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MOVING HIRING ONLINE:

Does Testing Length Affect Candidate Completion Rates?

Part I - May 2011

Does pre-hire testing length affect candidate completion rates?

The use of web-based pre-hire assessments to help identify quality job candidates has become more and more widespread in recent years across all industries and job types, including contact center agents. These objective, online assessments effectively predict job performance and agent retention. Although many contact center recruiters use pre-hire assessments to help identify quality candidates, they sometimes express concerns that the time to complete the assessments may cause candidates to drop out of the assessment process prematurely. This whitepaper presents contact center data that directly addresses the question of whether shortened testing times lead to improved candidate completion rates.

Contact Center Agent Recruiting and Testing

Plagued by high turnover, a constant need to fill seats (empty seats = lost revenue), and often high candidate-to-hire ratios, contact center recruiters often “play the numbers game”, seeking to get as many candidates through the pre-hire screening process as possible.

In an effort to cast a wide net, many companies are moving the candidate screening process online. Recruiting teams conduct large-scale recruiting campaigns such as newspaper or radio ads that direct all interested individuals to a website where they can complete an online application process. The application process typically includes candidate screening tools (e.g., scored applications) and/or web-based pre-hire assessments (e.g., personality inventories, problem-solving tests, work simulations) that serve as an automated and efficient screen for job relevant skills, abilities, and personal characteristics.

When attempting to identify quality contact center candidates who will perform better and stay longer on the job, it is best to measure as many job relevant skills, abilities, and characteristics as possible. Unfortunately, there is no “magic” pre-hire assessment that will measure all relevant predictors of agent success in 10 minutes. The reality is that effective pre-hire screening often requires using multiple assessments, each

designed to measure specific capabilities, and each of which takes time for candidates to complete. It is not uncommon for a high-quality pre-hire assessment process to take 60-90 minutes of testing time which may include completing three to four assessments and/or tests.

The Perceived Issue

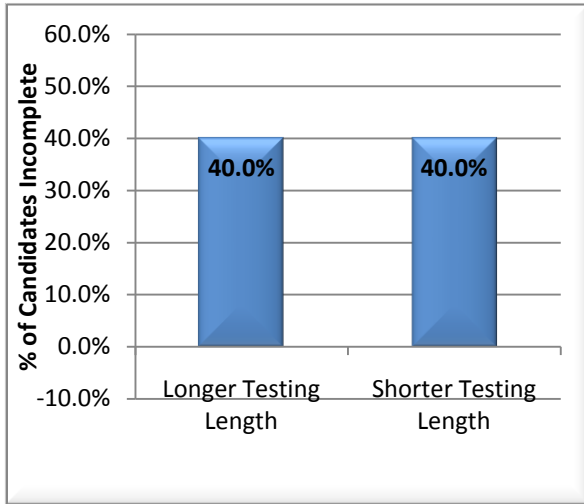
For recruiters who are focused on reducing applicant dropout rates and getting large numbers of candidates completely through the pipeline, testing length is very tempting as a potentially easy target. Though a longer pre-hire assessment process may allow more thorough and effective measurement of key candidate success characteristics, a commonly held belief is that testing length is also inversely related to completion rates. Contact center organizations and recruiters often believe that the longer the assessment process, the higher the percentage of candidates who will tire of it and fail to complete it, causing the company to miss out on mission-critical talent that had too many other opportunities to waste their time on an extended pre-hire process. They propose that shortening testing time/length will alleviate or minimize the issue of applicant fallout and improve completion rates.

What Do the Data Tell Us?

FurstPerson has recently taken advantage of opportunities to test this hypothesis using empirical data. For illustration purposes, we have taken data from two contact center organizations. Results vary call center organization to call center organization but the general conclusions are consistent. For each organization, testing time was reduced from approximately 75 minutes to approximately 45 minutes, for an overall reduction in testing time of about 40%.

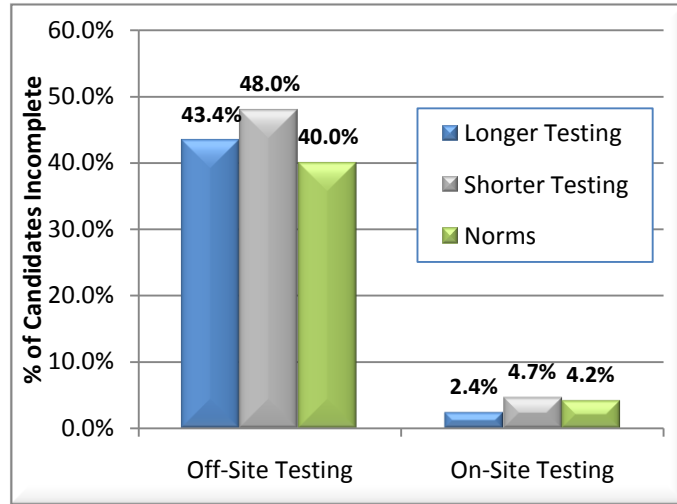
Example A employs home agents and therefore uses remote, or off-site, candidate testing. After shortening the pre-hire assessment battery by roughly 30 minutes, Example A has seen no reduction in candidate dropout rates. Data from more than 22,000 applicants show that, whether using the original, longer assessment battery or the shortened testing time, the rate of candidate incompleteness has been 40% (see Figure 1). In other words, 4 of every 10 candidates have failed to complete the process, regardless of how long it takes.

