

THE BUSINESS LEADER'S GUIDE TO HIRING

Screening & Reviewing Candidates to Make Better Hires

MIGHTYRECRUITER

Table of Contents



Measuring the Impact of Bad Hires



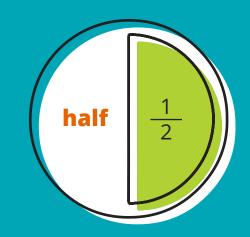
CHAPTER 2 Measuring the Impact of Bad Hires

Top business leaders know that organizational success is tied to quality hires. And good hiring pros know that making quality hires is indisputably tied to building a strong pool of candidates, which starts with developing winning job descriptions and promoting them with a solid job posting strategy.

You received the tools to do both of these things in the first and second installments of our Business Leader's Guide to Hiring series—and now it's time to reap the rewards of your hard work.

Your next step is selecting and vetting your pool of candidates. With the processes and tactics that we highlight in this guide, it should be easy to separate the wheat from the chaff to find your needle in the haystack.





50% of employees leave their jobs to escape working with a bad hire.³



After all, failing to properly review and assess applicants could mean that you and your team spend valuable time interviewing candidates who don't fit the bill and who should never have been included in the interview phase. Or worse, it could result in a bad hire, which costs companies from \$6,000 to \$15,000.¹

This happens more often than you think. Hiring managers give up on finding the right candidate and hire someone who only partially meets their requirements—solely to avoid spending even more valuable time interviewing additional poor candidates. Consequently, it should be no surprise that 46% of new hires fail in the first 18 months, often because they weren't a good fit for the role in the first place.²

But the problem is more than just the cost of replacing the one bad hire. Other quality workers may leave the company because they didn't like working with the poor hire. Further, you've now wasted valuable time onboarding and training the wrong person.

The takeaway? If you review and screen candidates poorly, you will suffer the consequences: extra costs, wasted time, and worker attrition.

Annual Cost of Bad Hires



When the tally is completed, the cost of replacing bad hires adds up to as much as \$20 trillion dollars for U.S. businesses annually.⁴

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Paring Down the List of Resumes



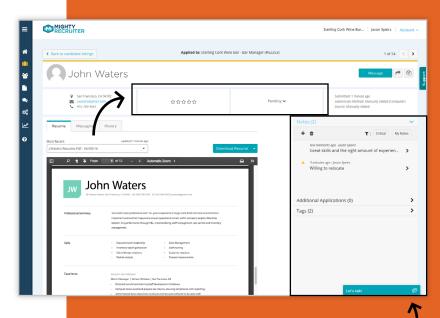
CHAPTER 2 Paring Down the List of Resumes

f you've done a good job of launching your integrated job posting and promotion strategy, you may very well have a large influx of applicants. Congratulations! Now you need a system that can help you sift through the resumes to find the best person for the job.

One approach to vetting applicants is to use an applicant tracking system (ATS). These technology solutions filter applicant resumes, pinpointing the ones that align most closely with the requirements that are spelled out in the job description. They also centralize communications for each candidate, log interviewer feedback and scoring, and more.

Some of the ways the ATS "weeds out" resumes are through keywords and grammatical errors and misspellings. If you do decide to use an ATS, make sure you choose one that integrates seamlessly with your candidate sourcing solution; having two separate systems that don't "talk" to each other can create more work for an already-busy recruiter or hiring manager.





Easy, actionable resume - review features

MightyRecruiter Options

MightyRecruiter integrates with any number of applicant tracking systems (ATS). Small businesses without an ATS can use MightyRecruiter to manage all of their applicants in one place as they move through the hiring lifecycle. Plus, you can review/score resumes using MightyRecruiter, and easily track jobseeker communication from a single convenient dashboard.¹

Reviewing the Resume

Regardless of whether you decide to use an ATS or sift through your initial stack of resumes by hand, you still need a systematic approach to finding your needle (best person for the job).

