

# Quality of Hire: Moving from Efficiency to Effectiveness SHRM Webcast Registration Survey

## **Overview**

Shaker Consulting Group and the Society for Human Resource Management conducted a survey in conjunction with registration for the SHRM February 10, 2004 Staffing Metrics Webcast: Quality of Hire, Moving from Efficiency to Effectiveness. Respondents were asked four Yes-No questions regarding practices related to documenting quality of hire and return on investment from staffing practices. Results from the survey were incorporated into the webcast.

The purpose of the survey was to assess the degree to which organizations were engaging in core practices of data capture and analysis related to pre-hire candidate evaluation.

585 individuals completed the survey. Personal demographics and company/employer information were not collected.

## **Observations and Assertions**

The data suggests that recruiting systems may not be providing effective methods to capture candidate evaluation data. Due to the lack of data, one might assume that recruiting strategies and approaches rely heavily upon anecdotal information and opinion instead of evidence.

Companies do not hold their recruiting function accountable for documenting the return on investment from the resources used in the staffing process. The absence of reporting and evidence documenting the link between candidate evaluation and outcomes such as product or service delivery implies a lack of interest by management or a lack of capability.

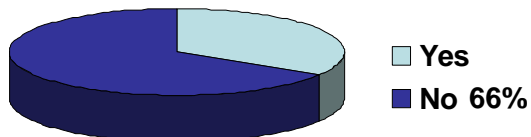
Proper analysis and reporting can demonstrate the role staffing plays in aligning talent with the achievement of business objectives. The survey results suggest hiring decisions are not supported with lessons learned from outcomes achieved.

The analysis of hiring decision effectiveness is practiced by a very small percentage of companies. This is exacerbated by the lack of candidate evaluation data captured in an analysis-ready format and the limited reliance on experts in the area of hiring decision data analysis - Industrial/Organizational Psychologists.

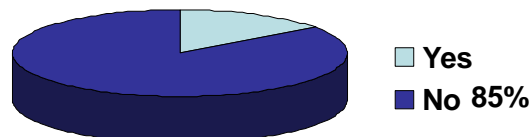
Due to lack of data and analytical skills, human resource practitioners may be limited in their ability to build a sound business case for investing in upgrading their staffing process.

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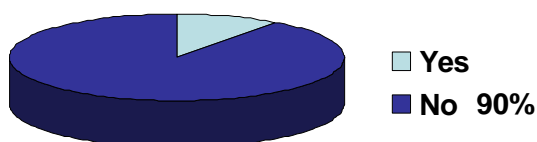
1. Enter candidate evaluation information into a database?



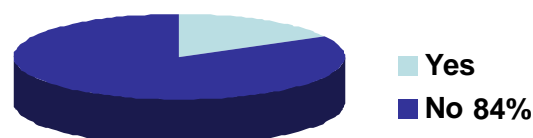
2. Linked staffing metrics to product or service delivery metrics?



3. Report on the ROI from your selection practices?



4. On staff, or use services of an I/O Psychologist?



**Quality of Hire:** Shaker Consulting Group & SHRM Web Cast Feb, 2004  
N = 558

### Opportunity

Begin small. Identify one job as the focus for an initiative to build a data collection and analysis model. Where applicable, use the data collection resources and user defined fields from an applicant tracking system (ATS) to enter candidate evaluation data. Be rigorous, be consistent and be thorough. The discipline used for data capture lays the foundation for the quality of analysis.

Collaborate with line management. Identify performance metrics currently captured and reported for people in the target job.

Team up with a colleague capable of statistical analysis. Conduct a validation analysis of candidate evaluation data and job performance data. If appropriate, contact an Industrial/Organizational Psychologist to assist in experiment design and analytical methods.

Examine the results and explore how well your candidate evaluation outcomes predict job performance. Make changes as indicated to improve your results. Consider adding a broader range of objective candidate evaluation methods.

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