



CENTRAL UTAH WATER

GUESS WHO'S ~~COMING TO~~ AT WORK: THE IMPACT OF POOR EMPLOYEE SELECTION & HOW TO PREVENT IT

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ALL I WANT FOR CHRISTMAS IS...



MANANGERS BEWARE, YOU'RE IN FOR A SCARE!



BAD APPLE HIRES

FAILURE TO PRODUCE THE PROPER
QUALITY OF WORK

FAILURE TO WORK WELL WITH
OTHER EMPLOYEES

NEGATIVE ATTITUDES

IMMEDIATE PROBLEMS WITH
ATTENDANCE

(LinkHumans Study)



HIRING EASY



MANAGING TOUGH!



NEW APPLIANCE VS. NEW HIRE



BAD APPLE SCENARIOS

- **THE SMOOZER**

SIGNS: LACKS SKILLS BUT HAS A KNACK FOR COVERING UP DUE TO EXCELLENT COMMUNICATION SKILLS, EMBELLISHES WELL. OVERSELLS SKILLS AND ABILITIES.

IMPACT: CAN CAUSE DAMAGE OR HURT SOMEONE NOT KNOWING HOW TO PERFORM THE JOB, CAN INCREASE THE BURDEN OF OTHERS, WHAT ELSE MIGHT THEY COVER UP?

HOW TO AVOID:



BAD APPLE SCENARIOS

- **BAD ATTITUDE**
- **SIGNS:** DISRESPECTFUL, INSUBORDINATE, CHRONIC COMPLAINER, JUST A GRUMP, THINGS WERE BETTER AT PREVIOUS JOB.
- **IMPACT:** POISONS CULTURE, IMPACTS MORALE OF WORKFORCE NEGATIVELY AS WELL AS CHASES CUSTOMERS/CLIENTS AWAY.
- **HOW TO AVOID:**



HIRE OR NOT TO HIRE?

reason for seeking new

employment low pay, no

promotion opportunities

lack of respect from

supervisors and co-workers,

too many supervisors and

bosses trying to control me -

bad management
May we contact this employer?

Yes No ask me for

specific people only



BAD APPLE SCENARIOS

JUST DOESN'T GET THE JOB

SIGNS: CAN'T GRASP JOB TASKS, SLOW, MAKES SAME MISTAKES CONTINUOUSLY, LAZY OR NOT MUCH DRIVE TO LEARN.

IMPACT: MORE OF A CHORE THAN AN ASSET, SLOWS OTHERS DOWN, CONSUMES A LOT OF SUPERVISOR TIME-BABYSITTING.

HOW TO AVOID:



BAD APPLE SCENARIOS

- **THE GHOST**
- **SIGNS:** CAN'T BE FOUND, ARRIVES LATE & LEAVES EARLY, STARTS TAKING TIME OFF IMMEDIATELY, MAYBE MOONLIGHTING ANOTHER JOB DURING THE DAY.
- **IMPACT:** LOW PRODUCTIVITY, LOW MORALE, INCREASED WORK COSTS AS OTHERS PICK UP SLACK, POOR PUBLIC PERCEPTION.
- **HOW TO AVOID:**



BAD APPLE SCENARIOS

- **THE “I WANT TO BE THE CEO TOMORROW” EMPLOYEE**
- **SIGNS:** ATTEMPTS TO ANGLE FOR A NEW POSITION AND SEEKS PROMOTION QUICKLY, WHINES ABOUT PAY, BAD MOUTHS TRADITION/HISTORY OF COMPANY, PETITIONS FOR OVERHAUL OF EVERYTHING (ALWAYS ON INTERNET SEARCHING SALARY SURVEYS, LETS OTHERS KNOW NOT HAPPY W/ PAY OR OPPORTUNITIES), UPSETS THE APPLE CART.
- **IMPACT:** CREATES FRICTION AMONG OTHERS IN CULTURE WHERE PAYING YOUR DUES IS RECOGNIZED, FEELING OF DISRESPECT AMONG EXISTING EMPLOYEES.
- **HOW TO AVOID:**



TYPES OF TURNOVER

- **HEALTHY/FUNCTIONAL**
- **UNHEALTHY/
DYSFUNCTIONAL**



IMPACT OF POOR EMPLOYEE SELECTION

COST:

-Lower-level employees cost companies 30-50% of employees' yearly salaries

-Middle-level employees can cost up to 150% of employees' annual salaries

-High-level employees can cost over 400% of employees' annual salaries

(Source: SHRM as cited by Christine Porath, Mastering Community)

ASSUMPTIONS:

- 35% KNEW THE CANDIDATE HIRED DIDN'T HAVE ALL THE NEEDED SKILLS BUT FELT THEY COULD LEARN QUICKLY
- 32% TOOK A CHANCE ON A NICE PERSON
- 30% FELT PRESSURE TO HURRY AND FILL THE POSITION



WHAT CAUSES TURNOVER?