So, beyond using an ATS, here's what you can do to ensure that you and your team are selecting the best candidates for interviews:



Get on the Same Page.

If you are working with a larger hiring team, or working with an internal recruiter, an important starting point is to make sure you are all on the same page as hiring managers. Perception versus reality is a problem here—just look at the diagram on the right:

Wow! Talk about a mighty big disconnect.

...of recruiters think they have a "high" to "very high" understanding of the jobs they're recruiting for.

61[%]

...of hiring managers disagree with recruiters' self-assessment, and rather say that recruiters have a "low" to "moderate" understanding of the jobs they're recruiting for.

77[%]

... of hiring managers report that recruiters fail to screen candidates adequately, resulting in interviews with candidates who aren't qualified for the role.⁵

To bridge this gap, recruiters need to spend time with hiring managers to understand their pain points, the work culture of their team, and what their ideal candidate looks like. We all tend to use email, texting, and instant messaging when communicating with our teammates, but good working relationships between recruiters and hiring managers cannot be built without phone and in-person conversations.



Evaluation Checklist.

With all of the time that jobseekers put into developing the "perfect" resume, one would like to believe recruiters and hiring leaders spend significant time reviewing each one (or those that make it through the ATS). This is far from the case! The average amount of time spent looking at a resume is six seconds.⁶

Recruiters and hiring leaders need to slow down when they're looking at resumes. Six seconds isn't sufficient time for a complete review of a resume. And when you're moving too fast, unqualified applicants slip into the list of candidates for interviews, while others who should be considered for interviews fall through the cracks.



Resume Evaluation Checklist



1. Is the resume design compelling and organized?



- 2. Is the resume free of grammatical and spelling errors?
- 3. Is the resume concise and pointed (vs. wordy and laborious)?



4. Does the resume include the skills referenced in the job description?



5. Does the resume include the qualifications referenced in the job description?



6. Is the resume accomplishments-driven (with clearly defined quantified results)?



7. Does the resume show initiative of individual (through the use of action verbs)?



8. What does the resume reveal about Job tenure (candidate isn't constantly moving from job to job)?



9. What is the primary accomplishment or experience that makes the candidate unique and stand out from other candidates?

10. Do you get a feeling of cultural fit from the resume?

To more objectively evaluate candidates, collaborate with the relevant parties and create an evaluation checklist for each job. A comprehensive checklist includes both ways to evaluate parts of a resume that are very black-and-white (e.g., level of education, years of work experience) and those that are more grey (e.g., an applicant's soft skills or the likelihood they will fit into the company).



Scoring.

Not every item in your evaluation checklist may be of equal importance. You can assign score values for each item on the checklist to ensure a greater degree of objectivity in the vetting of resumes. Tying scoring to the evaluation checklist also prevents some applicants from being automatically eliminated due to one resume failure that may not be as important as another (e.g., due to a grammar or spelling issue).



Have a Second Look.

Simply because an applicant doesn't meet every job requirement isn't always an indication they are unqualified for the role. Once you've filled out an evaluation checklist for each applicant resume and scored them, you may want to take a look at some applicants based on intangibles such as outside interests and volunteer work, indications of collaboration or teamwork, etc. Specifically, with cultural fit as the number one reason new hires fail,⁷ you may want to take a second look at a candidate who is a better cultural fit than another who is a better match in terms of job qualifications and requirements better (but may not be a good cultural fit).



Seeking Out Resume Intangibles

With culture as the number one reason new hires fail,⁸ ascertaining how company culture translates into different aspects of a resume is an important factor to consider. For example, a company with a corporate culture that promotes community involvement may want to include volunteer work and even past involvement in corporate responsibility initiatives as one of the items to look for in a resume.

CHAPTER 3 Evaluating Cover Letters



chapter 3 Evaluating Cover Letters



Cover letters were an absolute requirement when jobseekers submitted their resumes via mail years ago.

