



CROSSCHQ'S  
**DEFINITIVE GUIDE TO**

**QUALITY OF HIRE**

Everything you need to know to measure, track  
and dramatically improve Quality of Hire.



ELEVATE YOUR HIRING GAME

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## QUALITY OF HIRE: STEP-BY-STEP

Recruitment keeps getting more competitive, more expensive, and more difficult to navigate. How can you make sure that you hire the best person for the job every time? The answer resides in the increasingly important metric: Quality of Hire (QoH).

*Quality of Hire can be defined as the value to your company that a new employee contributes over a period of time.*

**Crosschq's award-winning Hiring Intelligence Platform delivers outcome-based intelligence and insights that drive better Quality of Hire and improve business ROI.**

**The Crosschq Data Labs team has over analyzed 24+ million hiring decisions to bring you the most comprehensive and up-to-date information on this important predictor of performance.**

[LEARN MORE](#)

By collecting and comparing pre-hire and post-hire data, you can build a picture of what your best employees look like, and model future hiring to attract and make offers to similar candidates. Used correctly, it becomes a virtuous cycle where you're constantly improving your Quality of Hire scores.

This elusive metric can be critical for controlling your recruitment spending. By hiring the right person for every role, you can cut down on costs of constant employee churn and re-recruitment. Additionally, you can significantly improve employee morale, productivity, and job satisfaction across the board.

*Understanding what Quality of Hire is and how to measure it is key to building higher-performing teams and future-proofing your workforce.*

**“** *LinkedIn's Future of Recruiting Report for 2024 predicts that Quality of Hire (QoH) will be TA's #1 priority over the next five years.*



