Nearly Three in Four Employers Affected by a Bad Hire, According to a Recent CareerBuilder Survey

- The average cost of one bad hire is nearly $15,000; average cost of losing a good hire is nearly $30,000
- Two in three workers say they have accepted a job and later realized it was a bad fit, half of these workers have quit within six months
- 75 percent of workers say they're loyal to their current employer, much less (54 percent) say they feel their company is loyal to them

CHICAGO and ATLANTA, Dec. 7, 2017 /PRNewswire/ -- When it comes to costly workplace mistakes, few carry as hefty of a price tag as making a wrong hire. According to a new CareerBuilder survey, companies lost an average of $14,900 on every bad hire in the last year, and it's a common mistake — nearly three in four employers (74 percent) say they've hired the wrong person for a position.

The survey was conducted online by Harris Poll from August 16 to September 15, 2017 and included a representative sample of 2,257 full-time hiring managers and human resource professionals and 3,697 full-time workers across industries and company sizes in the U.S. private sector.

"It's important to note that there's a ripple affect with bad hires. Disengagement is contagious — poor performers lower the bar for other workers on their teams, and their bad habits spread throughout the organization," said Rosemary Haefner, chief human resources officer at CareerBuilder. "The best thing hiring managers can do is put in the time and effort on the front end to make sure they have the best available pool of applicants for every job opening. And, just as importantly, have good procedures in place for evaluating candidates."

When asked how a bad hire affected their business in the last year, employers cited less productivity (37 percent), lost time to recruit and train another worker (32 percent) and compromised quality of work (31 percent).

What Makes a Bad Hire
How do you know if you've hired the wrong person? When asked what made them think they had made the wrong decision, employers who have made a bad hire said:

- While the candidate didn't have all the needed skills, thought they could learn quickly: 35 percent
- Candidate lied about his/her qualifications: 33 percent
- Took a chance on a nice person: 32 percent
- Pressured to fill the role quickly: 30 percent
- Had a hard time finding qualified candidates: 29 percent
- Focused on skills and not attitude: 29 percent
- Ignored some of the warning signs: 25 percent
- Lacked adequate tools to find the right person: 10 percent
- Didn't do a complete background check: 10 percent
- Didn't work close enough with HR: 7 percent

Overall, this is how employers categorize someone as a bad hire:

- The worker didn't produce the proper quality of work: 54 percent
- The worker had a negative attitude: 53 percent
- The worker didn't work well with other workers: 50 percent
- The worker had immediate attendance problems: 46 percent
- The worker's skills did not match what they claimed to be able to do when hired: 45 percent

Workers Have Regrets, Too
Employers aren't the only ones making regretful decisions. Two in three workers (66 percent) say they have accepted a job and later realized it was a bad fit, and while half of these workers (50 percent) have quit within six months, more than a third (37 percent) have stuck it out. Workers who said they had taken a job only to realize it's a bad fit said they noticed their mistake based on toxic work culture (46 percent), boss' management style (40 percent), job didn't match what was described in the job listing and interviews (37 percent), and a lack of clear expectations around the role (33 percent).

Don't Let the Good Ones Go
While the cost of hiring the wrong person can be high, the cost of letting a good worker go is even higher. According to employers, the average cost of losing a good hire was $29,600 this year. And while 75 percent of

workers say they're loyal to their current employer, much less (54 percent) say they feel their company is loyal to them, and nearly a third (31 percent) say they are likely to change jobs in the next year.

Survey Methodology
This survey was conducted online within the U.S. by Harris Poll on behalf of CareerBuilder among 2,257 hiring and human resource managers ages 18 and over (employed full-time, not self-employed, non-government) and 3,697 workers ages 18 and over (employed full-time, not self-employed, non-government) between August 16 and September 15, 2017 (percentages for some questions are based on a subset, based on their responses to certain questions). With a pure probability sample of 2,257 and 3,697, one could say with a 95 percent probability that the overall results have a sampling error of +/- 2.06 and +/- 1.61 percentage points, respectively. Sampling error for data from sub-samples is higher and varies.

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