These days, some contend the cover letter requirement—or even option—should be ditched. They argue that, like the caboose of a train, it is a relic of the past that persists despite being irrelevant. Recruiter behavior seems to corroborate this position: less than 17% bother to read cover letters.⁹ And for businesses that use some form of an ATS, cover letters may not even be used in the evaluation and vetting of candidates.

So are recruiters and hiring managers missing an opportunity? Or should the "cover-letter caboose" be relegated to the trash heap?

The answer may be somewhere in between. For many entrylevel, blue-collar positions, cover letters are typically unnecessary, providing few useful insights on a candidate. Furthermore, when application forms are used instead of resumes, the inclusion of cover letters complicates the application process and shouldn't be required.

But for many professional and managerial roles, cover letters can give you valuable information that you can't necessarily glean from a resume. As part of your candidate evaluation plan, you should decide what level of importance a cover letter plays in your hiring process and, as you did for a resume, you should have a plan for sizing up cover letters.

The following are some ways cover letters reveal more about a candidate:¹¹



Details. Generic cover letters or those that fail to mention your company name, the position, or any of the requirements indicate the candidate spent very little time thinking about your role. Those who craft their cover letter to align with job responsibilities, company culture, and important company initiatives or news reveal their level of interest in your company and the job opening.



Writing Quality. Grammatical and spelling errors are a red flag and likely should disqualify the candidate from consideration. A candidate's lack of attention to detail and their poor communication suggest they will perform accordingly on the job.



A Quick Cover Letter Checklist¹⁰



1. Is the letter addressed generically or to a specific individual?



2. Is the letter crafted to align with the job posting?



3. Are there grammatical or spelling errors?



4. What insights are revealed regarding your company, market, and job posting?



5. Does the candidate list what value they will provide to your organization, or do they simply talk about what they want in an employer?



6. Does the letter simply repeat content from the resume, or does it provide additional information?



7. What personality is revealed by the tone of the writing?



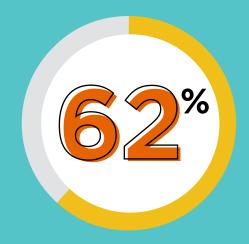


Accomplishments. Candidates who cite specific details about previous roles and accomplishments, including quantified outcomes, make a much more compelling case as past performance is a great indicator of future behavior. In addition, the best candidates don't simply talk about what they are looking for in a job and employer, but rather what they can do to help your organization succeed. Quick tip: Count the number of times a candidate mentions what they can do for your organization.



Tone. The tone of a cover letter can display the personality of the candidate and should be used by recruiters and hiring managers to determine cultural fit. For example, a candidate who writes in an informal manner may not be a good fit for a role involving formal financial or legal communications.

Culture–Why It Matters¹²



62% of the time, a new worker fails for cultural reasons.

Investigating Social



CHAPTER 4 Investigating Social

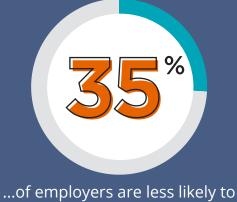
The value of social networks for candidate sourcing is undeniable. Its usefulness in evaluating and vetting candidates is just as valid. Yet, only a little more than half of companies use social networking sites to research job candidates.

The following are some of the ways recruiters and hiring leaders can use candidate social profiles to evaluate and determine if they want to interview candidates:

1

No Social Profile. 56% of recruiters and hiring leaders simply want to confirm if a candidate has a social profile. For many blue-collar roles, a social profile isn't a requisite. But for virtually all professional, white-collar jobs, the lack of a social profile— particularly LinkedIn—is a potential detractor. When they aren't able to find one, 35% indicate they are less likely to interview a candidate.¹⁵ When designing your candidate selection process, make sure to get your team on the same page on the importance of a candidate having a social media presence.