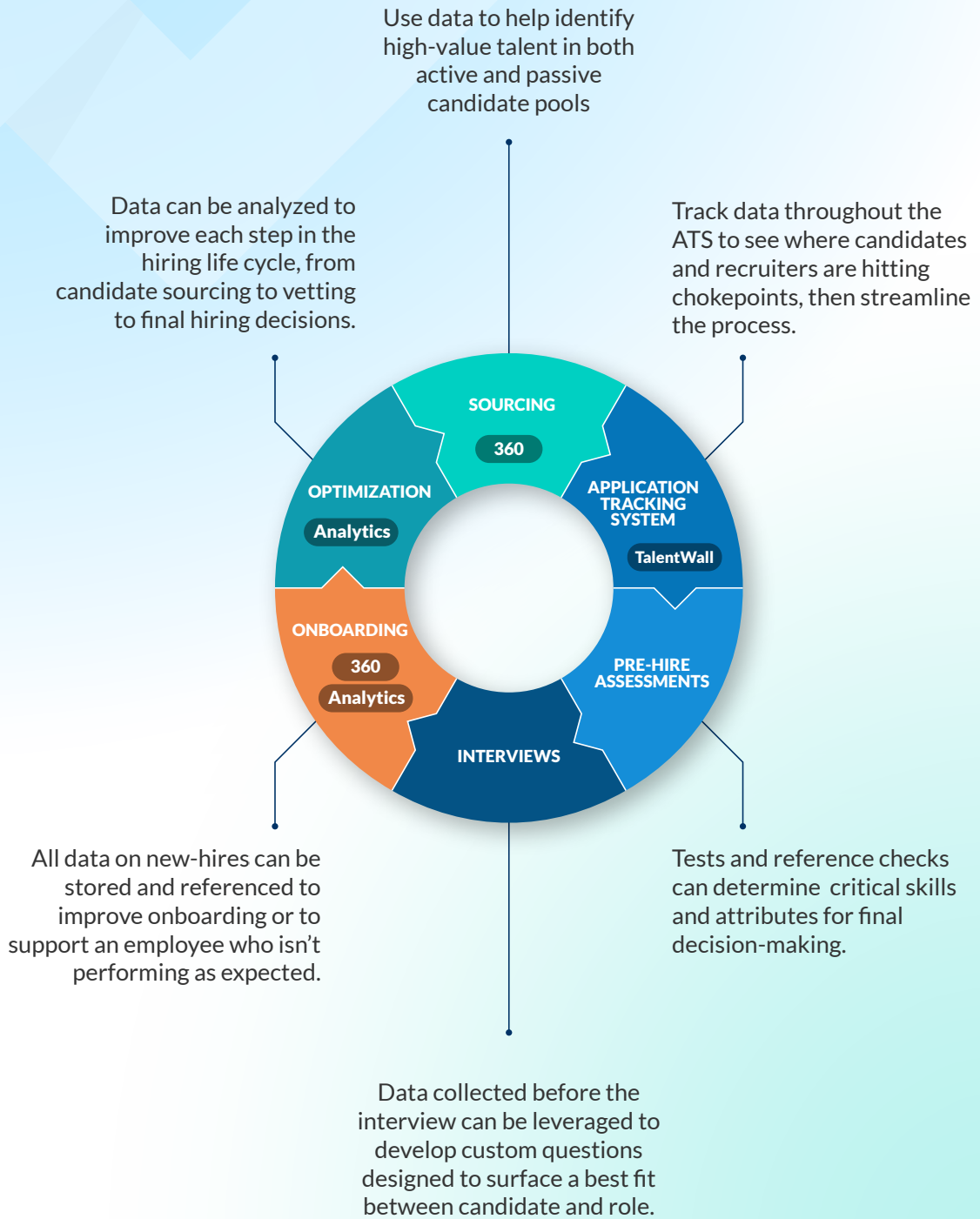
# QUALITY OF HIRE: STEP-BY-STEP

Tracking Quality of Hire trends and indicators and tying them back to processes and decisions improves the new hire lifecycle from start to finish:

## The Impact of Improved Quality of Hire

<b>Better Sourcing</b>	Save money and time by dropping expensive / low performing sources and focusing on those bringing better quality candidates.
<b>Smarter Interviewing</b>	Track trends and utilize data to optimize the entire interview process.
<b>Learned Indicators</b>	Analyze candidate skills and traits to identify leading indicators of better quality hires and top performers.
<b>Reduced Costs</b>	Hiring great talent eliminates the costs of replacing mediocre or poor-performing employees.
<b>Boosted Employee Morale</b>	New hires are more motivated and contribute positively to your company culture, resulting in increased employee morale across your organization.
<b>Improved Productivity</b>	Higher quality employees will onboard faster and become more productive. By identifying top performers, you can both focus on continuing their success and finding similar candidates for other roles.
<b>Increased Retention</b>	Uncover candidates who will provide good culture add as well as culture fit to enhance team communication, collaboration and innovation, leading to improved retention.
<b>Organized Layoffs</b>	Provide insights on which employees are not performing, or lack potential, allowing for data-smart decisions that better impact the bottom line. No more last-in-first-out approaches to layoffs.
<b>Higher Revenue and Better Bottom Line</b>	Employees with high QoH scores are more engaged. Studies show that organizations with highly engaged employees enjoy 26% more revenue per employee.

# QUALITY OF HIRE: STEP-BY-STEP





## QUALITY OF HIRE: PREDICTABILITY AND PRODUCTIVITY

By selecting employees based on predicted performance, you can improve productivity and, by extension, your organization's bottom line.

Quality of Hire results in new hires who are motivated, engaged, and ready to make a difference. These are the employees who will both pull their weight and be worth it in gold.

Employees with high QoH scores are more engaged. Studies show that organizations with highly engaged employees enjoy

**26% more revenue per employee.**

By using Quality of Hire metrics based on current employees, you can identify the attributes you should be looking for in candidates to surface the ones most likely to be high-performers.

Employees who are high-performers can deliver up to

**400% as much productivity**

as employees who perform poorly, indulge in presenteeism, or are unengaged and unmotivated.

Ultimately, Quality of Hire in action can deliver big returns that are measurable, trackable, and able to be presented to stakeholders to prove that leveraging Quality of Hire works.

According to one report, just a 10% increase in employee productivity could result in up to a

**100% increase in pre-tax income.**

**“Quality of Hire is the holy grail of recruiting.”**

Society for Resource Management (SHRM)

# HOW TO CALCULATE QUALITY OF HIRE

The fundamental calculation for Quality of Hire is fairly simple:

## The Formula

### Quality of Hire

$$\left[ \frac{\text{Quality Input 1} + \text{Quality Input 2} + \text{Quality Input 3}}{\text{Number of Inputs}} \right] \times 100$$

## The inputs

Metrics to include start with the big three:

- Employee performance (based on sub-metrics like productivity)
- Hiring manager satisfaction (Would you hire the employee again?)
- New hire fit (based on feedback collected from peers)

Additional Quality inputs you might want to use include:

- Candidate Pool Size
- Cultural Fit
- Ramp-Up Time
- Employee Satisfaction
- Employee Engagement
- Employee Retention
- Hiring Cohort
- Interview Structure
- Job Performance
- Managerial Retention
- New Hire Goal Establishment
- Reference Quality
- Time to Fill
- Time to Productivity

### Do you use a BI tool and spreadsheets to build your QoH reports?

Many leaders spend hours requesting, navigating and managing BI reports, or even worse, building their own reports in Excel.

