



Crossschq.com · Hire. Retain. Better.

The Quality of Hire Cheat Sheet

FROM CROSSCHQ DATA LABS

TOP 5 RADICAL INSIGHTS

From the Crossschq Q Report
to Help You Hire and Retain Top Talent

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

WHAT IS QUALITY OF HIRE?

Quality of Hire is the value that a new employee contributes to the overall success of your company in the long term.



Quality of Hire is the holy grail of recruiting.

- Society for Resource Management (SHRM) -



HOW DO YOU CALCULATE QUALITY OF HIRE?

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

Calculating factors: Minimum of two Quality Inputs. One must be retention or tenure, and one must be a measure of performance. Performance can include overall rating, re-hirability, or even business outcomes (such as quota attainment).

Additional inputs: You may include as many inputs as relevant. Adjust the denominator as necessary.

- Culture Add
- Engagement / Enthusiasm
- Influence
- Potential
- Managerial Retention

Rating scale: Before calculation, the inputs may be reported to HR on varying scales (percentages, scale of 1-5, etc.). Each input/score needs to be transitioned to an equivalent scale.

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.

Create a valid baseline: Start tracking your Quality of Hire metrics now and compare your scores over time.

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.

WHY DOES QUALITY OF HIRE MATTER?

Knowing what [Quality of Hire](#) is and how to measure it can help organizations make smarter hiring decisions impacting talent recruitment, attrition, and even downsizing.

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.



88% of organizations believe Quality of Hire will be the most significant measure of recruiting success over the next five years."

LinkedIn

[GET THE FULL CROSSCHQ DATA LABS Q \(QUALITY OF HIRE\) REPORT](#)

[DOWNLOAD](#)

5 RADICAL INSIGHTS ON QUALITY OF HIRE

(...and how they can help you.)

Crosschq has built a platform that gathers and analyzes hundreds of millions of data points and uses machine learning (ML) and artificial intelligence (AI) to measure and predict Quality of Hire.

Straight out of Crosschq Data Labs, here are **5 never-before-seen insights** our data scientists uncovered about Quality of Hire.

Quality of Hire
Radical Insight

#1

INTERVIEW SCORES



» Most Interviewers Are Not Very Good At Identifying Top Talent

Crosschq Data Labs research shows:

Only 9% of interview scores correlate to Quality of Hire.



A lot of times the interview relies not so much on the interviewee, but on the interviewer.”

Ernie Johnson Jr | American Sportscaster and Author

Interviewing is weighted heavily in hiring decisions, but it’s actually a fairly unreliable way to choose the best candidate.

How skilled are your stakeholder interviewers?

Lack of training: most interviewers are not skilled or experienced at the task; in Crosschq Data Labs research, more than half had only done one isolated interview, and 76% conducted only one interview per year.



CONCLUSION

Interview scores are generally not very predictive of post-hire success; however, interviewers who have conducted a higher number of interviews are typically more reliable.



ACTION

Get interview training in place. Set up consistent stakeholder meetings to review candidates and discuss observations. Learn about [inherent biases](#) in an effort to build processes that are bias-free.



» Many Pre-Hire Assessments Are Unreliable For Predicting Quality of Hire

Crosschq Data Labs research shows:

There is NO strong link between pre-hire assessment data and Quality of Hire. In fact, 6 out of 10 assessments analyzed were not predictive of Quality of Hire.



*Hiring the wrong people?
92% of candidates who had top tier scores of one assessment resulted in the lowest Quality of Hire rankings overall.*

Crosschq Data Labs Finding - Chris Drake, Amber West

- **Not all tests predict Quality of Hire**

Certain types of pre-hire cognitive assessments are inversely correlated to candidate success. (The higher a candidate scored pre-hire, the worse they performed in their role post-hire.) Yikes!

- **Are tests worth the trouble?**

Some role-specific assessments, including technical tests for engineers or mock-sales pitches for account executives, did correlate with higher quality. The answer: Don't assume all tests are worth it. Assess the real impact of your assessments.

- **Losing good candidates?**

Too many or overly long pre-hire assessment processes lead to higher rates of drop off as candidates abandon the application process.

- **Skewed Results**

Many candidates end up treating the tests as something to "beat", or complete quickly, impacting the results.



CONCLUSION

Pre-hire assessments should be evaluated with a critical eye when it comes to using them for pre-hire predictions of Quality of Hire.



ACTION

Take a closer look at the real impact of your candidate tests and the results. Tie those results to their new hire productivity. For those who scored highly, did they perform well at the organization?



