a hiring tool, it is important to ensure, and document that it (1) measures what it is supposed to measure and (2) can be reliably and consistently administered. The specific concerns for these qualifications can vary by hiring tool, so it is important to consult experts regarding the specific legal requirements of each tool.

Practical Considerations

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#2

#### Cost

Cost will always be a factor in decision-making, and hiring processes operate according to the business rule of thumb — if a tool generates or saves more revenue than it costs, then it is good. As a result, there is a sliding scale for what is reasonable with regard to cost. For example, positions which have the opportunity to dramatically influence revenue for the business, such as entry-level customerfacing roles, would deserve a larger investment in the hiring process because of the potential consequences of a wrong decision, or missing out on someone that could have done the job better. However, that is not the only consideration. If you consider the overall business impact of hiring a high volume of lower level positions, there can be significant gains or losses that can be had as small affects multiply through the sheer number of employees. Always consider the overall impact of making the wrong hiring decision and weigh how much expense is worth ensuring the right decision is made — it can often be surprising how little resources have been dedicated to avoiding very expensive hiring mistakes.

#3

#### **Candidate Friendliness**

One of the most important elements to making a hiring tool or process candidate-friendly is to ensure the length of the hiring process is appropriate, both in actual time spent participating in the process as well as the amount of time that actually passes from initial interest to hire. As with cost, a balance should be struck between spending enough time with the candidate to get quality information and spending so much time with the candidate that time is wasted or the candidate is lost to another company. The length of time a candidate will tolerate for each step of the hiring process, such as application and assessment, depends heavily upon norms for the position and industry, but it can also be mitigated by creating an engaging and informative hiring process. In fact, a slightly longer, more engaging process can peak candidate interest and the perceived value of the job. Therefore, the best hiring process is not the shortest one, but rather, the process that gives both parties the most quality information possible about each other in a reasonable amount of time.

# 2

## **BUILD THE RIGHT TOOLS**

Practical Considerations

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#4

#### **Fairness and Legality**

First and foremost, for a hiring tool to be fair and legal, it must effectively measure characteristics that are essential for the job. In legal terms, these characteristics are called bona fide occupational qualifications (BFOQ). However, it does not end there. The tool should also not discriminate based on any protected class, as outlined under Title VII and related legislation. In short, a fair and legal process focuses on hiring for qualities related to success on the job (e.g., teamwork) and ignores things that do not relate to success on the job (e.g., race). Additionally, your hiring tools and processes must meet the requirements of the Americans with Disabilities Act (ADA), which states that if someone can perform the essential functions of a job, with or without a reasonable accommodation, that candidate should be fully considered for the position and not eliminated based solely on the presence of a disability. The last major requirement for a legal and fair process is consistency, which means ensuring each candidate has the same experience during the hiring process (i.e., is being held to the same standard). While there are a number of legal details and nuances that relate to hiring, in general, what we've outlined are the macro concerns for developing a fair and legal hiring process. It is worthy to note that laws can and do vary by state and even county, and legal counsel should always be consulted while building any hiring process or tool.

## Types of Hiring Tools & When to Use Them

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A strong and comprehensive hiring process leverages multiple tools for evaluating a candidate. By using multiple tools, the variety of information collected is increased, while also reducing error and bias. Tools can also be cross-referenced to provide a more in-depth evaluation of a person's abilities. Below we have listed some of the most common hiring tools and described how they can be used alone - and together - to ensure the best hiring decision possible.

#### **Job Descriptions**

A job description is one of the most basic tools you have to attract qualified candidates. The job description lists the essential job functions and minimum qualifications needed to successfully fill a position. Their main role is to clearly document job required elements for the company, while also serving as an educational tool for candidates. While the documentation is important, in the recruitment process, the educational element is tantamount. The more engaging this information is, the greater likelihood that it will serve its purpose – attract those who fit your needs and repel those who are not a match. As a result, when creating a job description, attention should be given not only to its accuracy, but how the information itself is presented to the candidate to ensure they will have understood and fully considered the information.