In addition to the heavy investment of time, [BI tool reports have a myriad of drawbacks](#) including complexity, lack of self-service, sharing permission issues, long turnaround times and multiple data sources. There is an easier way.

Crosschq provides a real-time direct sync with out-of-the box reports and drag-and-drop dashboards. Sharing is easy, and your data is trustworthy, aligned to your specific TA metrics.

[LEARN MORE](#)

Follow these four steps to arrive at Quality of Hire scores that can be used as a baseline and compared against for tracking and improvement purposes:

## The Steps to Creating a Benchmark

### Step 1: Gather Data

Decide which data points will be included in your calculations. Use feedback surveys, performance reports, managerial rankings and KPI / goal results as reliable data sources to gather consistent scores that can be used in QoH calculations.

### Step 2: Transfer to Equivalent Scale

Transform all input scores into an equivalent scale (preferably a percentage or a whole number on a scale of 1-10 or 1-100). See our Weighting section for more information on giving one or more metrics a larger degree of importance in your data set.

### Step 3: Calculate Results

Calculate by adding all of the scores together in a decimal format (80% would be .8), and divide by the total number of quality inputs. Then multiply by 100 to arrive at the official QoH score.

### Step 4: Benchmark Scores

Compare QoH scores to your own internal previous benchmarks as well as external benchmarks. The Crosschq Q Report showed that average Quality of Hire measures at 73.0, with top tier companies ranking in at an average of 81.4 and lower performing companies at an average of 58.9.

## Be Honest

Be honest about how your team is performing. If numbers seem wildly off, look at contributing factors, such as hire source, department leadership, or interviewing technique. In most cases, Quality of Hire can be improved over time.

## Minimum of Two Inputs

You must use a minimum of two Quality Inputs, one of which must be retention or tenure, and the other a measure of performance (this can include an overall rating, re-hireability, or business outcomes such as quota attainment).

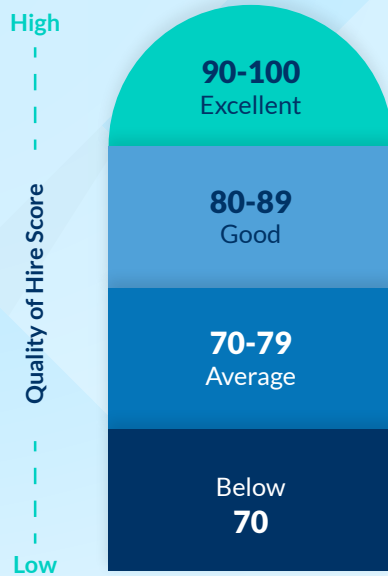
## Standardize for Comparison

The important thing is that all metrics chosen to calculate Quality of Hire must be standardized first (preferably by expressing each metric as a percentage.) Once Quality of Hire scores are calculated, the results can be used as a benchmark.

Scores for all employees can be added and divided by the number of employees to arrive at a companywide benchmark, and you can also segment results by department, recruiter, or manager.



# HOW TO CALCULATE QUALITY OF HIRE



## Benchmarks

Quality of Hire scores can be divided into four tiers:

**Quality of Hire is a measurement of an employee's value. It can be calculated using factors like performance, hiring manager satisfaction, culture fit, promotability, and re-hireability.**

Across all industries, company wide Quality of Hire scores are surprisingly low.

## How Do You Compare?

The [Crosschq Q Report](#) showed that average Quality of Hire measures at **73.0**  
 with top tier companies ranking in at an average of **81.4**  
 and lower performing companies at an average of **58.9**

## CROSSCHQ TIP

Indexing (or weighting) your calculations, or breaking them down by department, hiring class or diversity group, can become complex quickly. [Crosschq's Data Science team and the Analytics solution](#) help clients define, customize and track their Quality of Hire calculations correctly.

This isn't bad news: this means that there is a great opportunity to improve Quality of Hire and reap the benefits.

