

# THE TEN WORST HIRING MISTAKES

*And How to Avoid Them*



**MACK RECRUITING**

# CONTENTS

<b>INTRODUCTION: THE HIDDEN COST OF BAD HIRES</b>	<b>2</b>
<b>THE TEN WORST HIRING MISTAKES AND HOW TO AVOID THEM</b>	<b>4</b>
1. FAILURE TO ESTABLISH A FORMAL PROCESS	4
2. MOVING TOO SLOWLY	5
3. LACKING CLARITY ON THE ROLE BEING FILLED	6
4. MISJUDGING QUALIFICATIONS	6
5. PLACING TOO MUCH (OR TOO LITTLE) EMPHASIS ON “FIT”	7
6. RELYING SOLELY ON “GUT FEEL”	8
7. UNCONSCIOUS BIAS	8
8. POOR INTERVIEWING SKILLS	10
9. FAILING TO SELL YOUR ADVANTAGES	11
10. WEAK ONBOARDING AND TRAINING	11
<b>CONCLUSION</b>	<b>12</b>



Copyright © 2017 Mack Recruiting, LLC  
All rights reserved.  
*Published by*  
Mack Recruiting, LLC  
66 Country Club Drive  
Woodbridge, CT 06525  
(203) 903-8575  
<http://www.mackrecruiting.com>

