How High-Performing HR Teams Use Assessments to Hire Smarter

wonderlic

Alejandro Rodriguez

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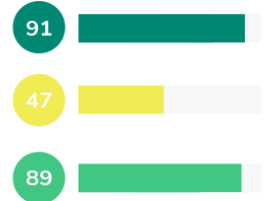
High turnover.
Shallow candidate pools.
HR team burnout.
You're not alone.

These challenges are pressing HR leaders everywhere. But they don't have to define your story. Today's high-performing recruiting teams are overcoming them — working smarter, getting stronger results, and consistently finding and hiring top talent. Their secret? It's all about efficiency. Yes, efficiency.

By using science-backed hiring processes from the start, these teams are maximizing resources, slashing hiring time, and saving money. More importantly, they're bringing in hires who thrive and go on to do big things in the organization. Why? Because they created a process that provides the data needed to make informed hiring decisions.

In this e-book, you'll discover the proven strategies these top-performing teams use to hire smarter, faster, and with greater confidence — so you can do the same.

75%

400%

INCREASED EMPLOYEE RETENTION

Organizations that use pre-hire assessments as part of a standardized recruiting process have been shown to reduce candidate screening time by up to 75% and employee retention by 400%.

To transform recruitment from a process governed by gut feelings and first impressions, high-performing HR teams are using pre-hire assessments to provide objective, highly predictive insights into candidates. Below, we'll explore what these assessments are and how these high-performing teams use them to reveal top talent while dramatically slashing hiring costs, time to hire, and turnover while improving performance, culture, and profitability.

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Recruiters today are being asked to do more than ever: coordinate with candidates and hiring managers, fill complex roles with a shrinking talent supply, assist in strategic workforce planning, serve as brand ambassadors, and much more, all while learning new skills and technologies.

Every new hire reflects on the HR team — both bad and good — with the potential to drive success or incur significant costs. The average cost of hiring a new employee sits around $4,700, according to benchmarking data from SHRM, but many employers estimate the true cost to be upward of three to four times a position's salary.

So, if you're hiring for a $70,000/year role, you may spend well over $210,000 in recruiting fees. This includes hard costs, like advertising, recruiting firms, and temp workers, as well as soft costs — which are not as obvious but can be even more expensive — things like lost productivity, reduced team morale, onboarding expenses, forgotten institutional knowledge, and more.

Not only is the traditional hiring process expensive, it's also inefficient. 75% of employers say it's difficult to fill roles today. In addition, half of all hiring decisions don't pan out. "Large corporations have thousands of business processes, but I doubt that you've ever heard of a single process that has a 50% failure rate," said HR thought leader Dr. John Sullivan.

This high failure rate, which measures how many new employees leave within their first 18 months, occurs at every level, from hourly employees to executives. Many HR professionals are left feeling as if they're patching a leaky roof. No sooner do they fill one position, another springs up. It's no wonder 98% of HR staff report feeling burnt out.

" In my research, I have found that over 75% of the decisions made during most corporate recruiting processes are made by humans relying on their own intuition rather than data

DR. JOHN SULLIVAN

Identifying the root causes of staffing challenges

This ongoing need to replenish talent can prevent HR teams from identifying the root causes of staff turnover and other workforce problems. To start hiring more effectively and efficiently, you must first understand the causes of lackluster results and overworked staff and then work to resolve short-term and long-term hiring issues effectively. The most common challenges hiring teams face include:

HIGH TURNOVER IN THE FIRST YEAR

According to Qualtrics, 39% of employees who've been with a company for less than six months plan to leave within a year. The most common reason is poor fit, usually from misalignment between the role's responsibilities and the employee's capabilities, personality, or internal motivators. Pre-hire assessments can help reveal cognitive ability, working and behavioral styles, and candidates' internal drivers.

UNPREDICTABLE NEW-HIRE PERFORMANCE

A meta-analysis featured in HBR revealed that experience is, surprisingly, a poor predictor of on-the-job performance. Why? Because knowing someone has experience isn't the same as knowing the quality of that experience. In other words, resumes can't answer questions like "How did this applicant perform in their past role?" and "Did they learn from their mistakes?"