Getting buy-in from all levels in the company is crucial to making Quality of Hire work for your organization. Stakeholders include recruiters, hiring managers, department managers, and COOs. The best way to get these people on board with Quality of Hire is to show the connections to performance and retention values.

**Weighting and accuracy:** The measurement of quality can depend on the stage of an employee's lifecycle.

What matters initially (new-hire retention) may be outweighed by other factors at the end of years one, two or three (productivity). Define what matters most to your organization, and weight your calculations accordingly.

## KPIs AND TRENDS TO WATCH FOR QUALITY OF HIRE

Just as important as scoring your new hires for Quality of Hire is rescoring them at regular intervals to see if there are changes. You should also be tracking these KPIs and trends to see how they may be affecting Quality of Hire.

### KPIs

Achieving targets for these KPIs can help improve Quality of Hire scores.

#### % of Outstanding New Hires

Quickly identify top performers among your most recently hired employees, then target them for special attention to improve retention.

**Target: Score Above 80.0**

#### % of Failing New Hires

Swiftly separate out which new hires are not meeting performance expectations, then see if they can be salvaged with retraining or replaced.

**Target: Score Below 40.0**

#### New Hire Average Performance

Performance is a vital metric for companies whose revenues are performance driven. Tracking employee performance over time should be a priority.

**Target: Score Above 80.0**

### Trends

These trends let you break out specific data that could affect Quality of Hire, so you can focus on refining your approach.

#### Monthly Hiring Class

Tracking QoH based on monthly hiring classes helps you single out the strongest hiring cohorts, and track performance. Strong classes that fail after hiring can highlight issues with onboarding.

#### Quality of Hire Distribution

The QoH distribution of hiring cohorts can help you understand the impact of low performers and new hire churn, and show you if your recruiters and hiring managers are on the same page.

#### Inputs

Choosing the right input(s) such as retention or performance to drive your Quality of Hire evolution is mandatory if you want to tie Quality of Hire metrics to organizational goals.

#### Diversity Group

If diversity is lacking in your organization, or you or your are seeing certain performance trends among specific diversity groups, your company culture and/or hiring processes may need revision.

### Smarter Hiring + Better Retention

By measuring Quality of Hire you can build a profile of what a high-performance, good-fit employee looks like for your organization. It also makes it easier to identify employees already in your organization who should be nurtured to prevent attrition.

# ROLES AND RESPONSIBILITIES FOR QUALITY OF HIRE

Overemphasizing a single success metric can lead to unfavorable results. Setting recruiting teams, for example, to focus on just Time to Hire can lead to faster hires, but at the cost of lower retention or productivity, or both.

## Need to identify bottlenecks?

Use real-time pipeline analytics to uncover drop-offs in your hiring process.

Investors and board members are asking (or should be) about the company’s ability to recruit top quality talent because they know it’s a sign the organization can survive and thrive.

Recruiting intentionally is the path toward increased revenue and organizational success. It follows that executives – up to the CEO and the board – should have Quality of Hire in their purview, and specifically in the short-list of top business objectives.

As far as direct responsibility, Quality of Hire should be a shared metric across the org: talent leaders, hiring managers and department heads, as well as the C-Suite executives including the CHRO, CFO, and CEO.

Quality of Hire is an all-hands-on-deck success metric. It’s critical to get cross-functional buy-in on a detailed RACI or similar outline of who is directly responsible for improving this metric.

## Quality of Hire is a Team Effort

ROLE	QoH FUNCTION	POTENTIAL OWNERS
Responsible	Those who do the day-to-day tasks that will ultimately impact the quality of new hires. Also involved in updating or editing processes to improve QoH.	Talent Managers Recruiters Department Leads Hiring Managers
Accountable or Final Authority	Answers to the improvement of the Quality of Hire metric. Determines strategy, delegates ownership and checks in on progress via reports and dashboards.	CHRO Head of Talent
Consulted	Provides input or expertise related to the overall initiative or the cross-departmental impact of related tasks.	Business Ops, RecOps or HR Ops HR Business Partner CPO
Informed	Kept in the know / given updates about progress or status but not responsible for the project directly.	Board C-Suite

## IMPACT OF QUALITY OF HIRE ON KEY TALENT TEAM MEMBERS

How can and does Quality of Hire affect your hiring team? Here's how the five key stakeholders are challenged with their hiring responsibilities, and how Quality of Hire intelligence can make a positive impact for them directly.