When to Use: It is good practice to share job descriptions when you have them, but the highest value comes from sharing the content when the job tasks may be unusual or less likely to be intuitively known by candidates.

Sharing this information as early in the hiring process as possible increases the chances that the information will be fully considered by the candidate. This results in him or her opting in or out of the hiring process as early as possible, saving everyone time and effort.

## Types of Hiring Tools & When to Use Them

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#### **Employment Applications/Resumes**

Using a smartly constructed employment application and/or resume sharing feature allows hiring managers to quickly review the basic knowledge and experience areas which often set candidates apart. The mistake most often made is either asking for too much information too early, or not gathering the information in a way that makes it easy to systematically receive, review, and follow up on. The administrative element of applying for a job is often turned into an unnecessary burden when employers ask for information as part of the first step of applying that isn't used as part of the initial screening process (even worse yet, some ask for information that will never be used). Don't ask for unnecessary details or information until it will actually be used. In addition, leverage technology such as Applicant Tracking Systems to easily consolidate standardized information and automate decisions. The more quickly you can review and process records, the more quickly you can follow up with the right candidates and eliminate the poor ones.



of candidates have quit an application process because it took too long



of candidates would share negative application experiences with friends and family

When to Use: We recommend requiring candidates to complete a standardized application that captures your most important initial screening information. Things such as summarized work experience, education, and key skills can be easily input by the candidate and can be screened quickly (even through computer automation) to identify the best-fit candidates. Collecting resumes can be a great source of additional, in-depth information necessary for some positions, but we recommend always using a standard application to automate and streamline your review of basic information.

Collecting this information as early in the hiring process as possible allows you to quickly identify candidates who meet your minimum requirements and follow up with candidates who are not going to move forward in the process.

Types of Hiring Tools & When to Use Them

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#### Realistic Job Previews (RJP)

The goal of a Realistic Job Preview is similar to a job description in that it should provide educational information about the job; however, a good RJP extends beyond just information about essential functions and minimum qualifications. A strong RJP should provide information about your company, your culture, and what daily life on the job is like. Frequently, they communicate a clear Employee Value Proposition, which appeals to the values and goals of candidates who will likely be successful. The overall objective is to not only share what makes the position and company great, but what might also be uniquely challenging for employees. In many ways, a good RJP fills in where the job description stops to create a more colorful illustration of what the job will feel like on a day to day basis - much like staging a house that is for sale. RJPs come in a variety of formats, such as employee stories, questions about employee preferences, and actual interactions with current employees and/or work situations.



1 67% of employers believe retention rates would be higher if candidates had a clearer picture of what to expect about working at the company before taking the job

When to use: A well-designed RJP will set your company apart from the competition and present a consistent and clear message to all candidates. RJP information can be scattered throughout the hiring process via a variety of formats. For example, some text in a job posting might be the beginning of the education process about your company's values, then a video later on might be used to provide personal insight into workplace culture, then later, the experience might culminate with an in-person visit in which the candidate is invited to observe and interact with employees doing the actual job. Whatever the medium, it is important to keep the information engaging and focused on what makes your company and jobs unique. As you might expect, the stronger and more unique your culture, the more powerful the RJP becomes. Just remember to keep it realistic!

Types of Hiring Tools & When to Use Them

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#### Assessments

There are a variety of assessment types that can be used to support your hiring process. In general, the categories include personality, skill and knowledge, job/culture fit, situational, and cognitive ability assessments. Depending on the job demands, it may make sense to use one type of assessment over another. That being said, by using a combination of different types of assessments, you can often gain a more complete picture of the candidate and more precisely measure the qualities needed for job performance, fit with your culture, and retention.



