



Who's Applying for Your Jobs?

No company can sustain itself without good hiring practices. A good employee in the right place lifts productivity and morale, making the entire company stronger. On the other hand, a bad employee can easily drive away customers and drain profitability.

So what are the risks? How many people handing in a resume will be good, productive employees that will build your corporate culture? On the other hand, how many will be problematic, driving up costs across the board, and taking up management time to deal with issues?

Results of a hiring data study of over 230,000 retail applicants.

1. THEFT ATTITUDES - 25% of applicants scored as "high risk" for theft.

A typical organization loses 5% of its annual revenue to employee fraud.

(ACFE's Report to the Nations on Occupational Fraud & Abuse)

75% of employees steal from the workplace and most do so repeatedly.

(U.S. Chamber of Commerce)

Nearly one-third of all employees commit some degree of employee theft.

(Department of Justice)

One-third of all U.S. corporate bankruptcies are directly caused by employee theft.

(Employee Theft Solutions, a division of The Shulman Center for Compulsive Theft and Spending)

2. DRUG ATTITUDES - 30% of all applicants scored as "high risk" for drug use.

38%-50% of all workers' compensation claims are related to workplace substance abuse.

Substance abusers file 3-5 times as many workers' compensation claims.

Substance abusers incur 300% higher medical costs than non-abusers.

Substance abusers are 2.5 times more likely to be absent eight or more days a year.

Substance abusers are 1/3 less productive.

WIDESPREAD USAGE: Nearly 1 in 4 employed Americans between the ages of 18 - 35 have illegally used drugs. 20% of young workers admit using marijuana on the job.

DRUG SALES ON THE JOB: One-third of employees know of the illegal sale of drugs in their workplace.
(Source: Working Partners', National Conference Proceedings Report: sponsored by U.S. Dept. of Labor, the SBA, and the Office of National Drug Control Policy.)

HOW TO BEAT THE ODDS: Avoiding applicants who are problematic with respect to workplace drug usage gives you a crucial edge in preserving a drug-free workplace. At the same time, you can improve customer service and employee morale for the entire team by hiring reliable employees.

3. WORK ATTITUDES: How many potential employees will have poor attitudes towards work, come in late, or not show up at all?

23% of applicants are “below average” for work attitudes.

A closer look at the “below average” work attitudes group:

44% admitted tardiness problems at a previous job.

31% admitted absence problems at a previous job.

21% believed a majority of individuals succeed in business by cheating.

17% admitted drug use at a previous job.

14% admitted stealing from a previous employer.

HOW DOES THIS AFFECT YOUR BUSINESS?

TARDINESS: Late workers cost businesses more than \$3 billion each year in lost productivity. (*HR Magazine*)

PAYING FOR LOST TIME: An employee who is late 10 minutes each day has, by the end of the year, taken the equivalent of a week’s paid vacation. (*HR Magazine*)

UNSCHEDULED ABSENCES: Two-thirds of U.S. workers who call in sick at the last minute do so for reasons other than physical illness. (*17th Annual CCH Unscheduled Absence Survey.*)

LESS EFFICIENT WORKERS: Replacement workers used to cover unplanned absences are only 71% as efficient. (*Mercer, The Total Financial Impact of Employee Absence*)

PRODUCTIVITY LOSS: Unplanned absences like casual sick days result in the highest per-day productivity loss: 21%. (*Mercer, The Total Financial Impact of Employee Absence*)

HOW TO BEAT THE ODDS:

Imagine how smoothly your business would run if employees simply showed up on time. By identifying and eliminating potential employees with a history of tardiness and absenteeism, you can eliminate these substantial costs and improve productivity in your workplace.

4. SUPERVISORY ATTITUDES: How many potential employees will not accept authority figures, have trouble following directions, or have careless attitudes toward safety?

16% of applicants are “below average” for supervisory attitudes. A closer look at the “below average” supervisory attitudes group:

48% admitted tardiness problems at a previous job.

41% admitted absence problems at a previous job.

29% believed a majority of individuals succeed in business by cheating.

16% admitted drug use at a previous job.

17% admitted stealing from a previous employer.

HOW DOES THIS AFFECT YOUR BUSINESS?

WORKPLACE INJURIES: 2.9 million nonfatal occupational injuries occurred in 2010.
(*Bureau of Labor Statistics*)

LOST WORK DAYS: 1,191,100 incidents of workplace injuries and illness resulted in days away from work in 2010. (*Bureau of Labor Statistics*)

COST OF INJURIES: On average, costs per injury can add up to more than \$50,000 for a back injury, \$62,000 for a slip and fall injury, and \$40,000 for a carpal tunnel or repetitive motion injury. (*2008 California Workers' Compensation Losses and Expenses report from the Workers' Compensation Insurance Rating Bureau of California (WCIRB)*)

WORKPLACE SAFETY: 4,547 workers were killed on the job in 2010.
(*OSHA Census of Fatal Occupational Injuries*)

WORKERS' COMPENSATION: The most disabling injuries and illnesses in 2009 amounted to 50.1 billion in direct U.S. workers' compensation costs. (*Liberty Mutual Research Institute for Safety*)

INDIRECT INJURY COSTS: Equipment downtime, training, lost productivity overtime, legal action.

HOW TO BEAT THE ODDS:

Improving hiring standards can have a major impact on safety. Large retailers have lowered workers' comp, general liability claims, and other safety-related costs using pre-employment testing. By identifying applicants with lax attitudes towards safety requirements, you can ensure better safety adherence and fewer accidents in the workplace.

So how do you tell which potential employees are worth hiring? Gut instincts and a brief employee interview can't accurately predict employees at risk for theft, or identify bad attitudes towards supervisors. You need the right tools to make great hiring decisions.

Precision Hiring & Development's *Orion Pre-screening Attitude and Opinion Survey* gives you the information you need to avoid problematic hires, and identify valuable employees who can make your company more successful. You can quickly and consistently make the right hiring choices.

When you identify productive, positive people from the applicant group and hire these people, the positive impact ripples through the entire company. Morale goes up, sales go up, customer service improves, and so do profits.



Precision Hiring & Development
800.875.7599 - www.precisionhiring.com