### Recruiter

**Primary challenges:** Recruiter's face day-to-day, task-to-task efficiency challenges. They need to pinpoint suitable candidates, handle numerous applicants, and deliver a seamless candidate experience.

**Quality of Hire advantages:** By employing the Quality of Hire metric, recruiters can concentrate on KPIs predicting long-term candidate success, enhancing sourcing strategies, and prioritizing high-quality applicants. This results in a quicker hiring process and improves candidate satisfaction, ultimately increasing recruitment efficiency.



### Hiring Manager

**Primary challenges:** Hiring managers juggle their core role tasks with the additional hiring responsibilities. They're expected to shoulder the final hiring decisions, and facilitate successful new hire integration.

**Quality of Hire advantages:** Utilizing the Quality of Hire metric allows hiring managers to base decisions on objective data, selecting candidates with higher success potential. This reduces turnover risk and training time, leading to smoother onboarding and enhanced team harmony.





### VP of Talent Acquisition

**Primary challenges:** The head of TA needs to craft and implement effective talent acquisition strategies and plans, while keeping an eye on maintaining a strong employer brand, and overseeing a top-performing talent acquisition team. They need to watch pipeline performance carefully, and deliver meaningful results and reports to the executive team.

**Quality of Hire advantages:** Quality of Hire measurement allows the VP of Talent Acquisition to assess recruitment strategy success and pinpoint areas for enhancement. This enables process optimization, resource allocation, and investment in impactful initiatives, ultimately attracting top talent and improving the employer brand.



### Chief Financial Officer (CFO)

**Primary challenges:** The CFO is concerned with the bottom line. The CFO's role requires controlling talent acquisition and turnover expenses, efficiently allocating resources, and ensuring workforce contributions to financial success.

**Quality of Hire advantages:** By applying the Quality of Hire metric, CFOs can understand the ROI of their talent acquisition endeavors. This insight identifies cost-effective recruitment strategies, justifies talent acquisition investments, and reduces turnover costs. High-quality hires boost productivity and drive financial success.



### Job Candidate

**Primary challenges:** The candidate works to discover suitable job opportunities, and needs to differentiate themselves in a competitive market, and leave a positive impression during interviews.

**Quality of Hire advantages:** Organizations using the Quality of Hire metric are more likely to offer a candidate-focused recruitment process, improving the job-seeking experience. Candidates can find jobs better suited to their abilities and goals, enjoying increased job stability, career growth, and professional development opportunities.



## ESTABLISH COMMON GOALS ACROSS YOUR RECRUITMENT AND HR DIVISIONS



Improving Quality of Hire requires all hiring managers, recruiters, and associated stakeholders to be on the same page. Communication and the establishment of common goals will keep your hiring managers aligned for recruitment success. You'll need your hiring managers aligned to:

- Clearly define all pertinent terms and goals
- Establish consistent metrics and benchmark rankings
- Create and adhere to best practices for interviews and employee assessments

As you review Quality of Hire scores at regular new-hire touchpoints and employee reviews, you can see what value they are contributing and figure out ways to empower them to do even better, whether that means reskilling or upskilling them or putting them into a leadership training program.

## IMPROVING QUALITY OF HIRE

Quality of Hire isn't a one-and-done process. Tracking over time with an eye to identifying issues and improving scores company-wide should be a priority.

Since Quality of Hire processes focus on improving your overall recruitment and hiring strategy, the goal is to attract, hire, and retain employees who create a higher ratio of value for your organization compared to the cost of employing them.

Improving Quality of Hire starts with setting those benchmarks by scoring every employee and new hire, then tracking KPIs and trends to see where improvements can be made. Quality of Hire is a living measurement that is consistently re-scored. Rescore everyone at regular intervals to see if Quality of Hire is improving, and use pre- and post-hire data to gain insight into which new hires are living up to their predicted potential.



## ORGANIZE YOUR HIRING AND RECRUITMENT WORKFLOW

Implementing workload organization can help your recruiters and hiring managers by streamlining processes across the hiring funnel and enhancing recruitment productivity and efficiency.

- ✓ Enhance screening processes using unbiased technology
- ✓ Analyze candidate conversion data to identify areas for improvement
- ✓ Establish flexible strategies for resource allocation
- ✓ Automate processes to accomplish repetitive tasks more quickly and efficiently

## SEGMENT YOUR DATA TO PINPOINT SPECIFIC OPPORTUNITIES

Looking at overall Quality of Hire scores is interesting, but in order for them to be actionable and help you make better business decisions, there are a few ways you should segment your Quality of hire data.