- **80% OF EMPLOYEE TURNOVER IS THE RESULT OF A BAD HIRE**
- (Harvard Business Review)



IMPACT OF TURNOVER

- LOST WORKER PRODUCTIVITY (40%)
- LOST TIME DUE TO RECRUITING AND TRAINING ANOTHER WORKER (40%)
- EXPENSE RECRUITING & TRAINING ANOTHER WORKER (37%)
- NEGATIVE IMPACT ON EMPLOYEE MORALE (36%)
- NEGATIVE IMPACT ON CLIENT RELATIONSHIPS (22%) –POOR BRANDING, LOSS OF CLIENTS, ETC.



HOW MUCH TO REPLACE MAVERICK?



SUPERVISORS BEWARE!

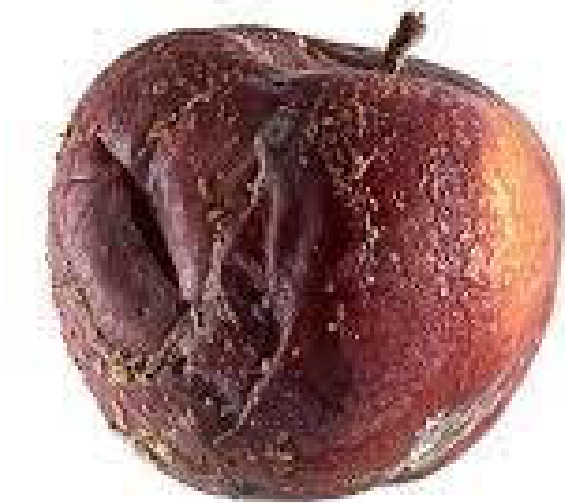
- ***“THIN SLICE”*** JUDGMENT

“SHE’LL BE A GREAT CANDIDATE BECAUSE ON THE ELEVATOR RIDE TO THE INTERVIEW, WE LEARNED WE HAD A LOT OF THINGS IN COMMON, SHE’S FROM CINCINNATI, WE WENT TO THE SAME SCHOOL, KNEW ALL OF THE SAME PLACES, FOODS, ETC. WE HIT IT OFF REALLY WELL.”

“I’M A GOLFER, HE’S A GOLFER, WOULDN’T YOU LIKE TO BE A GOLFER TOO?” (WE’LL GET ALONG GREAT!) “WILL WE?”



WHAT DO BAD APPLES LOOK LIKE?



GOOD OR BAD APPLE?



COSTING EMPLOYEE TURNOVER

- $S + R + T + PD = \text{TOTAL COST OF TURNOVER}$

- S=Total Separation Costs

- R=Total Replacement Costs

- T= Total Training Costs

- PD= *Performance Difference Costs

(*Net differential performance between leavers and their replacements)