In addition, keyword parsers can only pick up so much. Keywords, themselves, are not highly predictive of performance, and they fail to account for important factors like learnability, performance potential, and analytical and creative thinking — all of which pre-hire assessments can gauge and quantify.

Reduce costly turnover with insights that reveal top talent fit.

Learn about Wonderlic Select →

Identifying the root causes of staffing challenges

NOISE IN THE HIRING FUNNEL

It takes an average of **six to eight seconds** for recruiters to review a resume. However, if recruiters receive hundreds of applications for a role, that's hours of review without accounting for breaks, communicating with hiring managers, or sending emails and Slack messages. New features like LinkedIn's EasyApply have made it even easier for candidates to apply in their hundreds, and **74% of job seekers** apply for jobs for which they're underqualified. There is more noise than ever. Recruiters and HR teams need a way to quickly and reliably single out top candidates so they can focus their time and effort.

Wonderlic Select allows you to focus instantly on candidates above the median, identifying those most likely to succeed in the role. By filtering out the lower 50% of applicants, you're immediately saving at least 50% of your screening time.

MISLEADING FIRST IMPRESSIONS

A candidate might have aced the interviews and a baseline skills test, but these screenings may have missed a lack of decision-making and problem-solving skills or an inability to retain new information and work well with teammates. Pre-hire assessments, however, likely would have caught these factors, providing a holistic view of candidates.

DIFFICULTY IDENTIFYING TOP PERFORMERS

The cost of replacing employees can be staggering. However, it can be just as costly to hire bad employees, which incur **additional costs** like lowered team morale, lost customers, weakened brand, and potentially litigation fees.

Conversely, **research has shown** high performers can be a whopping **800% more productive** than their peers. Not only is there a significant cost to hiring bad performers, but there is also a major opportunity cost to not finding and hiring high performers.

Top Recruitment Challenges

01

High turnover in the first year

Almost half of all employees who've been with a company for less than six months plan to leave within a year, usually due to poor fit.

02

Unpredictable new-hire performance

50% of new hires fail within their first 18 months.

03

Noise in the hiring funnel

Job postings receive an average of **118 applications**, but this number balloons for competitive roles. In addition, **74% of job seekers** apply for jobs for which they're underqualified.

04

Significant costs to hiring bad employees and missing high performers

The average **cost of a bad hire** is $17,000 but can skyrocket to **$240,000** or more when you factor in recruiting fees, onboarding, and salary.

The main types of employee assessments

02

Many of the above talent challenges stem from a lack of data-driven insights into candidates.

For reliable predictive insights, leading HR teams use employee assessments based on leading industrial-organizational (I/O) psychology and science to provide an impartial, comprehensive view of candidates.

However, just as not all candidates are an ideal fit for a role, not all employee assessments are right for every organization and need. Below are a few of the most popular pre-employment assessments and what they'll reveal about candidates.

SKILLS ASSESSMENTS

Skills assessments measure proficiency in a specific skill area at a given moment, offering a snapshot without accounting for future growth potential.

Examples include how many typographic errors a proofreader can spot, how well a Java software developer can finish a coding assignment, or how proficient an accountant is with Quickbooks.

However, it's important to note that skill assessments are only a baseline check of the role's responsibilities and don't cover other important factors like working styles or personality. Skills are also an ever-changing asset with a shrinking shelf-life. Other traits, like learnability, teamwork, and cognitive ability, are fixed characteristics, offering a more well-rounded and long-term picture of employee fit.

The main types of employee assessments

COGNITIVE TESTS

Cognitive ability tests gauge how potential employees process information and solve problems, as well as their ability to retain and recall information, their attention to detail, and their reasoning skills.

It's important to note that these assessments should be role-specific. For example, numerical reasoning is imperative for accountants, whereas warehouse workers require more spatial reasoning, social media managers need sharper verbal reasoning, and so on and so forth.