Why is it important to segment the data? To illustrate the point, let's look at an example of segmenting QoH data by source.

### Not All Candidates are Created Equal

Not all candidate sources are created equal, and if you're not using data to determine the quality of your hires, you could be hiring bad employees.

**Example:**

*Internal referrals are assumed to be top notch, but our research shows they score 26% below the QoH industry average.*

### See the True ROI

Another reason to segment your QoH data by source is to see the true ROI you're getting from each source.

**Example:**

*An expensive source could be bringing in more, high quality candidates who work harder and stay longer. Tie QoH data back to your sources to determine real ROI before making any rash decisions.*

### Different ways you should be segmenting your data:

- ✓ **Quality of Hire by Source:** Identify which sources give you the best quality candidates.
- ✓ **Quality of Hire by Recruiter:** Discover which recruiters are good at finding and hiring quality candidates.
- ✓ **Quality of Hire by Department:** Uncover which departments have good hiring, onboarding and retention practices.
- ✓ **New Hire QoH Trend:** Understanding which inputs might be influencing changes to QoH scores.
- ✓ **New Hire Quality of Hire Trend by Diversity Group:** Surface which groups of people who are potentially not treated equitably and fairly in the workplace.

## HIRING BASED ON KEY CANDIDATE INDICATORS FOR QUALITY OF HIRE

What if you knew what traits, abilities, and qualities to look for in candidates to predict better Quality of Hire? Crosschq Data Labs research shows a direct correlation between reference ratings and strong feedback on certain skills or traits and increased Quality of Hire.

Before you start scoring anything, however, you need a system that ensures your scores are consistent, fair and free from bias, and usable for comparisons across candidates. Crosschq's IO psychologists have developed surveys designed to gather unbiased, accurate data from peers and coworkers.

The resulting scores can both be compared to candidate self-scoring and be used to compare candidates to each other to find your top prospect for Quality of Hire.

### Crosschq 360 Reference Ratings for Candidate Quality

Crosschq uses a five point range for ranking candidates attributes and skills.

The main section of each survey uses variations on the question: "How would you rate [candidate name] on these attributes as compared to others you've worked with?"

Those completing the survey choose from the following answers:

1. **OKAY**, but things could have been better.
2. **GOOD**, met almost all of the needs of the job.
3. **REALLY GOOD**, performance was better than average.
4. **GREAT**, one of the best 3-5 people on the team.
5. **BEST**, the best person on the team.

This point scoring system lets candidates earn a total Reference Average Score that can be used for comparison purposes before identifying the front runner (based on this and any other data) and making an offer.

### Key Candidate Quality Indicators That Predict Higher QoH

Just a one point increase in a candidate's scoring from a reference in specific categories has been shown to correlate with a higher Quality of Hire. While Reference Scores are expressed on a 1-5 scale, Quality of Hire is usually expressed as a percentage (from 0% to 100%).



**Example:**

*A one point increase for an attribute results in a 3 unit increase in Quality of Hire potential: This means that if two comparable candidates, Candidate A and Candidate B, score 2 and 3 respectively on a specific question, the Quality of Hire score for Candidate A could then comparatively move from a 78 to an 81. Depending on their starting QoH measure, this shift could kick a potential employee from status as an average candidate to a good candidate on the QoH index.*

Crosschq's data analysis across all roles (known as the general dataset) gives us the average positive impact a higher Reference Score for these attributes can have on Quality of Hire potential.

**Requires very little direction: 3.82 increase in QoH**

A one point increase in a Reference Score to indicate a candidate works well on their own and doesn't require micromanaging, can mean a **3.82 unit increase** in QoH score between candidates up for the same role.

**Willingness to go above and beyond for the job: 3.41 increase in QoH**

A one point increase in a Reference Score to indicate the candidate is self-motivated to achieve objectives and surpass goals, can mean a **3.41 unit increase** in QoH score between candidates up for the same role.

**Attention to detail: 3.39 increase in QoH**

A one point increase in a Reference Score to indicate the candidate prioritizing getting a project done correctly, can mean a **3.39 unit increase** in QoH score between candidates up for the same role.

**Gets job done on schedule / time**

A one point increase in a Reference Score to indicate the candidate is likely to hit deadlines without fail and keep projects on track, can mean a **3.16 unit increase** in QoH score between candidates up for the same role.