Candidates with No Social Profile



...of employers are less likely to interview applicants without social profiles.¹³

Community-Professional Engagement



...of recruiters look for a candidate's professional and community involvement in their social profile.¹⁴



Mistakes. Grammatical or spelling mistakes on social networking profiles often demonstrate a lack of attention to detail. 72% of recruiters note this is a negative that often results in a candidate being eliminated from consideration.¹⁶



Inconsistencies. Information on social profiles needs to match what is contained in a resume and cover letter. In instances where discrepancies exist, those applicants can be eliminated from the list of candidates for interviews or at least will need to explain the reason for the differences during the interview process.



Communications. The same communications skills candidates exhibit—or fail to—in their resume and cover letter also need to be evident on their social profiles. For example, if the writing quality on a candidate's social profile is far poorer than what appeared on their resume and cover letter, you may want to press them further on this issue if it is important for the job.

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Connections. 34% of recruiters look for mutual connections on candidate social profiles and seek out input from those

connections. 38% percent indicate this is one of the strategies they employ to determine if a candidate is a cultural fit.¹⁷

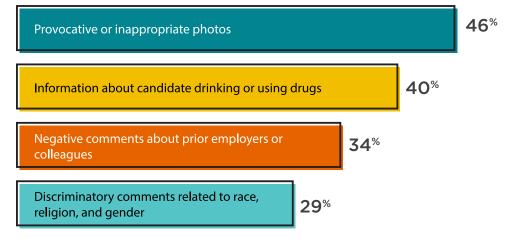
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Examples of Work. Prior written or design work on candidate social profiles serves to corroborate claims made in resumes and cover letters (29%).¹⁸ Often, candidates with unique skill sets and abilities rise to the top of the list of applicants.

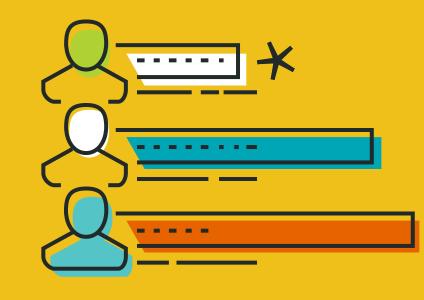


Poor Judgment. Candidates who exhibit poor decision-making skills on social networks are more likely to display the same decision-making skills in their professional lives.

The following are some of the social activities that employers cite as having negative attributions:



Paring Down the Applicant List with Prescreening



CHAPTER 5 Paring Down the Applicant List with Prescreening

Prescreening candidates is another strategy recruiters and hiring managers use to pare down the list of applicants to a more manageable number for interviews, weeding out those who don't meet predetermined requirements or whose application and/or resume contain inaccurate information.

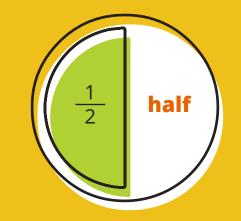
On the flip side, some prescreening questions serve to educate candidates and provide recruiters and hiring managers with more information.

Not every position requires prescreening questions. So how do you determine when to use them? Here are a few things to consider:



Are you expecting to receive a huge amount of candidates for a particular job? Prescreening questions enable you to reduce the number of applicants for consideration.

Inaccurate Applicants



More than half of all job applications contain inaccurate information.²⁰



Do you have a particular qualification or requirement that is a deal breaker? If so, you can better evaluate candidates using prescreening questions.

3

Are you planning to include further testing (eg. personality testing or work-related testing) as part of the interview process? You can use prescreening questions to convey information about the job or next steps in the evaluation or interview process that weeds out "lukewarm" candidates from the process or helps them to prepare for subsequent stages in the evaluation or interview process.

So, assuming you want to use prescreening questions, what's the appropriate number of questions to include?

You're walking a fine line here. On the one hand, you don't want to deter qualified candidates from applying with an overly complicated application. On the other hand, you need to ask enough questions to make it worthwhile. Typically, you don't want to include more than six to eight questions. Any more than eight, and you will start to incur question fatigue.

