

Your company is growing rapidly, and you're looking to fill the gaps as quickly as possible. However, putting the wrong people in your open positions could ultimately end up costing your company even more. Thanks to A survey published by CareerBuilder, we learn just how much bad hires cost companies.



The True Costs

41% of companies surveyed say that a bad hire in the last year has cost them at least \$25,000.

25% of companies surveyed say that a bad hire in the last year has cost them at least \$50,000.

The cost goes beyond just financial impacts. The following are the direct and indirect ways companies say they've paid for hiring the wrong employee.

41% lost worker productivity.

40% lost time due to recruiting and training another worker.

37% expense recruiting and training another worker.

36% negative impact on employee morale.

22% negative impact on client experiences.

Why Do Companies Hire Bad Employees?

According to the CareerBuilder's survey, companies hired bad employees because:

38% The company needed to fill the position quickly.

34% It just didn't work out.

21% The company didn't test or research the employee's skills well enough.

11% The company didn't perform adequate reference checks.

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Breaking the Bad Hire Cycle

63% Failure to produce high-quality work.

63% Failure to work well with other employees.

62% Negative attitudes.

56% Immediate problems with attendance.

49% The employee caused customer complaints.

38% Failure to meet deadlines.

Great Companies are Made from Great Employees

According to small business expert/blogger Jay Goltz, the following are ways in which you can improve the chances of hiring the right employees the first time.

Conduct great interviews: HR teams should have organized interviews prepared for candidates. This includes having a set list of common interview questions as well as questions that are role specific.

Always check references: Goltz says that failure to check references is “like playing with fire.” If references are hesitant to talk much about the prospective employee, this is a red flag. Don’t make your decision from one reference. Call all of them and save yourself the headache of dealing with a bad employee.

Give your employee a great first day on the job: This crucial step will help them feel confident that they made the right decision to work for your company. Make them feel comfortable by having their workspace prepared before they arrive, feeding them lunch, and providing them to all their coworkers. Their excitement to be part of your team. will keep them motivated, and happy to succeed.

About EG Workforce Solutions

We’ve been in this business for decades and have developed a deep network of professional connections. Whether they’re companies looking for talent, job seekers looking for work, or an up-and-coming store in need of some temporary help, we know the right people to bridge the gap between the hiring and the hired.

But what’s more, we get to know people. From employers hiring to candidates looking, we take the time to listen and learn. We hear your likes, talents, and needs. We gain an understanding, and with it, we’re able to facilitate lasting relationships between businesses and people.