PERSONALITY ASSESSMENTS

Personality tests measure traits such as stress tolerance, dependability, open-mindedness, sociability, and cooperativeness.

As with cognitive abilities, not every job or organization requires employees to score high in all of the above. While a high degree of sociability might be important for a customer service position, it might be less so for a computer programmer. In fact, in some departments, a highly outgoing person might become disruptive to colleagues, and in turn, they may quickly become unhappy with their position.

Personality tests come in many forms, and some are more fun than science (think a Disney princess test or a Hogwarts House test). These tests are purely for entertainment purposes, not for employment purposes. The effectiveness of a personality test boils down to its underpinning psychology and science. The Five-Factor Model, also known as the Big Five personality assessment or OCEAN Model, is the foundation of the most reliable personality assessment tests for employment, measuring five key dimensions of personality: Agreeableness, Conscientiousness, Extroversion, Openness to Experience, and Emotional Stability. I/O psychology has identified these dimensions as the most predictive of workplace behavior, communication styles, and team dynamics.

The effectiveness of a personality test boils down to its underpinning psychology and science, with the Big Five model being the gold standard for predicting workplace behavior.

The main types of employee assessments

Intrinsic motivation is often the reason an employee stays at a job or leaves a well-paying job for one that pays less but provides more fulfillment.

Motivation assessments identify what people want to do or are driven to do in the context of work.

Extrinsic factors such as a good salary, solid benefits, and a satisfying work-life balance are key employee motivators, but they're not the only ones. Intrinsic motivators can be just as important. Encompassing elements such as creativity, predictability, a sense of belonging, and autonomy. Intrinsic motivation is often the reason an employee stays at a job or leaves a well-paying job for one that pays less but provides more fulfillment.

For instance, candidates motivated by collaboration and the support of their colleagues are apt to become dissatisfied and, ultimately, disengaged in a role where they work largely on their own or are surrounded by team members motivated by independence.

While there are only a few motivation assessments on the market, the most predictive ones use the RIASEC occupational model. Also known as the Holland Code, the RIASEC model identifies individuals by how they rank in six categories:

- Realistic/practical
- Investigative
- Artistic
- Supportive/Social
- Enterprising
- Conventional/traditional

Few people fall neatly into any one category. However, by understanding which characteristics are dominant within an individual and their interests, you can determine the types of work a candidate would inherently prefer and the intangible benefits that would most likely spur them to succeed.

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I contain multitudes, wrote poet Walt Whitman, and indeed, everyone does
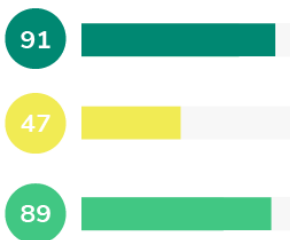
Combining the best of pre-hire tests:
The multi-measure assessment

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Rodriguez

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Two candidates could have similar resumes and interview equally well, but one might excel at decision-making and thrive when left to work independently, while the other shines with consensus and public praise from their manager. One candidate isn't necessarily better, but one might be a better fit for your open role and organization.

This is why any single pre-hire assessment can't paint the whole picture. Just like a resume, it's a one-dimensional view. Recruiters need a three-dimensional, data-driven view. That's why recruiters use multi-measure assessments, a pre-hire test that combines cognitive, personality, and motivation tests relative to a job's requirements. A recent report published by Cambridge University Press confirmed that multi-measure assessments offer greater predictive accuracy than skills assessments or personality tests alone.

Wonderlic Select includes a Motivation, Cognitive, and Personality assessment, which, when combined with structured interviews, combined, offer the highest predictive power for candidates

Higher correlation to performance

Wonderlic Select + Structured Interview

Structured interview

Job knowledge tests

Work sample tests

Situational judgment tests

Unstructured interview

Resume / Job experience

Lower correlation to performance

Very Beneficial

Combining the best of pre-hire tests: The multi-measure assessment

HIRE BEST-FIT TALENT WITH WONDERLIC SELECT

Wonderlic has been using the latest I/O psychology and science for nearly 100 years. In the mid-1930s, E.F. Wonderlic pioneered the short-form cognitive ability test, helping companies assess candidate suitability for specific job roles.