## Introduction: The Hidden Cost of Bad Hires

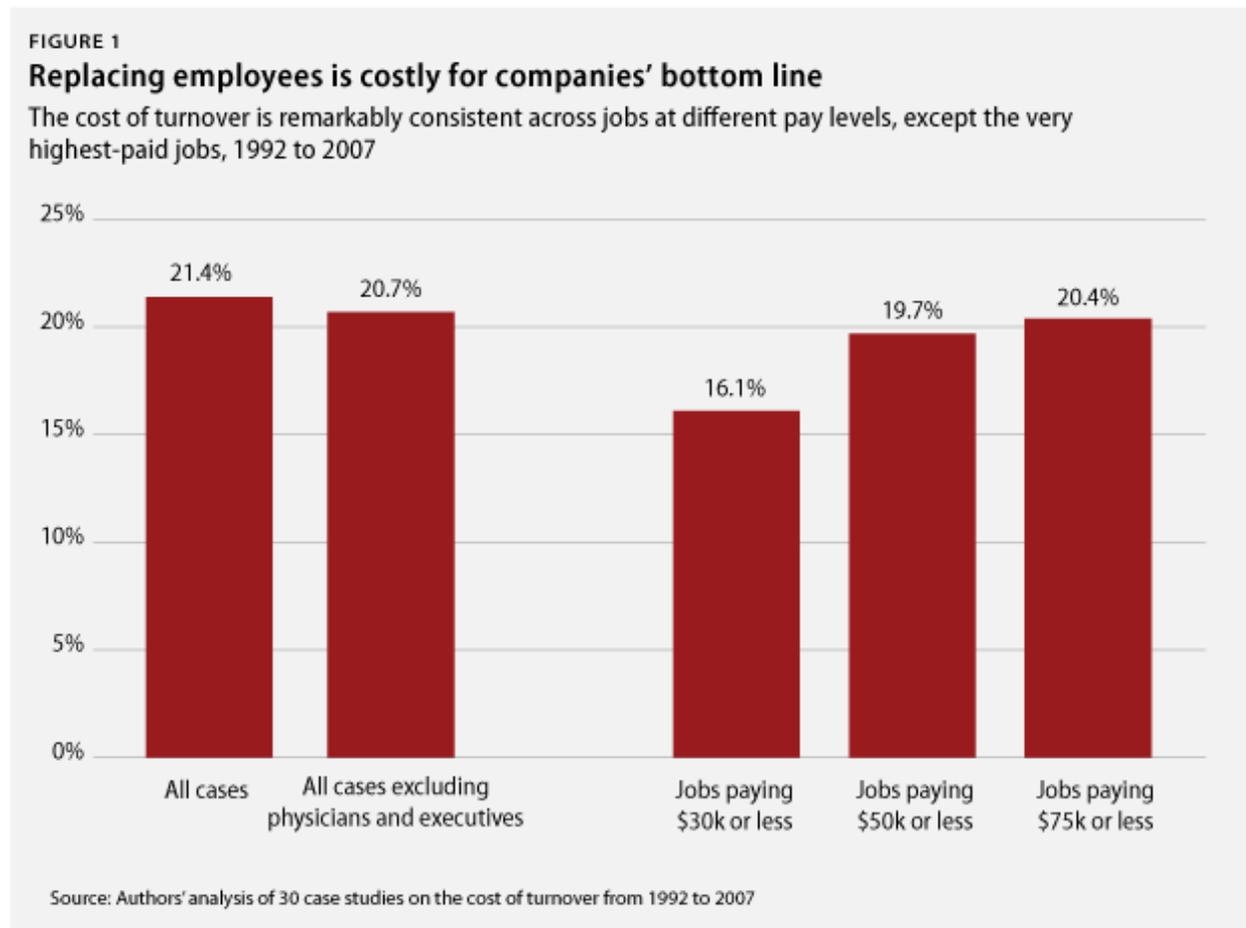


Few things are more frustrating than realizing you've made a bad hire. Sometimes you know right away, while other times it might take a while to reveal itself. Either way, it can leave you feeling defeated as you face the prospect of gearing up for yet another search to recruit and hire a replacement. Who has time for that? But the time and frustration are just some of the hidden costs of bad hires. The hit to your company's bottom line is all too real. Pinning that number down, however, is a challenge.

If the bad hire isn't good at their job, then you're losing out on productivity in that role, not to mention whatever you invested in onboarding and training the bad hire. Most people don't work in complete isolation, so the bad hire is going to have an effect on both their colleagues and managers. If the bad hire has a negative or hostile attitude, it can lower everyone else's productivity. Overall morale could start to tank. This is a scenario where one bad apple really can spoil the whole bunch. If this "wet blanket" effect is strong enough, it might trigger a wave of turnover where otherwise good employees decide to leave, which means additional recruiting and hiring costs. All this thanks to one bad hire. It's a daunting and vicious cycle that can put your company into an all-too-real tailspin.

In addition, one or more managers are going to end up spending extra time trying to deal with all of this. It all translates into lost productivity and a major hit to the bottom line. If the bad hire is in a role that deals directly with customers, you could start losing important accounts. The emotional and financial toll keeps growing larger.

The US Department of Labor has estimated the average cost of a bad hire at around 30% of the position's first-year earnings. Heather Boushey and Sarah Jane Glynn of the Center for American Progress conducted an analysis of 30 case studies and came up with a similar figure.<sup>1</sup>



In their study, the median cost of replacing an employee averaged out to a little more than 21% of the position's annual salary. It's also true that these costs rise for positions higher up in the organization or for roles that are highly complex and technical.

No one sets out to deliberately make a bad hire, and yet it happens all too often. The cost figures for bad hires are all over the map, but what's clear is this: The cost of making a bad hire will likely be more than you expected, more than your company can afford to lose, and a whole lot more than the cost of making a good hire in the first place.

<sup>1</sup> Source: <https://www.americanprogress.org/issues/economy/reports/2012/11/16/44464/there-are-significant-business-costs-to-replacing-employees/>

The good news is that there are plenty of things you can do to avoid bad hires. Mack Recruiting has identified what we think are ten of the worst hiring mistakes – we’ve seen them happen repeatedly in many companies despite the best of intentions. If you’ve ever experienced the pain and frustration of making a bad hire, we hope this guide will equip you with the actionable insights you need to never go through another bad-hire scenario again.

# The Ten Worst Hiring Mistakes and How to Avoid Them

## 1. Failure to Establish a Formal Process

It should come as no surprise that if you’re reinventing the wheel every time you need to hire a new employee, your chances of making a bad hire are greatly increased. There is simply no substitute for having a well-crafted formal hiring process. Without it, you’re doomed to repeating past hiring mistakes. What you’re aiming for is a well-oiled machine that finds and hires the very best candidates possible. Take this lesson to heart from the lean manufacturing movement: You can’t guarantee quality results unless you standardize the process and execute it consistently. Standardizing the process can also help ensure you avoid discriminatory hiring practices, which in turn might save you money in the long run from expensive litigation if you were to become the subject of a lawsuit.