**Intelligence: 2.98 increase in QoH**

A one point increase in a Reference Score to indicate the candidate shows learning aptitude and can be nurtured into an expert or innovator, can mean a **2.98 unit increase** in QoH score between candidates up for the same role.

**Consistent delivery of quality work: 2.52 increase in QoH**

A one point increase in a Reference Score to indicate the candidate takes pride in their work and delivers consistent results, can mean a **2.52 unit increase** in QoH score between candidates up for the same role.

So although particular roles, teams, projects or management styles may lead a recruiting team to seek out one trait over another for that exact situation, the above traits as scored highly by references – regardless of the role – lead to higher Quality of Hire in a new employee choice.



That's an important distinction to make here, regardless of how important you think being a self-starter (or any above trait) is, data shows that overall these traits have a higher correlation with QoH than other attributes.

Others general traits that correlate a higher Crosschq Reference Score with QoH positive impact include:

- **Enjoyable to work with** (2.06 increase in QoH)
- **Is generally flexible** (1.91 increase in QoH)
- **Takes feedback well** (1.78 increase in QoH)
- **Communication skills** (1.23 increase in QoH)
- **Displays a positive attitude** (1.06 increase in QoH)
- **Handles stress well** (0.89 increase in QoH)
- **Optimism** (0.33 increase in QoH)

### Quality of Hire increase is not limited.

In addition, if a candidate has a two-point-higher score than another, their corresponding Quality of Hire potential goes up 2x the increase; for example, a candidate with a Reference Score of 4 for **"Requires very little direction"** would have a total QoH score unit increase of 7.64 over a competing candidate with a Reference Score of only 2.

## Key Indicators of Quality Candidates by Industry and/or Role

*Different roles require different abilities, skills, and traits. One should not just generally interview the same way, or make the same assumptions across roles. What you need is a tool that's consistent in how it asks and what it asks, and that can be customized for each role. Read more [here](#)*

Crosschq Data Labs have learned which attributes are very predictive of better Quality of Hire for the following specific roles:

### Engineer roles

**Adapting** (2.67 increase in QoH)

**Passion** (2.65 increase in QoH)

### Manager roles

**Team coaching skills** (1.87 increase in QoH)

**Team goals achievement** (1.23 increase in QoH)

**Team conflict resolution** (1.15 increase in QoH)

### Sales roles

Not all correlations are positive! Sales roles can be a completely different animal than other types of roles, as particular skills may specifically help or hinder a sales person in performing well. Crosschq Data Labs data found many higher Reference Scores for sales candidates actually correlate to a lower Quality of Hire Score:

**Is highly motivated** (-2.49 decrease in QoH)

**Has a competitive nature** (-1.57 decrease in QoH)

**Manages difficult decisions** (-1.19 decrease in QoH)

The difference between sales roles and engineer roles is why surveys like these are so important. There is not necessarily one silver bullet survey that will work well across all roles. Skills for engineers and sales roles are different, for example, and even their answers to the same questions require different interpretation and context.

If you're hiring based primarily on resumes and interviews, especially in an age of automated resume scanning, you're getting a high number of candidates bumped to the top who are good at "selling themselves."

That's great if you're hiring for sales roles. However, if you're hiring for engineering roles, it's not so great. In fact, the more deprecating engineers, software developers, and managers are when it comes to scoring themselves on their skills and attributes compared to how their references score them, the higher their Quality of Hire scores are likely to be. It's important to note that this distinction may not come out in interviews or traditional methods of evaluating candidates, and could lead to lower quality hires.

This brings us to the "awareness gap."

## Candidate Self Scores vs. Reference Scores: the Awareness Gap

It's critical to look at more than just scores when rating candidates. You have to have these deeper insights into role-specific scoring and which attributes contribute most to shifts in Quality of Hire Scores.

As we already discussed, you can't always trust what your candidates are telling you on their resume or in an interview, the same holds true if you have candidates complete your survey to self-score themselves on the same attributes.

The difference between the self-score and the average Reference Score is what we call the "awareness gap." If a candidate scores themselves significantly higher than their references do, the gap widens. In most scenarios (but not all), the bigger such a gap is, the more negatively it impacts their Quality of Hire Score.

Is this candidate dishonesty, or just lack of self-awareness and/or simple over-confidence? In most cases, a slight gap can be chalked up to the latter options, while a massive gap might indicate the former. Regardless of the reason, the gap can be concerning and indicate a need for further analysis.