When to Use: The type of assessment you are using, pricing structure, and time required to complete the assessment will typically determine the best place in your hiring process to administer the assessment. While some up-front personal interactions with a candidate can help support an engaging process, including an assessment earlier in the hiring process to screen out those who are unlikely to be successful helps reduce candidate and interviewer time, especially for high volume positions. Regardless of placement, assessments are a great source of objective information about a candidate given the "third party" nature of the evaluation and consistent standards applied to scoring of the assessment.

Types of Hiring Tools & When to Use Them

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#### **Structured Interviews**

Conducting an interview with a candidate is the most commonly used technique for evaluating a candidate's fit for a particular job. While much less common, using a standardized or structured interview proves to be a far more accurate and fair technique (many studies put them to be 3-4x more accurate). We define structured interviews as those that include (1) pre-defined questions that are asked of every candidate, (2) guidelines for scoring the candidate's responses, and (3) a numerical score with minimum guidelines for evaluating candidate acceptability. While behavioral interview questions ("tell me about a time when you...") have been frequently shown to increase the accuracy of interviews, we recognize they too can have shortcomings – particularly in situations where candidates have minimal prior work and life experience. As a result, we also recommend using questions that inquire about possible work situations, probe into the "why" a certain answer is best, and request multiple alternative solutions to a problem. In addition to comprehensive interviewer training, structured interviews put the proper controls and strategies in place to dramatically reduce common interview mistakes and reveal a candidate's true strengths and weaknesses.

When to Use: The content of any interview should be designed to complement and overlap with other evaluations (for cross referencing information), while at the same time measuring competencies that are best evaluated via an interview format. For example, cognitive ability is challenging to evaluate via an interview, but is measured very well via an assessment. However, other things such as passion and interest in the job, verbal and social skills, and emotional intelligence are measured quite nicely in an interview setting.

Frequently, it is wise to use a short interview early in the process to assess general fit and to share information with the candidate about the organization. This approach reduces the time spent with candidates by eliminating those that are a more obvious mismatch as early as possible. A second, longer interview later in the process gives the opportunity for additional individuals to meet and evaluate the candidate and also allows for follow-up and the cross-referencing of any information that may have been collected from other earlier steps in the process.

#### Checks: Background/Reference/Employment

There are numerous checks that can be performed on or about a candidate during the hiring process. In most situations, these checks boil down to verifying the candidate provided accurate and complete information. Although in some instances, the checks are designed to gather new information (e.g., reference checks; it is worth noting that most reference checks do not provide much useful information). Unfortunately, background, reference, and employment checks can be very difficult to perform, time-intensive, and often times very expensive. As a result, whether such checks are performed is frequently a matter of balancing those cons with the potential risk to the company and employees, should information have been omitted or falsely provided by the candidate.

When to Use: Background, reference, and employment checks are typically reserved as a last step of the hiring process, sometimes even after a contingent offer of employment has been made. Sometimes this might be a legal requirement, but typically the placement is done to avoid the difficult process of carrying out the check unless it is truly necessary.





## Establishing and Monitoring Buy-In

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Implementing a new hiring process is not as simple as just developing it, training on it, and stepping back to admire the results. There are four essential activities to ensure the tools will be used (and used correctly), and will produce the desired result. As with any change, as more people are involved in the process, more attention and resources should be used to ensure those activities are carried out fully and correctly. See below for best practices and considerations to take before implementing a new hiring process:

## #1

#### **Establishing and Monitoring Buy-In**

Let's assume you involved key users of the system during development to ensure you had an insider group provide input into the new process. While this group will be a great resource upon roll out, you may introduce the new hiring process and find some push back. We've found the best way to establish buy-in is to explain the basics about what makes structured hiring processes helpful, especially using reasons that are team-oriented and not so much about their ability to hire well (although, as we pointed out at the beginning of this eBook, people need help and tools to avoid biases and error – they just do!).