What does a good formal process look like? Your final process will be unique to your company, but several of the mistakes highlighted in this guide serve as a solid starting point:

- **Be clear about the role being filled.** Review the position and update as needed.
- **Determine appropriate qualifications.** Choose the qualifications that make the most sense for the position without going too broad or too narrow.
- **Conduct well-planned interviews.** Including both phone screening and in-person interviews.
- **Plan onboarding and training.** Smooth onboarding processes and adequate training will help ensure your new hire is equipped for success.

Another lesson from lean thinking to apply here is the notion of *continuous improvement*. Be sure to include a post-hire evaluation of your formal hiring process. Taking the time to do this will allow you to identify what went well and what can be improved for the next round of hiring. After all, continuously looking for ways to improve your formal hiring process is surest pathway to getting better results.



## 2. Moving Too Slowly

While it's true that patience is a virtue and moving too quickly can make any process more prone to errors, the flip-side of this coin is that moving too slowly can also hamper your hiring process. First, remember that when you're down an employee your productivity is down, and everyone else has to do more to cover those responsibilities. Everyone suffers, which means the sooner you fill that position the better. But besides minimizing the cost and headache of being short-staffed, there's an even more compelling reason to keep the process moving, which is making sure you don't lose out on the best candidates. Top talent isn't going to sit around waiting inordinate amounts of time for your slow hiring process to meander its way to a conclusion. They will get snatched up by companies who realize they need to move quickly. After all, if they're really good they won't waste any time in accepting a good offer.

There's been a significant line of thought lately that recommends *hire slow, fire fast*.<sup>2</sup> There are many valid points in this line of thinking, but there are also many powerful points on the side of hiring as quickly as possible, as detailed by Dr. John Sullivan in *The Top 12 Reasons Why Slow Hiring Severely Damages Recruiting and Business Results*.<sup>3</sup> Important highlights include the following:

- ***Top candidates are in high demand.*** If you aren't timely, you'll find the best candidates dropping out in the late stages of your search.
- ***Multiple offers.*** The best candidates will be fielding multiple offers from various companies and will undoubtedly accept a solid current offer that is set to expire soon rather than waiting for you to make a possible future offer.
- ***Settling for what's left.*** When the best candidates drop out of your search because you're moving too slowly, the ones remaining are only average or lower-quality candidates. Moving too slowly *lowers* the quality of the hires you make.
- ***Being slow hurts your hiring image.*** Your company's reputation is at stake, and if candidates see that you're slow to make decisions, they will assume that this is indicative of your corporate culture and drop out of the process.
- ***Slow hiring is more expensive.*** A slow hiring process means you're tying up valuable staff and management resources, namely their time, which can be more productively applied elsewhere.

In the end, it's not an either/or choice between either hiring slowly or hiring quickly, it's figuring out how fast you can move the process along and still get the results you want. If your company isn't already tracking some kind of time-to-fill metric, start doing so as soon as you can. And then start looking for ways to improve it without lowering the quality of your hiring process. Don't sit around waiting for the "perfect" candidate, which probably doesn't exist to begin with.

---

<sup>2</sup> Source: <https://hbr.org/2014/03/hire-slow-fire-fast>

<sup>3</sup> Source: <https://www.eremedia.com/ere/the-top-12-reasons-why-slow-hiring-severely-damages-recruiting-and-business-results/>

### 3. Lacking Clarity on the Role Being Filled

This mistake is so easy to avoid, and yet we see companies fall prey to it over and over again. How can you make a good hire if you don't know what you want? How can you make a competitive offer if you don't know what market compensation levels are for this kind of position? Are you even being realistic with your expectations for the position?