A century later, Wonderlic Select is a multi-measure assessment that uses leading industrial-organizational (IO) psychology and science to give recruiters an unbiased, comprehensive view of candidates — insights that far surpass those gleaned from resumes or interviews alone.

Wonderlic Select measures three dimensions of candidates: cognitive ability, personality, and motivation. In other words, can they do the job, how will they do the job, and do they want the job? Combined, these factors give recruiters highly predictive insights into how well a candidate will perform in a role — and how likely they are to want to stay in it. Pre-hire assessments aren't a replacement for your standard hiring process; they're an augmentation, providing additional data to help you make informed hiring decisions.

HOW WONDERLIC WORKS

Candidates can take the Wonderlic Select assessment immediately upon applying, or recruiters can give the test to finalists. Wonderlic Select gives recruiters a single score for candidates. This score is weighed against job-specific requirements defined by Wonderlic's jobs engine, which uses AI and millions of labor data points to provide granular insights about a role's requirements.

High-performing HR teams use the Wonderlic test upfront to immediately narrow hundreds of applications to the top 10%, significantly cutting resume review time. Suddenly, deep-diving into resumes and screening via phone calls doesn't seem so daunting.

Recruiters can then drill down into different elements of candidates' scores to see exactly why candidates scored a certain way, providing the explainability and transparency needed to make fair, equitable, and data-driven hiring decisions.

Wonderlic Select's multi-measure approach gives you a comprehensive view of candidates.

Get started with a free demo →

The long-term benefits of Wonderlic Select

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The less time it takes to fill a position, the sooner the new employee will be able to achieve maximum productivity and the more time HR can dedicate to other tasks. Wonderlic Select has been proven to reduce candidate screening time by as much as 75%.

Plus, because Wonderlic measures candidates' motivational drivers, personality traits, and whether they can perform the job, hiring based on these insights dramatically improves the likelihood of hiring employees who will perform well within the specificities of the organization, leading to some organizations, like Duracell, seeing a 400% improved employee retention rate.

Beyond the immediate benefits of faster hiring and better fit, organizations can reap numerous long-term advantages from Wonderlic Select's multi-measure assessment, including:

IMPROVED ENGAGEMENT

Highly engaged employees are productive employees. Organizations with the most-engaged workforce are 23% more profitable than those with the least-engaged employees. And, of course, engaged employees are less likely to leave an organization than unengaged workers. Personality and motivation assessments can identify the most productive ways to engage with individuals and help them improve their performance.

"

I like the Wonderlic assessments because it makes me feel as if the company actually cares about knowing the people they are potentially hiring

**WONDERLIC SELECT
TEST TAKER**

The long-term benefits of Wonderlic Select

BETTER CANDIDATE EXPEREIENCE

Pre-hire assessments don't just give recruiters an edge; they also greatly enhance the candidate experience. Many candidates appreciate when companies evaluate them holistically rather than simply based on a six-second review of their resume. When candidates feel respected and valued throughout the hiring process, they're more willing to accept a job offer if made — an important distinction given candidate ghosting is one of the top three recruitment challenges businesses face.

Second is the value of enhanced communication. Candidates feel more valued when they receive feedback on why they are or aren't a good fit for a role. Wonderlic takes this burden off recruiters by giving candidates highly detailed, automatic feedback about their test results. All of this results in happier candidates, less-stressed recruiters, and a stronger brand.

STRONGER TEAMS

There are two almost diametrically opposed ways that hiring assessments help organizations construct stronger teams. One is by identifying individuals with the personality traits and motivational drivers to fit in with the team's working and management style. An individual strongly motivated by outside validation, for instance, is unlikely to work well, no matter how talented and skilled, in a team where independence is a key driver.

The other way is by pinpointing candidates who have the abilities and traits missing from a team. A department composed largely of "big picture" employees might be in sore need of a detail-oriented employee who prefers focusing on a project's more granular elements.