SEPARATION COSTS



REPLACEMENT COSTS



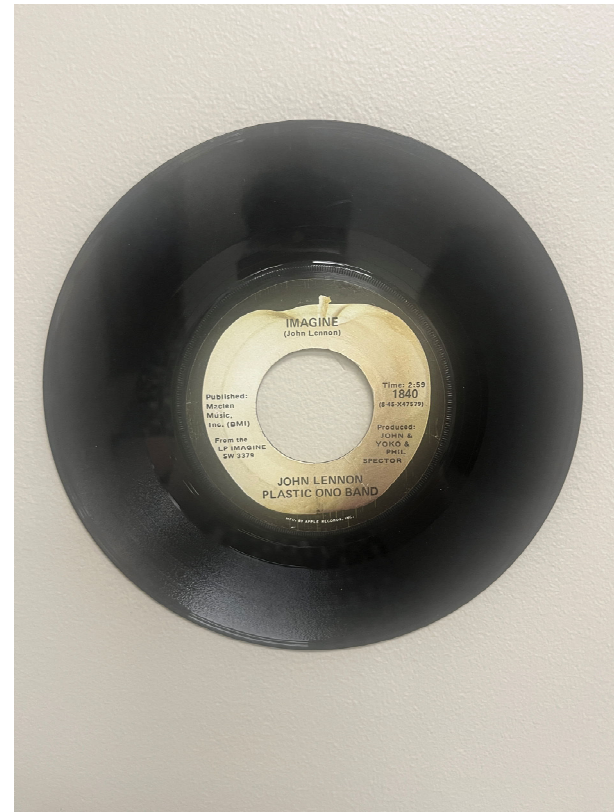
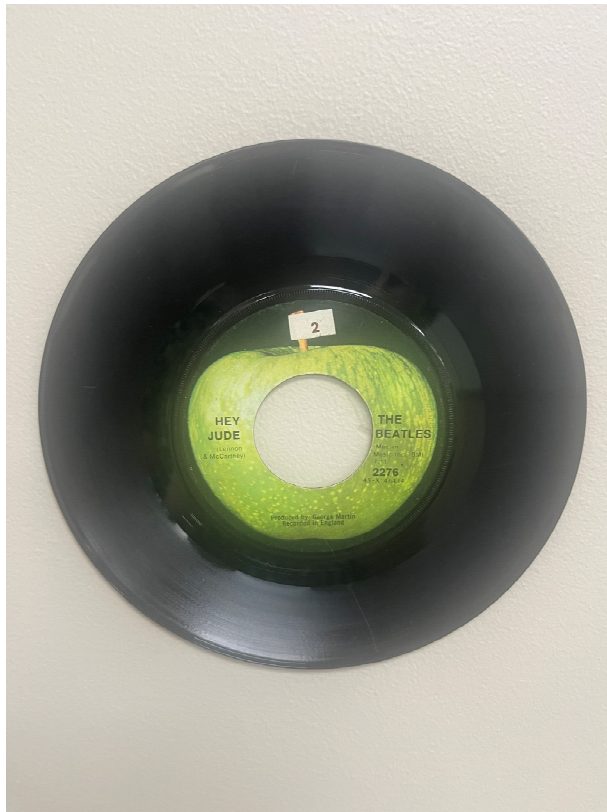
TRAINING COSTS



THE COST OF ONE BAD APPLE



LET'S TALK ABOUT HIRING GOOD APPLES



WHAT'S THIS?



GETTING GOOD APPLES INTO THE BUNCH

BE INTENTIONAL	ABOUT YOUR MISSION, VALUES, CAUSE
CREATIVE & WIDESPREAD ADS/EMP. REFERRALS	<i>"WHY SHOULD SOMEONE COME TO WORK FOR US?"</i> (TELL YOUR UNIQUE STORY) & OFFER BONUSES TO EMPLOYEES FOR HIRED REFERRALS
ASK	INTERVIEW AS A PANEL, ASK STRUCTURED INTERVIEW QUESTIONS TIED TO FUNCTION (JOB COMPETENCIES) & FIT (MISSION/VALUES), MAKE INTERVIEWS NON-TRADITIONAL



GETTING GOOD APPLES INTO THE BUNCH

MULTIPLE HURDLE APPROACH	USE VARIOUS METHODS TO HIRE THE RIGHT INDIVIDUAL
DATE	DATE BEFORE GETTING MARRIED (TEST DRIVE VIA TEMP-TO-HIRE OPTION OR PROVIDE A CORPORATE TRYOUT, AUDITION WHERE POSSIBLE)
CHECK	BE EXHAUSTIVE IN REFERENCE/BACKGROUND CHECKS



Be Intentional

- Mission
- Vision
- Values
- How we do these

  CULTURE



BE INTENTIONAL - SALT & STRAW

- *“IT STARTS WITH HIRING.”*
- INTENTIONALLY HIRE THE *“UNAPOLOGETICALLY POSITIVE,”* A QUALITY IMPORTANT FOR BUILDING COMMUNITY.
- INTERVIEW QUESTIONS:
- *“WHO INSPIRED YOU GROWING UP?”*
- *“WHO IS ONE PERSON YOU LOOK UP TO?”*
- *“WHO’S THE BEST LEADER YOU’VE WORKED FOR?”*
- *“HOW DO YOU LIKE TO RECEIVE FEEDBACK?”*
- (ARE THEY GOOD STORY TELLERS? CAN THEY TELL CUSTOMERS ABOUT OUR STORY AND REALLY CONNECT WITH THEM?)