What to share with hiring managers:

#### a. Protect Your Brand and Ensure Consistency

There is only one way to ensure everyone (every manager, at every location/department) is using the same standards and evaluating the same abilities for the same positions – and that method is to use a structured process that guides hiring managers through the same steps and tools. Without a set process, the result is likely to be widely different. We accept this as part of recipes when cooking and blue-prints when fabricating – and the same is true for hiring. Given that not everyone has the same experience levels with hiring, or the same personal preferences and beliefs about performance, a structured hiring process ensures there is consistency throughout the business.

## Establishing and Monitoring Buy-In

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#### b. Legal Protection

The best protection against both breaking the law and having the ability to immediately shut down challenges to your hiring practices is to have a proven, set process that everyone follows. Without a structured process, it is very hard, if not impossible to defend. The absence of a process is even worse than one that is not followed 100% of the time. Also, attempting to defend the absence of a process with, "Joe is just good at hiring, he has done it for years," will not fly. Legal defense is built on evidence, not trust. Having a structured hiring process that is consistently followed protects the company and everyone's jobs.

#### c. Investment in the Tools

If you are implementing a new hiring process, it means a certain amount of resources have already been expended when creating it. The investment has been made and it is worth using the tools to at least see what the initial outcome may be. The "give it a chance" argument is valid and often times it takes just making the change for a bit to see it was worth doing. It is always smart to be open to feedback and adjustments as well. The first round might not be 100% perfect and additional feedback from end users can go a long way to support both buy-in and the quality of the process.

#### d. Reduce Administrative Burden and Relevance

The right hiring tools ultimately reduce the administrative burden of hiring correctly. It can be done incorrectly with very little burden, but to do it correctly – a set hiring process with support tools will always reduce the burden, especially when online tools and related technology are used. So using the process saves time and effort. A disorganized and archaic hiring process turns off candidates as well, and sends the message that the entire business might be managed that way.

## Increase Your Recruiting Efforts

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#2

#### **Increase Your Recruiting Efforts**

By its very nature, a good hiring process is going to eliminate more candidates than a bad one will. From a long-term perspective, this is great because hiring managers will spend less time with poor candidates, and more time with quality candidates. Further, they will spend less time hiring due to reduced turnover and increased performance; and over time, it will be easier to hire because of a strong brand reputation driving candidate interest. However, the initial reaction from hiring managers to a new process can sometimes be negative, especially if the hiring process has been dramatically changed. This is because they (1) will likely be spending more time with some candidates now that managers are being more thorough (a very lackluster hiring process is usually shockingly brief), (2) will feel like they are turning away a lot of candidates (again, compared to a lackluster process, they should be), and (3) are likely going to need to start doing more to recruit and attract candidates.

As a result, recruiting efforts typically need to be improved along with the hiring process itself. Frequently, the old strategy would have been to do very little with recruiting, and then hire the few people that applied. That will no longer work. Improved selection means there also needs to be a better candidate pool. As a result, you must not only prepare your hiring teams to expect this, but you must put into place new tools and strategies to support recruiting — otherwise your new hiring process is nearly guaranteed to struggle due to a shortage in candidate flow.





## Set Hiring Guidelines and Conduct Training

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#3

#### **Set Hiring Guidelines and Policies**

This has as much to do with providing clear direction as it does with avoiding unnecessary debates and contradictions between decision makers. There should be clear standards for what will and will not be acceptable for each stage of the hiring process. For example, what is preferred versus what is essential for educational standards and other minimum qualifications? If an assessment is being used and it includes a hiring recommendation, then what are the rules about following the result? Clarity should also be made about who makes a final decision about a hire and who clarifies questions when someone would like to make an exception to a rule. Situations such as rehires, time frames for reapplying, opportunities to "redo" steps, and automatic "knock-out" situations should all be fully considered with standards set and documented prior to implementing the new hiring process.

#4

#### **Conduct Training**

While initial training for a new process is fairly obvious and typically done fairly well, where we often see errors made is with implementing an effective maintenance training process. The most common way training on the hiring process occurs after the initial training, is by the originally trained managers training the new managers – but is often done without guidelines or tools. As a result, the training either never happens, or it becomes diluted, and overtime morphs into something similar to the outcome of the classic "telephone game." Much of the original objectives are lost, false information is introduced, and at best, the new hiring manager has been given a bunch of disinformation about how the process should work. Take the time to create a standardized training program that is incorporated into your Manager In Training process. Checks and balances should be placed on your hiring process training program and periodic audits should be performed to evaluate record keeping and manager competency.