» “Last In, First Out”* Can Lead to Disastrous Downsizing Decisions

*and other methods not tied to Quality of Hire metrics

Crosschq Data Labs research shows:

Tenure is not a main indicator of Quality of Hire. Organizations using “Last in, First out” methods for downsizing, could (and did) lose some of their top performers.



People are not your most important asset. The right people are.”

Jim Collins | Best-Selling Author

Exactly who are you losing?

Crosschq Labs found in some cases that employees terminated had a 15% higher Quality of Hire ranking than those retained!

Measure first.

Don't make the same mistake. If you're facing a layoff, what methods are you using to determine who stays or who must go?

CONCLUSION

Quality of Hire should be your guidepost when making layoff decisions. Using the wrong methods or metrics to determine who to release can result in the exit of key performers from your organization.

ACTION

60% of the cost of turnover is lost productivity. To avoid losing top talent, review Quality of Hire data including performance history, engagement metrics, and culture or team feedback before making layoff decisions.





» Internal Referrals Are NOT The Best Source of New Hires

Crosschq Data Labs research shows:

Internal references for open jobs do NOT correlate with a successful quality of hire.



Employees sourced through internal referrals have Quality of Hire scores that are 26% below the mean."

Crosschq Data Labs Finding - Chris Drake, Amber West

Why do internal referrals have a lower quality of hire?

A few reasons this channel may not be your top source for quality candidates:

- Referral bias: You may lose a fair and diverse cross-section of the candidate population.
- Less scrutiny during the selection process
- Economic incentives impacting employee referral decisions

How do sources rank on average?

Research at Crosschq Data Labs shows:

- Lower Quality of Hire scores – Job Boards & Social Media Sources
- Higher Quality of Hire scores – Recruiter & Agency Sources

Clearly a less expensive source, this channel can at times bring employee gems. However, it is risky to assume all referrals are consistently top quality hires.

CONCLUSION

Tapping your employees for referrals may not be the best use of sourcing time. Not sure? Measure it! Start by defining what “successful hire” means to your organization. Is it retention, productivity, team fit, all of the above? Track which sources bring you the best “successful” hires.



ACTION

When interviewing internal referrals, ensure they are given the same rigorous screening process as external hires. Always supplement your internal referrals with external sources for hiring.





» Companies good at Quality of Hire, are really good. Companies bad at Quality of Hire, are really quite bad.

Crosschq Data Labs research shows:

Know where you stand.

Average Quality of Hire measures at 73.0, with top tier ranking in at 81.4 and the lower performing companies at 58.9.

1. Where does your company rank?

Do you know your Quality of Hire score? Across departments? Company-wide?

2. More matters.

Quality of Hire is impacted by many factors including retention, performance, culture fit, engagement, promotability, and re-hirability.

HIGHEST RANKINGS

Research at Crosschq Data Labs shows companies that ranked highest had been using [Crosschq's Quality of Hire Analytics](#) product the longest and were consistently tracking all the factors listed here to calculate their Quality of Hire.



CONCLUSION

Find out where you rank. It's important to start measuring Quality of Hire as soon as possible to set your own benchmarks and work from there.



ACTION





Track Quality of Hire using as many employee inputs as possible. Use these inputs to not only determine your current rank, but also as levers for improving your Quality of Hire overall. (For example: Improve retention = Improve Quality of Hire.)

Need help calculating employee quality of hire?

With 80 pre-built reports, [Crosschq Analytics](#) helps with Quality of Hire tracking, management, and optimization.

Crosschq Can Help You Improve Quality of Hire

CHEAT SHEET CHECKLIST

-  Tap into an all-new source for quality candidates [START NOW](#)
-  Identify top-quality candidates [START NOW](#)
-  Work more efficiently with your ATS [START NOW](#)
-  Track & report on your company's Quality of Hire [START NOW](#)

[Start making data-driven decisions](#) today and you'll reach your lofty Quality of Hire goals in no time.

[GET A CUSTOMIZED 1:1 WALK-THROUGH TODAY](#)

[BOOK NOW](#)

Crosschq Data Labs

Crosschq Data Labs provides the latest insights and research from a proprietary data source that has touched over 24 million hiring decisions.

Our industry experts and data scientists unearth important trends in hiring by connecting all aspects of pre-hire candidate intelligence with post-hire business outcomes. The result is the industry's only data source exclusively focused on helping companies measure and optimize Quality of Hire.



Chris Drake
Head of Data



Joshua Ruf
Lead Data Scientist



Andrés Nazarían
Data Scientist



Amber West
IO Psychologist



Organizational stakeholders are asking for more 'on-demand' data insights, pushing people teams to find scalable solutions to keep up with growing demand."

[Amber West](#) | IO Psychologist

GET A DEEPER DIVE.

Access the detailed data, graphs, and additional insights.

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