Pre-hire assessments enhance the candidate experience by evaluating individuals holistically, fostering respect, and reducing recruitment challenges like candidate ghosting.

Wonderlic's Candidate Feedback Report consists of three pages: Overview, Know & Grow, and In Action. The report provides varying information about a candidate's performance and suggestions for the best application of their strengths.
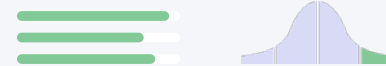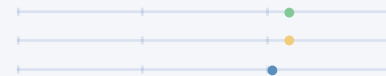
Overview

Know & Grow

In Action

Understand your preferences towards certain work environments, behavioral tendancies, and comfort with different types of problems.

Leverage these findings when considering your next job offer and evaluating how much using any of these skills may be asked of you.
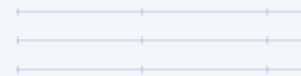
Learning Problem-Solver

Analyzing   Understanding   Solving

Highly Independent

Direct   Self-Reliant   Straightforward

The long-term benefits of Wonderlic Select

FEWER SKILLS GAPS

Modern workforce skills are changing faster than ever. The WEF estimates that 44% of workers' skills will be disrupted by 2028, and 60% of employees will require reskilling, upskilling, or other training. Employee assessments can recognize individuals with exceptional learning agility: a willingness and capability to learn and adapt, helping organizations future-proof their talent pool.

A STACKED PIPELINE OF FUTURE LEADERS

By evaluating the communication and problem-solving skills and the personality traits of potential — and current — workers, employee assessments help identify talent with leadership potential. These individuals can then be upskilled and mentored appropriately, ensuring a smooth leadership transition when needed. This approach also boosts morale and fosters continuous improvement and engagement by communicating to talent that the organization values and nurtures leadership potential and internal promotions.

Employee assessments identify individuals with exceptional learning agility, helping organizations future-proof their talent pool and close skills gaps.

How the best HR teams use employee assessments

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Like any other tools, employee assessments work only when wielded properly.

Below are tips gleaned from HR teams that have realized employee tests' full potential.

→ **Leverage them early in the hiring process.** Organizations that introduce pre-hire assessments at the start of the process speed up the time to hire by reducing the hours spent screening resumes and interviewing poor-fit candidates.

→ **Opt for a multidimensional approach.** Combining cognitive, personality, and motivation assessments provides a more comprehensive understanding of candidates, helping to predict not only whether they can do the job but also whether they'll succeed within the particular organization and be likely to stay engaged.

→ **Track key metrics and improve upon them.** Regularly measuring staff turnover, employee engagement, and time to hire can help you determine the effectiveness of your employee assessments. In addition, you may need to recalibrate important metrics from time to time. For instance, as the organization evolves, the speed with which employees can process information and make good decisions might have become more important than numerical reasoning, or employees who score high on sociability might have proved to outperform those who don't. The best HR teams continually refine their assessment strategies, working alongside organizational leadership to adapt to changing business needs.

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Success starts with matching a tool to its purpose.

MICHAEL GROSSENBACHER
PRINCIPAL PSYCHOMETRICIAN,
WONDERLIC

How the best HR teams use employee assessments

Trustworthy data, built on the right process, fosters better decisions—transforming hiring, development, and overall business success.

➔ **Promote a data-driven culture.** "What makes a decision great is not that it has a great outcome. A great decision is the result of a good process," said Annie Duke, an author who specializes in cognitive-behavioral decision science. People often resist trusting data over their gut instincts, but trustworthy data is one of the best resources for good decisions, and that data comes from having the right process. That's why it's essential to foster an organization-wide understanding of the value of data and how data-driven employee assessments can improve hiring and overall business success.

FROM HIRING TO DEVELOPMENT: A HOLISTIC APPROACH

Multi-measure assessments aren't just for recruiting. High-performing HR teams also use these tests for employee development. It starts with effective onboarding. Understanding each new hire's communication preferences and personality traits can help ensure that the onboarding process is tailored to them: A person who leans toward introversion might find being introduced to an entire department at once overwhelming and off-putting, for instance.