BE INTENTIONAL - TRAEGER

- CEO JEREMY ANDRUS SPENDS TIME W/ EVERY JOB APPLICANT TO ENSURE THEY HAVE THE RIGHT VALUES AND SKILLS FOR TRAEGER
- FOCUS ON POSITIVITY AND COLLABORATION



GOOD JOB AD?

- IN A JUNGLE WITH 40,000 SHRUBS AND 1,000 PALM TREES?
- WHERE AN ERUPTING VOLCANO SPEWS DANCING FIRE EVERY 15 MINUTES INTO A LAGOON?
- WHERE A WATERFALL CASCADES 60' IN AN ATRIUM?
- WHERE SIX BOTTLENOSED DOLPHINS SWIM IN A 1.5-MILLION GALLON HOME?
- WHERE WHITE TIGERS, SHARKS AND ILLUSIONISTS HANG OUT?
- WHERE FANTASY IS REALITY?



Referral Programs.....WHY?

1. It encourages employees to make good referrals
2. It saves you time and money
3. Better retention
4. Employee involvement



PART III. HEALTH

1. What illnesses, accidents or operations have you had during the past ten years?

.....
.....

2. Do you have any physical defects? If yes, describe:

.....

3. Have you ever received compensation for injuries? If yes, describe:

.....

(Does he appear to be a generally healthy person? Does he appear to be energetic?)



Job Criteria	Rating*	Weight**	Total	Comments
Dress	4	1	4	<i>Candidate dressed appropriately.</i>
Personality	2	5	10	<i>Did not seem excited about the job.</i>
Interview questions				
Give an example of a time you showed leadership.	3	3	9	<i>Descriptive but didn't seem to have experience required.</i>
Give an example of when you had to give bad news to a client.	0	5	0	<i>Has never had to do this.</i>
Tell us how you have worked well in a team.	5	4	20	<i>Great example of teamwork given.</i>
Score on cognitive ability test.	78	5	390	<i>Meets minimum required score of 70.</i>
Work sample rating.	5	5	25	<i>Excellent work samples.</i>
			458	

*Rating system of 1-5, with 5 being the highest

**Weighting of 1-5, with 5 being the most important

NON-TRADITIONAL SELECTION METHODS

- ***“SOMEONE ONCE TOLD ME THE BEST WAY TO KNOW IF YOU SHOULD HIRE A PERSON IS TO GO ON A CROSS-COUNTRY BUSINESS TRIP WITH THEM.” – PATRICK LENCIONI, THE IDEAL TEAM PLAYER***



MULTIPLE HURDLE APPROACH



MULTIPLE HURDLE APPROACH TO EMPLOYEE SELECTION

APPLICATIONS

INTERVIEWS (STRUCTURED)

WORK SAMPLE TESTS

ABILITY TESTS
(COGNITIVE/MENTAL)

PERSONALITY/HONESTY
TESTS

SITUATIONAL JUDGMENT
EXERCISES

MANAGERIAL
ASSESSMENTS/SIMULATIONS

REFERENCE
CHECKS/BACKGROUND
CHECKS/DRUG TESTS



TEST DRIVE, AUDITION, TRYOUT



REFERENCE AND BACKGROUND CHECKS

- **THE POWER OF REFERENCE CHECKING-THE CHICK FIL A WAY**
- MOST VALUABLE TOOL IN SELECTION TOOLBOX
- INTERVIEW THE REFERENCE-45 MINUTES EACH
- SEEK REFERENCES TO WHOM THEY'VE BEEN ACCOUNTABLE, NOT JUST PEOPLE THEY KNOW
- INTENTIONAL RE: CHARACTER, COMPETENCY, CHEMISTRY
- (Source: Turner, Dee Ann, Bet On Talent)



HIRE & RETAIN GOOD APPLES

1. KNOW WHAT BAD APPLES LOOK LIKE AND PREVENT THEM FROM ENTERING ORGANIZATION THROUGH SELECTION PROCESSES AND METHODS (STRUCTURED INTERVIEWS & OTHER SELECTION TESTS)
2. BE VERY INTENTIONAL ABOUT WHO YOU BRING INTO YOUR ORGANIZATION AND WHO TO RETAIN (CRITICAL SELECTION AND PERFORMANCE DISCUSSIONS W/ A FOCUS ON TEAM AND VALUES)
3. WHAT IS TURNOVER? HOW MUCH DOES IT COST? IS IT GOOD OR BAD? PRUNE THE TREE PERIODICALLY FOR A BUMPER CROP!

