

**Publisher**

Debra Anthony

**Managing Editor**

David Young

**Associate Editor**

Desiree R. Lindbom-Cho

**Designer**

Tanya Bäck

**Cover Photo**

Katherine Pekar-Minter © 2016

**Phone**

832-766-1546

**Website**

nbizmag.com

**Corporate Address**

PO Box 6352

Katy, TX

77491-6352

*NBIZ Magazine* is published six times per year. All articles and advertising represent the opinions of the authors and advertisers and not necessarily the opinion of the publisher. The information contained herein has not been verified for accuracy, and its inclusion should not be construed as the publisher's endorsement of the products, services, or articles presented. No part of *NBIZ Magazine* and NBIZ Website's content may be reproduced in any form without written permission from the publisher.

[www.nbizmag.com](http://www.nbizmag.com)

# Good Interviews Gone Bad

By Leanne Hoagland-Smith, M.S.

"He interviewed so well. Our entire executive team thought he would be a good fit." So said another CEO who realized he had made a potentially harmful hiring mistake.

Hiring mistakes likely rank among the top unexpressed regrets of CEOs, HR directors, and sales managers. How many times has a potential applicant interviewed well, yet after 30 to 60 days, something is really wrong? I remember, when serving as an elected school board trustee, the interviewing superintendent asking another member, "Did these teaching candidates all go to the same interview school?"

Hiring someone is very much like putting together a jigsaw puzzle. The overall picture is the organization's culture. This culture is critical to finding the right missing puzzle piece.

When the puzzle is completed accurately, all the pieces fit together, and the culture reaffirms the CEO's vision. But if a single piece is wrongly placed—even if it appears to fit—it will change the jigsaw's picture. This change may result in an entirely different corporate culture and, subsequently, vision.

Interviewing a potential new hire is just one action among many in finding the correct missing puzzle piece. This action becomes even more challenging when an interview process involves a team approach. Some companies interview candidates multiple times and still end up with a poor fit.

A quick search of the Internet revealed 306,000,000 hits for the search string "how to interview well." The search string "how to ace a job interview" returned more than a million hits, with the top search result a quick listing of eight popular interview tips. Many of today's job applicants are far better prepared than in past years. No wonder it sounds like they all went to the same interview school!

Job applicants have access to hiring companies through those firms'

websites, as well as other websites that reference those companies; to other employees through LinkedIn; to college resource centers; and to interview coaches. Being unprepared for an interview is no longer an excuse not to be hired.

Possibly, this better preparation on the part of job applicants is one reason why more firms are turning to psychometric assessments. So long as an established process exists regarding when to use these assessments, the assessments are approved by the Equal Employment Opportunity Commission (EEOC), and the assessments have high statistical validity (a minimum of a 0.85 co-efficient), this course of action may save thousands of dollars and prevent a toxic employee from entering the workplace culture.

Exxon, Mobil, Chevron, Ford Motor, McDonald's, Bank of America, 3M, and Publix Super Markets are



among the larger firms that include psychometric assessments within their hiring process. According to a survey conducted by the Society for Human Resource Management (SHRM) in December of 2011, 82 percent of U.S. organizations did not, at that time, use psychometric assessments. In those firms that implemented this hiring best practice, mid-level managers most often received such assessments (56 percent), followed by executives (45 percent) and persons applying for entry-level jobs (42 percent).

The cost of a bad hire can run into thousands of dollars, especially if the person is within the executive team or on a sales team. Many small and medium-sized business (SMB) executives fail to recognize the intangible costs of a bad hire because these executives focus so strongly on tangible costs such as recruitment fees, salary, benefits, and so on.

Cornerstone recently quantified one of these intangible costs of a bad hire: turnover of good employees. The firm's research suggested that it only takes a single toxic employee—one bad hire—to make current employees within a team of 20 persons approximately 54 percent more likely to leave an organization. This turnover was calculated in tangible hard dollars at a cost of \$12,800 for the toxic employee, compared to \$4,000 for the average replacement cost of recruiting, hiring, and training an hourly employee.

Other research by Cornerstone confirmed that one bad apple does indeed spoil the bunch, causing an overall productivity decrease of 30 to 40 percent. Interestingly, one third (33 percent) of the potential new hires in this study who were “rule followers” had the potential to manifest as toxic employees. This particular behavioral tendency can be identified within the DISC Index psychometric tool.

It may make sense to step away from the interviewing process and review the overall selection process, beginning with recruitment. Current research can assist your SMB in understanding why proper recruiting most effectively stops the costly drain of bad hires.

According to hiring research, over \$124 billion annually is spent here in the U.S. for recruiting college graduates. Harvard Business Review suggested that 80 percent of employee

## It only takes a single toxic employee—ONE BAD HIRE—to make current employees within a team of 20 persons approximately 54 PERCENT MORE LIKELY to leave an organization.



turnover results from bad hiring decisions. Numerous factors play into this exceptional statistic:

- 1 Incoming applicants believe they are prepared, while employers believe they are unprepared and unskilled.
- 2 According to Ladders, résumés potentially receive just six seconds of a recruiter's attention.
- 3 According to CareerBuilder, 49 percent of job applicants lie on their resumes.
- 4 Senior Vice President of People Operations at Google, Laszlo Bock, notes that GPAs mean nothing.
- 5 Interviews have an inherent bias because persons themselves are biased—which, according to Tina Seelig, Executive Director for the Stanford Technology Venture Programs, translates into a ninety-second window of opportunity for a positive or negative reaction.

In sales, people are prone to jump the gun and begin selling too soon in the relationship-developing process. The same problem exists in hiring: executives jump the gun and move too quickly into interviewing candidates. This parallel reflects both of the top two types of problems businesses face: employee fit and process.

A successful recruitment begins within the firm's strategic plan. That claim may seem strange, but if the company doesn't know where it's going, how can it hire the right people?

One of the best ways to determine where gaps exist within the execution of the strategic plan is with a culture assessment. This assessment can be informal—just a process of asking the same questions of everyone—or formal, in which the assessment is delivered via the Internet or a hard printed copy.

After this culture assessment is complete, an ideal-candidate profile (similar to an ideal-customer profile) should be developed. Identifying what fellow team members require in the new hire helps to ensure that

the right person is hired. This profile also necessitates the creation of a complete and up-to-date job description; a performance-appraisal document should also be created.

Psychometric assessments can be delivered at different intervals within the recruitment process. For example, after resumes are reviewed and references verified, the large pool of applicants will have been reduced to a more manageable number; then, depending upon the position, a DISC assessment can be delivered to this second tier of applicants. If the position is sales, the Values Index may be a better choice.

After reviewing the results of the first assessment, the selection pool can be further reduced. Another assessment, such as the Attribute Index, can be issued at this third tier. From these new results and the previous results, the selection pool can again be reduced. By this time, the number of qualified applicants should be under ten, if not under five.

Before the applicants are interviewed, it's wise to construct a rubric that ensures consistency in evaluation. Additionally, all who are part of the interview team should have a chance to ask questions of the candidate; each team member has a different investment in the new hire. What may result is a second or even a third round of interviews.

In the book *Good to Great*, Jim Collins wrote about having the right people in the right seats on the bus. What he failed to mention was that those people must also make the right decisions using the right talents within the right timeframe for the right results. And remember: if the bus—the cultural environment—is no good, all the “rights” in the world won't matter. **N**

*Leanne Hoagland-Smith is THE People and Process Problem Solver. As a thought leader who challenges the status quo, she earned the position of judge for the 1st 2015 North American Women in Sales Awards. Follow her on Twitter @CoachLee.*