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As with implementation of any system, periodic evaluations should be performed to not only keep the process functioning at optimal levels, but also to clearly document the impact the system is having on business objectives.

To complete a comprehensive evaluation of your hiring process, there are at least four points of evaluation to conduct immediately after implementation and periodically throughout the life of the process:

#1

#### **User Experience**

Because of the exposure hiring managers have with the hiring process and tools, they can be a great source of information for feedback and improvements to the process both immediately after implementation (we recommend collecting information 90 days after rollout) and periodically over time. One of the best methods for collecting feedback is via a short survey, as it can help ensure you aren't just hearing a few of the louder voices, but rather that you are getting a good sampling of everyone's impressions of the tools. The information you receive can be used (1) to make improvements, (2) to improve the hiring manager experience so they continue to use the process, (3) to identify process improvements (e.g., faster hiring, fewer interviews to hire, etc.), and (4) as an initial indicator of whether the tools are effectively selecting good hires and eliminating poor hires.

#2

#### **Candidate Experience**

Candidate feedback is useful for understanding whether the hiring process is sending the intended message and creating a relatively positive experience. We recommend incorporating formal mechanisms for collecting feedback from candidates as they go through the process (or not long afterwards) to help add to your analysis of all stakeholders that are impacted by the tools. When evaluating the tools, be sure to ask about specific touchpoints and impressions you intended to make along the way, including:

- How did the process make you feel? Did you confidently know what to expect at each stage of the process?
- Was communication clear and easy to understand?
- Did you feel you were given an opportunity to share what you had to offer?

## **EVALUATE SUCCESS**

### Quality of Hire and Business Impact

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#3

#### **Quality of Hire**

Of course, one of the most important ways to demonstrate the value of a hiring process is to document improvements in any one, if not all, of the elements of a quality hire - performance, retention, and cultural fit (e.g., higher performance ratings, lower turnover). As a result, demonstrating improvements, especially after a change has been made, is the best way to document via a pre/post comparison that the changes have had a positive and measurable impact. Unfortunately, continuing to demonstrate the benefits of the process over time is quite difficult, as typically a point of diminishing returns is reached and a sort of equilibrium occurs. As a result, it is important to document that a process has made improvements when initially implemented and that a proven, statistical relationship exists between the tools and performance.

#4

#### **Business Impact**

As with demonstrating the impact on employees, it is very important to be able to document the final outcome in the chain of expected outcomes — an improvement to the bottom line either through the control of costs or addition to revenue. To some degree this simply means translating some of the employee outcomes into a dollar figure. For example, by calculating cost-per-hire, you can document many of the tangible costs related to turnover, such that a company can go so far as to say, for every reduction in turnover of X%, X dollars are saved. Additional calculations can also be had — improvement in sales per ticket, for example, so that it can be possible to calculate a true ROI for the system. This not only helps to document the benefits of a sometimes difficult to measure area, but it also assures leaders that their investment is being put to good use.

## FINAL THOUGHTS

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As you can see, there is a lot that goes into developing a comprehensive and effective hiring process. Whether you are currently developing your first hiring process, revamping an existing one, or simply doing research to gain additional insight, we hope this eBook provided you with the information you need.

#### **About Corvirtus**

Corvirtus is a premier talent management company and a leading provider of hiring assessments, performance development tools, and engagement surveys designed for industries where the customer experience is critical for success. Corvirtus has developed proven assessments to identify the right talent to achieve greater brand loyalty, revenue, and growth. To learn more, visit www.corvirtus.com.

Still have questions or need help designing your hiring process?

Click the logo to contact us - we'd love to chat!