The only exception to the above is if you are using prescreening for skills testing and personality testing. In these cases, it is very important to establish expectations up front—before they start the prescreening questions. This includes the rationale for the questions as well as the length and amount of time required to complete them.

Inattention to Detail

Over half of applicants for a typical job fail to meet the basic requirements spelled out in the job description.²¹ Even though jobseekers spend up to 10 minutes reviewing the details of each job posting for which they "thought" they were a fit, they only spend 10% of that time assessing whether they are a fit based on the qualifications, roles, and responsibilities listed. Most of the time jobseekers spend looking at a job posting is on job title, compensation, and location.²²

Five Examples of Exceptionally Useful Prescreening Questions²³

- What is your highest level of education?
- Are you willing to travel X hours per month?
- Do you have XYZ Certification? 3
- What did you accomplish in your last position?
- - Why did you leave your last job
- or why do you want to leave your current employer?



The following are a few of the ways you can use prescreening questions:



Translate Qualifications. Validating that a candidate's experience and background aligns with the qualifications outlined in your job description isn't always easy. Translating the list of qualifications into yes or no prescreening questions, either as part of the application process or as a follow up to an application, is good way to determine which candidates align with your core requirements.



Prep for Next Steps. Prescreening questions can also be used to prepare candidates for next steps. For example, if you conduct employment skills testing, drug screening, or background checks, you can set these expectations up front and eliminate those candidates who aren't willing to submit to those pre-employment requirements before you expend valuable time interviewing them.



Verify Availability. For positions with shift schedules, prescreening can help verify the availability of candidates to work during those hours. You can eliminate those from the interview funnel not available for the days or hours you need. In instances where a position requires travel, prescreening can confirm a candidate's availability to travel—when and how often.

Gauge Their Personality. You can establish if a candidate has what it takes to fit into your company culture or get some insight into a candidate's personality with basic yes or no behavioral—or context-based—questions.

5

Pinpoint Inaccuracies. With an estimated 60% of applicants unqualified for the job postings to which they respond²⁴ and over half of applicants providing inaccurate information on their resumes or application,²⁵ prescreening questions are one way recruiters and hiring leaders can sift the wheat from the chaff.





chapter 6 Key Takeaways

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Cost of Bad Hires. Bad hires cost U.S. businesses as much as \$20 trillion annually, and this doesn't include the soft costs such as other employees leaving because of the bad hire.

Resumes. Paring the list of resumes down to the most qualified candidates requires a systematic process of evaluation that scores and ranks each based on objective criteria. For organizations large enough, recruiters and hiring managers need to be on the same page when it comes to core job requirements and what they are looking for in candidates.



Cover Letters. Often neglected by recruiters and hiring managers alike, a cover letter can tell a lot about a candidate and should not be ignored. In particular, it's a good opportunity to get some insight into a candidate's personality, their level of interest in the job, and whether they'd be a good cultural fit.

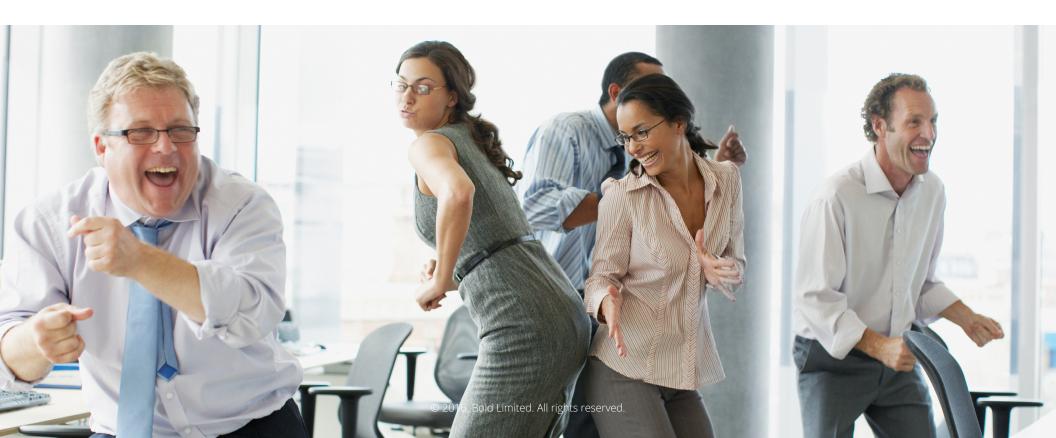
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Social Profiles. A candidate's social profile provides valuable information on her or his skill sets, personality, professionalism, and even character.