Wonderlic Development, our self-led employee development solution, then helps employees build a road map for success by identifying their highest-effort and least-effort attributes relative to their role. Employees receive actionable coaching tips and strategies they can immediately implement into their day-to-day work for high-impact growth that improves workplace performance without creating more work for managers or the L&D team.

The best part? Develop isn't reserved for senior leaders. It's for everyone.

Wonderlic Develop is like a personal guide for each employee to unlock their potential, boost their engagement, and help everyone crush their personal development goals.

The Science

|	+ cognitive ability	+ personality	+ motivation
Wonderlic Select	Find out if candidates can do the job	Find out what candidates will do on the job	Find out if employees want to do the job
Wonderlic Develop	Employees learn how they adapt	Employees learn how they show up	Employees learn what they are drawn to

Meet the HR teams thriving with employee assessments

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Reading about employee assessment benefits and best practices is one thing; hearing from HR professionals who have actually implemented pre-hire testing is another.

Intermountain Home Services

CHAMPION

M marketbridge

Intermountain
Home Services
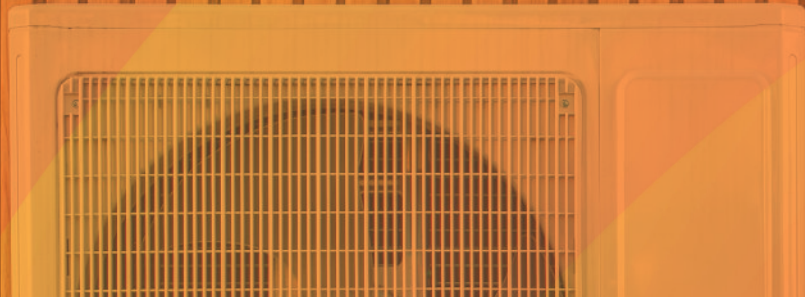
Matthew Medina, senior corporate recruiter for HVAC services provider Intermountain Home Services, attested to the power of multi-measure testing in reducing turnover:

We've found that candidates who take the Wonderlic assessment and are hired have a 20% higher retention rate than those who did not.

MATTHEW MEDINA
SENIOR CORPORATE
RECRUITER

The Wonderlic Select hiring assessment also led to decreased turnover at Champion Automotive Group.

"The national average of turnover in automotive sales is right around 50%-60% or higher across the country," said Chip Elliot, the firm's training, recruiting, process development, and BDC director. "Our numbers are below 30%." Even amid nationwide labor shortages, he insisted on using the Wonderlic assessments. "Short-term, [skipping assessment tests] might be a quick Band-Aid, fill the hole. But then you start getting back into that cycle of people leaving, and you're trying to find people, and you never get that traction."

Elliot has seen how pre-hire assessments proved more predictive than gut instinct. One particular candidate who applied for a position "didn't fit our initial mold," he recalled. But "she killed" the Wonderlic test: "Cognitive ability was really high, personality, motivation was all high." The strength of her results led him to hire her, and she "is one of our best finance managers, probably top 20% in the group."

The national average turnover is right around 50%-60%… Our numbers are below 30%

CHIP ELLIOT
BDC DIRECTOR

marketbridge

Wonderlic helps us evaluate our candidates from different perspectives and gives us a glimpse into what truly makes them tick.

Said Jamie Simon, director of talent management and organizational development at marketing and sales consultancy Marketbridge. "It gives us data to make informed hiring decisions, which we have found to be accurate and insightful."

JAMIE SIMON
DIRECTOR OF TALENT
MANAGEMENT

Start hiring smarter
with Wonderlic Select

Wonderlic infuses the latest I/O science and psychology directly into your hiring and employee development processes, giving you trusted, data-driven insights to help hire the right candidate the first time, every time.

Wonderlic Select is transforming how HR teams hire. Ready to see how it can make a difference in your organization?

Request a Demo

wonderlic