When an open position is on the horizon, you must take immediate action to get clarity on the role being filled. Positions evolve over time, so you need to review the position to bring it up-to-date. Avoid the following:

- ***Too many criteria.*** An overly-long list of qualifications can be an indication that you don't really know what you want, or it might be an attempt to find the "perfect" candidate (which we've previously noted is a misguided concept).
- ***Overly-narrow job specifications.*** If the job description is based on a person with a previously long tenure in the position, you're not being realistic about what a new hire can bring to the table. The person who did the job successfully for a number of years developed specific skills within the context of the specific position in your company. A new hire can't be expected to have all of those context-specific skills.
- ***Unnecessary prerequisites.*** Listing out qualifications such as "excellent written and verbal communication skills" or "strong problem-solving skills" is a waste of everyone's time. These are basic skills every employer is looking for, and no candidate is going to say they're terrible at them, so just leave them out.

### 4. Misjudging Qualifications



While personality is important, your starting point for evaluating candidates needs to begin with skills and experience. You want to hire someone who will execute the duties and responsibilities of the position to get the business results you need. And yes, it would be nice if the person you hire isn't a complete jerk that everyone else has to deal with. But the skills and experience need to be given a bit more weight than personality. It can be a tricky balance to achieve, but you owe it to your company to get it right.

Even trickier is avoiding putting too much emphasis on experience. Typically, you assume you want as much experience as you can get in a candidate, right? But focusing solely on that leaves out another critical dimension: *potential*. Who would rather hire, someone with all the experience you want but with zero potential to grow over time or someone who doesn't have as much experience but who will clearly grow into the role and add tons of value over time with superior performance? That's what we mean by potential.

There's a danger in not going beyond skills and abilities as you evaluate candidates. You should also try to assess motivation. Just because someone has lots of experience doing a particular job doesn't mean they're going to be motivated to give your company peak performance. You also want to know how they will react to some of the day-to-day challenges they will face on the job. The way to do this is to make sure the interview includes a behavioral or situational component where you might even role play a situation to see how they handle it on the spot.

If you've done your homework to be clear about the role being filled, then you've identified a very specific set of skills you want in a new hire. Hiring generalists who show great versatility is always tempting, but you don't want to fall prey to the jack-of-all-trades-master-of-none effect. You know the skillset needed for success in the position, so focus on those skills.

Finally, lots of people warn against hiring people who are clearly overqualified for a position. The thinking is that such a person won't be satisfied with the work, resulting in an early departure. We challenge this thinking by conducting a careful evaluation of why an overqualified person is seeking the position. Sometimes it is a reflection that the position really works for the person in terms of where they're at in life – the hours might fit their needs better and so on. Research has shown that most overqualified candidates actually perform better in the position, taking the initiative to be more creative in doing the work more efficiently, and they tend to stay with the position when given the opportunity to perform. If you have an overqualified person who really wants the job, enjoy the benefits!

## 5. Placing Too Much (or Too Little) Emphasis on “Fit”



Hiring for “fit” has become something of a buzz-word in the realm of human resources, but we wonder how many people have thought through what they really mean when they use the word. If what you have in mind is a good fit in terms of skills and experience, then by all means hire for fit. If, however, what you have in mind is some kind of vague notion of “cultural” fit, then

it's time to pause and figure out what you're really getting at. First of all, do you even have enough of a grasp of how to define your organizational culture that you could realistically assess cultural fit? And is that *your* take on the company or is it widely shared by others? Keep in mind that your most important goal is hiring someone who can do the job well and get the results you're looking for. Don't let an ambiguous idea like cultural fit make you less than objective in assessing your candidates. It's nice to have shared values between your company and the people you hire, but how far are willing to take it? It's not realistic to expect everyone to check their own personal values at the door when they come to your company. And we've already noted that diversity of all kinds is important. Personality needs to be considered, but it shouldn't be at the top of the list to the exclusion of other important dimensions.

## 6. Relying Solely on “Gut Feel”

If you've been involved in hiring for a long time, your experience has no doubt given you an intuitive sense that can be applied to the process. Many call this *gut feel*. The danger, however, is when you rely too much on gut feel to the exclusion of other selection methods that are grounded in validated practices. Any time you find yourself feeling strongly about a candidate, whether positively or negatively, without being able to immediately articulate why you feel that way, you're probably relying on gut feel. You may be right in your feeling, but you also might be falling prey to one or more unconscious biases, which happens to be the next in this series of the ten worst hiring mistakes.