Prescreening Questions. Inclusion of prescreening questions helps validate candidate qualifications against job requirements, while enabling employers to inform candidates of subsequent steps in the interview, evaluation, and hiring processes.

Ready to Make Your Next Great Hire?

Remember, before you put your newfound reviewing and screening skills to the test, you need a pool of solid candidates. That's where MightyRecruiter can help. If you're seeking new ways to find and attract the best workers, log in to our simple and affordable candidate sourcing solution today.



Footnotes

¹ Heather Boushey and Sarah Jane Glynn, "There Are Significant Business Costs to Replacing Employees," Center for American Progress, November 16, 2012.

- ² Julie Checknita, <u>"46% of New Hires Fail Within the First 18 Months: Why Hiring Attitude Will Help</u>," HR.com, January 26, 2012.
- ³ "State of the American Manager Report: Analytics and Advice for Leaders," Gallup, May 2015.
- ⁴ With an average of 215,000 new workers entering the workforce each month ("The Employment Situation—March 2016," U.S. Bureau of Labor Statistics, U.S.

Department of Labor, April 1, 2016) and 46 percent of them leaving within 18 months of being hired, this equates to 98,000 workers who are bad hires. Calculation: 98,000 Bad Hires Monthly X 12 Months X \$15,000 = \$20 Trillion.

- ⁵ Roy Maurer, "Recruiters, Hiring Managers Must Collaborate Well to Succeed," Society for Human Resource Management, August 17, 2015.
- ⁶ "Keeping an Eye on Recruiter Behavior: New Case Study Clarifies Recruiter Decision-Making," TheLadders, 2012.

⁷ "2016 McQuaig Global Talent Recruitment Report: The Leadership Effect," The McQuaig Institute, March 2016.

⁸ Ibid.

⁹ Sullivan, "Why You Can't Get a Job."

¹⁰ "How to Evaluate a Cover Letter," TPP Recruitment, accessed April 28, 2016.

¹¹ Ibid.

- ¹² The McQuaig Institute, March 2016.
- ¹³ Ibid.
- ¹⁴ "2015 Jobvite Recruiter Nation Survey," Jobvite, July 2015.
- ¹⁵ "35 Percent of Employers Less Likely to Interview," CareerBuilder, May, 2015.
- ¹⁶ "2015 Jobvite Recruiter Nation Survey."
- ¹⁷ "2015 Jobvite Recruiter Nation Survey."
- ¹⁸ "2015 Jobvite Recruiter Nation Survey," July 2015.
- ¹⁹ "35 Percent of Employers," CareerBuilder.
- ²⁰ "Resume Falsification Statistics," StatisticBrain.com, accessed April 28, 2016.
- ²¹ John Sullivan, "Why You Can't Get a Job ... Recruiting Explained by the Numbers," May 20, 2013.
- ²² Hannah Morgan, "Applying for a Job? Invest Time Reviewing the Job Posting," CareerSherpa.com, July 26, 2013.
- ²³ Josh Tolan, "<u>5 Pre-Screening Questions Recruiters Must Ask</u>," Recruiter.com, September 29, 2014.

²⁵ "Resume Falsification Statistics," StatisticBrain.com

²⁴ "35 Percent of Employers," CareerBuilder.