

# Compelling Bottom Line Reasons to Use Pre-Employment Assessments

By Dr. John Schinnerer

- Nearly 66 out of 100 new hires will fail in the first year.
- Sixty-six out of every 100 employees are looking for employment opportunities at other companies right now.
- Ninety-five out of 100 applicants will exaggerate the truth or lie to get hired.
- The majority of hiring decisions are made based on a 'gut feel' without real data to back it up.
- Thirty-three percent of businesses will be sued over employment issues this year alone.
- The cost of turnover is equal to or greater than an employee's annual salary.
- Seventy percent of turnover is avoidable if your firm is hiring the most compatible applicants.
- Not even 50% of applicants have the basic skills required for success in today's job market.
- Nearly half of inventory shrinkage is due to employee theft.

## **Premiere firms hire dependable employees**

Absenteeism cost employers nearly a thousand dollars per day per employee. This was the direct cost reported by a survey of human resource professionals and does not include the cost of hiring others or paying overtime to perform the work of absent employees.

## **Premiere firms use objective data to guard against illegal discrimination**

The best companies use testing for the objective, hard data that it provides. In the absence of objective data, there's no way a firm can demonstrate that a hiring decision was made fairly and rationally, without discrimination due to gender, race, ethnicity, religion, or age.

## **The best firms use several sources of data to evaluate top talent.**

More and more, individuals are comfortable exaggerating their accomplishments. In 1999, 95 out of 100 applicants said they would be willing to lie on their résumés in order to get a job.

## **Top talent expects to be given pre-employment tests.**

More than 9 out of 10 of job applicants accept testing as part of the job qualification process. Only 3 applicants out of 100 negatively view testing.

## **Assessments uncover hidden talent.**

Historically, employers depend upon résumés, references and interviews as the sole sources of information for personnel selection. In practice, these sources have fallen far short of reliably uncovering top talent. Obviously, an essential ingredient for making "people decisions" has been missing from the formula.

The use of assessments has become essential to employers who need to:

- Place the most talented people;
- Reduce shrinkage;
- Identify, retain and develop their top talent; and
- Promote individuals into positions where they will flourish.

The use of Infinet's assessments has resulted in extraordinary increases in productivity while reducing employee conflicts and lawsuits, employee turnover, irritability, tension, and increasing overall employee productivity and satisfaction.

Many factors contribute to the weak state of traditional hiring methods. Résumés contain so many false claims of education, dates and experience as to be completely useless in making judgments of top talent. In other words, if a data set contains 40% erroneous data then the entire set is useless because one cannot determine which data is true and which is not.

Business references are of modest value because prior employers will typically tell you nothing but "name, date and serial number."

These factors put a greater weight on interviews for hiring and promotion decisions. Yet, studies demonstrate only a weak correlation between the ability to deliver well in an interview and the ability to perform well on the job. Experts report this correlation at 14%, or one good employee in seven hires.

The addition of background checks help slightly. The success rate climbs to 26%, or one good hire out of four. Amazingly, many employers have accepted these poor results and the high cost of excessive turnover as a cost of business. It does NOT have to be.

### **Assessments add an arrow to your quiver of hiring tools.**

While assessing personality, IQ, ethics and knowledge improves the hiring success rate by 34%, the most impressive results occurs when the whole individual is assessed (i.e., personality, IQ, ethics and knowledge). Such assessments can identify high potentials up to 90% of the time.

These integrated assessments employ cutting-edge technology and empirical data to assess the qualities of "The Whole Person." In doing so, the individual qualities of candidates are compared to the qualities of employees who perform their duties in a superior manner.

**About the Author:**

Dr. John Schinnerer is the CEO and Chief Strategist of [InfiNet Assessment](#), a psychological testing company, founded in 1997. Dr. Schinnerer is an educational psychologist and experienced test designer from the U.C. Berkeley. His areas of expertise range from ethical and moral development and training to psychometrics to the psychological constructs that influence job performance. He is a noted writer and speaker on topics such as the legal issues involved in pre-employment testing, optimizing brain functioning, and creating an ethical workplace. Dr. John serves on the Advisory Board of [Humanatek](#), a leading edge human capital company. He is a Lead coach for [Bayridge Consulting Group](#). Dr. Schinnerer is President of the Tri-Valley Human Resources Association ([TVHRA](#)) and serves on the Leadership Team of [HR ExecNet](#), a job search and networking group for HR Executives. He also sits on the Leadership Council for The Wellness Community; a non-profit designed to help cancer survivors and their families. He is a member of the American Psychological Association, Society for Human Resource Management, Society for Business Ethics, and NCHRA. Dr. Schinnerer is currently working on a book entitled "A Day in the Life of a Human Capitalist" based on interviews with elite VPs of Human Resources. He may be reached via email at [John@InfinetAssessment.com](mailto:John@InfinetAssessment.com).

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