Do awareness gaps have anything to do with how different genders, ethnicities, and age groups rate each other on surveys like these? [Our data](#) certainly indicates this to be true. Peers also rate each other differently than they rate managers, and vice versa.

What the awareness gap really tells us, however, is whether there is likely to be a big difference in Quality of Hire between one candidate and another based on how inflated a candidate's perception/portrayal of their skills/attributes are.

For example, if a candidate rates themselves higher on the ability to manage team conflict well than their references do, there's a -2.74 negative impact on their Quality of Hire potential. This is the kind of insight that has been lacking from candidate datasets since - well, since forever.

## WHAT HAPPENS WHEN YOU IGNORE QUALITY OF HIRE?

The costs of a poor quality hire include both tangible costs associated with lost productivity and churn and intangible ones like lower revenues due to lowered morale in your organization.

Poor hiring decisions have been proven to cause serious damage:

### QUICK QUIT

**20%** of new hires quit within 45 days of starting their new role.

### LOW-MORALE

Poor performers create a toxic, low-morale work environment.

### BAD FIT

A hire that ends up being a bad fit can cost as much as a quarter of a million dollars.

### ABSENTEEISM

Low quality hires cost up to 10x more in absenteeism

## HOW QUALITY OF HIRE IMPROVES BUSINESS OUTCOMES

Employees who have high Quality of Hire scores have a huge positive impact on the workplace environment as well as the bottom line.

Once you directly correlate pre-hire decisions to post-hire outcomes and tie Quality of Hire metrics to real dollars and cents, the CEO and CFO will take notice quickly.

When you recruit directed by Quality of Hire values, you get:

### The right managers

Correctly identifying those who can manage effectively and produce a high performing team can lead to a **27% higher revenue per employee**.

### Accelerated performance

Higher QoH means better team fit, increased collaboration, and the ability to further develop employees based on skills and natural talents bringing another **6% higher revenue per employee**.

### Increased retention

Employees stay longer due to a good fit with their job, co-workers, and company culture. **A 5% increase in customer retention can increase company revenue by 25-95%**.

### Shocking productivity

Well selected Quality of Hire employees can prove **400% more productive than a low performing employee**. Playing to their strengths produces up to **8% higher revenue per employee**.

### Improved morale

Companies with high employee morale outperform parallel companies by **20%**

### Way, way fewer mis-hires

We all have heard the staggering figures associated with mis-hires, including re-sourcing and onboarding, lost productivity and severance. **QoH helps save as much as 200% or more of the employee's annual salary** (had they been a poor fit).

### Tangible engagement

Quality of Hire employees are more engaged. Companies who focus on engaging their workforces see up to a **147% higher earnings per share (ESP)** and can enjoy an **18% higher revenue per employee**.

## WHAT HAPPENS WHEN QUALITY OF HIRE IS IGNORED

Tracking Quality of Hire can help you spot problems with new hires quickly and act fast to remediate or terminate. Employees with low Quality of Hire scores can drag your entire organization down, stifling creativity and innovation and destroying the morale of their team.

### Red flags include:

- Repeatedly failing to meet projected timelines for projects
- Having constant conflict with assigned team members
- Showing dissatisfaction with their responsibilities post-hire
- Receiving low scores and negative comments from hiring managers

Don't let a few bad apples spoil the barrel. Identify bad hires through Quality of Hire scoring and tracking, and remove them from the equation to benefit your bottom line.

## ORGANIZE YOUR HIRING AND RECRUITMENT WORKFLOW

Quality of Hire is a process that is continually ongoing behind the scenes, creating a comprehensive picture of your employee's potential and performance. Without it, you're subject to constant [employee churn](#), repeated costs associated with filling the same toles over and over, and dips in productivity.

Using a Quality of Hire analytics solution will allow you to leverage all of the data available on your employees and candidates to identify those with existing or potential Quality of Hire. With data driving your recruitment decisions, you can build a workforce that is strong, diverse, highly skilled, and loyal.

[Crosschq Insights: Quality of Hire Analytics](#) does all of this and more. With our data scientists working in partnership with clients to refine Quality of Hire scoring and implementation solutions, you'll find your recruiting worries shrinking as your revenues increase.

Learn more about how Crosschq's Data team can help customize Quality of Hire scoring and reporting for your organization.

REQUEST A FREE DEMO