Figure 1. Incompletion Rates for Example A.



Note. Longer testing length sample = 19,781 applicants. Shorter testing length sample = 2,231 applicants.

Figure 2. Incompletion Rates for Example B.



Note. Longer testing sample off-site = 14,158; on-site = 3,544 applicants. Shorter testing sample off-site = 4,119; on-site = 864 applicants.

Example B operates brick-and-mortar centers in a variety of locations, and uses both off-site and on-site testing. The data presented here are from over 18,000 off-site applicants and almost 5,000 on-site applicants. Using the full-length pre-hire assessment process (~75 minutes), incompletion rates were 43.4% for off-site testing and 2.4% for on-site testing (see Figure 2). Data from comparable call center organizations shows that these percentages align with typical incompletion rates (see Norms in Figure 2). After shortening the assessment battery, candidate incompletion rates were 48.0% and 4.7% for off-site and on-site testing, respectively.

Conclusions

This direct pre-post comparison highlights two points. First and foremost, *shortening testing length is not likely to reduce applicant fallout rates.*

Second, when moving to an online process, call center hiring leaders need to understand that applicant dropout or incompletion rates are exponentially higher when testing is done off-site as opposed to on-site. Understanding how the online hiring funnel differs from the onsite hiring funnel is critical.

Based on our experience and research, we believe that candidates who enter the online application process and fail to complete it generally fall into three primary categories:

- Candidates are ***not motivated***. With high volume recruiting efforts and constantly accessible testing processes such as publicly available links to an online assessment battery, you will likely see large numbers of “***window shoppers***” – individuals who are casually looking around, not necessarily motivated job seekers, and therefore unlikely to actually complete a full assessment and application process. Candidates may also lack motivation in the intrinsic sense, and in this way, testing length may be an effective screening tool in and of itself. In other words, if a candidate cannot display the perseverance and task focus necessary to complete a one- to two-hour application process to get the job, how likely are they to display the focus and perseverance needed by contact center agents to perform effectively on the job day in and day out?
- Candidates are ***not ready***. Often with processes that simply direct applicants to a website, it’s the case that candidate expectations are not managed appropriately. Candidates may be directed to an online link without any indication of what they will be asked to do once they get there, what materials or information they might need, or how long it may take. Once they realize they have been thrust directly into an application and/or assessment process that will take more than one minute, they feel unprepared and exit the process.
- Candidates are ***not engaged***. While off-site testing is an excellent way to open the door to infinitely larger numbers of applicants, it may do so in a way that depersonalizes the process and makes candidates feel distanced from the organization to which they are applying. With on-site testing, the candidate is making a public show of his or her interest in the job, which amounts to a level of public commitment that is lacking with off-site testing. Finding even small ways to engage candidates during the off-site application process, get some level of commitment from them, and provide them a feeling of connection to the organization can potentially go a long way to reducing applicant fallout.

In summary, our data suggest that, when conducting off-site pre-hire testing and attempting to minimize applicant fallout, it may be more effective to focus on ways to engage candidates and accurately manage their expectations about the process rather than worrying about the length of the process itself.

In part 2, we will discuss specific ideas to manage the three candidate categories highlighted from our candidate data analysis.

About FurstPerson

What we do:

- Develop and operate web-based pre-hire, employee selection assessments that help customer contact organizations hire and develop the right employees.

Our experience:

- Fifteen years of research and implementation experience working with all major call types including customer care, sales, collections, win back, and technical support.
- Implemented our solutions in over 250 labor markets in the United States, Canada, UK, the Philippines, and Latin America.
- Home agent hiring since 2002.
- Average client is a multi-site, multi-call type organization with complex hiring workflow models and job profiles.
- Developed award-winning assessments featuring interactive simulations.

Differentiators:

- Predictive assessments with demonstrated bottom line results ranging from:
 - Improved new hire performance (up to 40%)
 - Reduced turnover (up to 70%)
 - ROI - \$1 invested yields \$10 to \$20 in return
 - Lower recruiting expense
- Hiring solutions based on empirical research supported by ongoing job and validation analysis.
- Customized solutions leveraging our extensive contact center hiring expertise and industry leading assessment solutions.

To learn more about FurstPerson, please visit our website at www.furstperson.com or email us at info@furstperson.com or call us at 888-626-3412.