## 7. Unconscious Bias

The key word here is “unconscious.” You might be sabotaging your hiring process without even being aware you're doing it. But don't beat yourself up over it. It's perfectly natural to have these unconscious biases. The trick to overcoming this mistake is to become aware of your blind-spots so you can more consciously set them aside during a hiring cycle.



If you find yourself in the final stages of a hiring process with two equally qualified candidates but one winds up with a lower score than the other, can you identify why? You might just have a vague feeling that one is a better fit than the other. But if you can't articulate *why*, the chances are good that you're allowing unconscious bias to sway your decision. Here are some of the ways unconscious bias can play out in recruitment and hiring:



## 8. Poor Interviewing Skills



Interviewing candidates is one of the most important elements of the hiring process, and one that can easily be derailed if you're not deliberate and careful in how it happens. Keep the following missteps in mind to avoid them:

**Neglecting to phone screen.** You may have been thinking that what we meant by candidate interviews were the face-to-face interviews, but that would be skipping an important step. All candidates should first be interviewed by telephone. Arranging and conducting face-to-face interviews is a time-consuming process. Initial telephone interviews offer another screening opportunity between evaluating applications and conducting face-to-face interviews. You can find out a lot in 30-60 minute conversations with candidates, which could save you many hours in the hiring process by eliminating those who don't rise high enough to merit an in-person interview.

**Failing to prepare the interviewers.** When it does come time for in-person interviews, the worst thing you can do is walk in and try to free-style the interview. Everyone who is going to be involved in conducting interviews needs to meet beforehand and come up with a solid game plan that includes what questions will be asked and who will be asking them.

**Doing all the talking.** Remember that the purpose of the interview is for *you* to learn as much as possible about the candidate, and you can't do that if you're doing all the talking! Keep this rule of thumb in mind: The candidate should be doing a good 80% of the talking.

## 9. Failing to Sell Your Advantages

While it's a bad idea to do more than 20% of the talking during candidate interviews, there is an essential component of the interview that isn't about the candidate. If you've winnowed the pool of applicants down to handful of stellar candidates, you also need to "sell" your company to them. Failing to sell your advantages can mean the difference between snagging the best candidate or settling for second-best.

## 10. Weak Onboarding and Training



According to the *Allied Workforce Mobility Survey*, 22% of companies have no formal onboarding program at all, and 48% can only characterize their onboarding efforts as *somewhat successful*.<sup>4</sup> Is it any wonder that a full third of new employees quit their job within the first six months? By contrast, a study by the Wynhurst Group revealed new hires are 58% more likely to still be with the company three years later if they went through a formal onboarding program.<sup>5</sup>

Better onboarding might include having a new hire complete much of the HR paperwork electronically before setting foot on-site for the first day on the job. Make sure their workstation is complete and fully functional before start day. Spend time making sure they meet everyone they need to know while also being clear on day one about the expectations and objectives of the job and what training they will receive.

Speaking of training, one the worst things you can do is drop new employees into their workstations without adequate training. Remember that the vast majority of employees want to do their best for your company, but it's your responsibility to equip them with the tools and training they need to be successful.

---

<sup>4</sup> Source <http://hriq.allied.com/pdfs/AlliedWorkforceMobilitySurvey.pdf>

<sup>5</sup> Source: <https://www.shrm.org/resourcesandtools/hr-topics/talent-acquisition/pages/onboarding-key-retaining-engaging-talent.aspx>

## CONCLUSION

How many of the ten worst hiring mistakes have you witnessed at your company? Whether it's one or several, there is no time like the present to start addressing the gaps in your hiring process. After all, your business success depends on it. But you also don't have to go it alone. Working with an experienced recruiter makes good business sense, especially when you need to fill executive and management positions in your company.



MACK RECRUITING

66 Country Club Drive  
Woodbridge, CT 06525  
(203) 903-8575  
<http://www.mackrecruiting.com>