ThriveMap

Dreams v Reality:
How well does recruitment today reflect job requirements and company culture?

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Hiring the right person into the right role and into a culture that suits them is incredibly important. If this piece of the puzzle goes wrong, it becomes costly to course correct. People work best when they work in a job that suits their skills and experience, have an affinity for the organisation and feel comfortable in the working environment.

Our research shows that too often employers are getting the interview process wrong. Many employees are finding themselves in jobs that don't match up to what was promised at interview or working in organisations with a culture that is different to the one they expected. These mismatches are serious enough for employees to leave their roles or perform to a significantly worse level than those who feel comfortable in their role and culture.

This report explores how employees feel about the recruitment process today and how it affects their performance. It examines where employers might be going wrong and offers practical tips on how to improve the hiring process.

We hope this helps you tell your story better...

Chris Platts, CEO

48%
of employees have **left a job because the reality didn't match how it was communicated to them** in the recruitment process.

31%
of employees have **left a job as the company culture wasn't what they expected** it to be following the recruitment process.

3x
Employees that believe they are a good fit for their role and their company culture are **3 times less likely to churn and rate their productivity at 7.18 out of 10** compared to just 5.29 for those that don't.

71%
45% of candidates that have taken a pre-hire assessment didn't like the experience. However **71% of candidates would want to take one which told them more about the role and culture**.

According to the Office for National Statistics[1], in 2018 more people are employed in the UK than ever before with 75.8% of those aged 16 to 64 years in work – higher than for a year earlier (75.3%) and the highest since comparable estimates began in 1971.

Whilst it is good news that the UK job market is seemingly thriving, the figures also showed a record number of job vacancies – an estimated 853,000 vacancies for October to December 2018; 39,000 more than for a year earlier, and the joint-highest estimate since comparable records began in 2001[2].

Confirming what employers are probably already all too aware of – despite record high employment, we're in the midst of a skills shortage.

When you take a closer look at the changing landscape of jobs, careers and skill, this should come as no surprise.

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1   www.ons.gov.uk/employmentandlabourmarket/peoplenotinwork/unemployment as at January 2019
2   www.employeebenefits.co.uk/employee-benefits-staying-ahead-of-the-competition-in-the-fight-for-top-talent/

The skills needed in today's workplace are changing:

While today's employees need to be comfortable with handling data, a complete focus on the STEM skill set of Science, Technology, Engineering and Maths in education, is not the answer. With Industry 4.0 also comes a shift back to a focus on soft skills – the very human skills of writing, interpreting and listening to complement what is possible through advances in artificial intelligence. This means STEM becomes STEAM (Arts) where social skills complement the more technical abilities.

Perhaps it's not surprising to hear that, according to a recent study by Open University[3], three quarters (75 per cent) of the UK workforce are unsure what skills their employer requires of them.

So too is the nature of employment:

2019 sees more and more freelancers, contract staff and part-time workers, as well as those employed on zero hours contracts making up a larger proportion of the workforce. Many of whom take these roles to either supplement a full-time role or as a means to fit their life around their work. According to the latest figures from the Office of National Statistics (ONS) and the Association of Independent Professionals and the Self-Employed (IPSE), there are around 5 million people who fit into this category, which equates to 15% of the total workforce. This has increased by more than 1.5 million since 2007 and is predicted to rise further over the next few years.

Along with the workplace itself:

Management levels have flattened making upward progression less common and career paths more complex. We now see up to five generations in one workforce and Millennials (also known as Generation Y and covers those born between the early 1980s and the mid-1990s) are set to represent a massive 50% of the global workforce by 2020[4]

Employees' expectations are also changing. A recent study[5] showed that, despite 45% of companies believing that an attractive salary and package is what motivates today's workforce, their top priority is, in fact, working for a company that values them (25%).

Amidst all this disparity and change, how can employers get ahead in what has become a fierce competition for the best candidates?

The answer may be simpler than you think.

In January 2019, we surveyed 1000 full-time employees who have had at least two full-time jobs to understand how well they feel the recruitment process indicates:

- the job role on offer versus the reality of the job role
- the company culture described versus the reality of the company culture
- the impact if these elements aren't communicated well
- what impact this has on retention and productivity

We've used their answers to create this report, including useful tips on how to ensure your recruitment practices reflect the reality of working for your company and the demands of today's employees. This should all help you to improve your hiring accuracy, reduce employee turnover and enhance candidate experience.

3   www.peoplemanagement.co.uk/news/articles/three-quarters-uk-workforce-unsure-skills-job-requires
4   Meet the Millennials, KPMG. June 2017
5   www.hrmagazine.co.uk/article-details/jobseekers-prioritise-progression-and-working-conditions-over-pay

Chapter 1

Are candidates being sold an unrealistic dream?

48% of employees have left a role because it wasn't how it was communicated to them in the hiring process – the reality did not meet the expectations. That's a pretty high percentage.

While it may be tempting to put this down to compensation – salary and benefits – not matching the ultimate expectations of the employee, our research shows that this is only true of 29% of employees. By far the biggest reason employees give for leaving a company is that the job responsibilities did not match what they were led to believe (59%) with Generation Z employees – those aged 18 to 24 and now entering the job market – more likely to cite this as the biggest issue (73%).
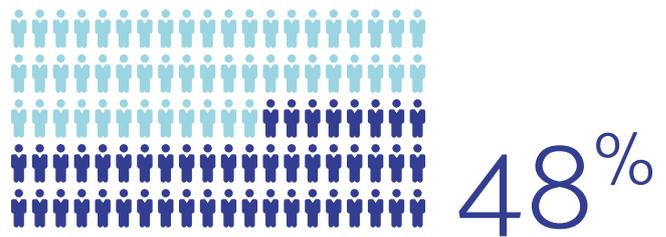
So, what's going wrong?

While employers, dealing with a competitive market, may feel they need to oversell the role in order to attract the best talent, the likelihood is that, if the role ultimately doesn't match what was sold to the employee, they will leave.
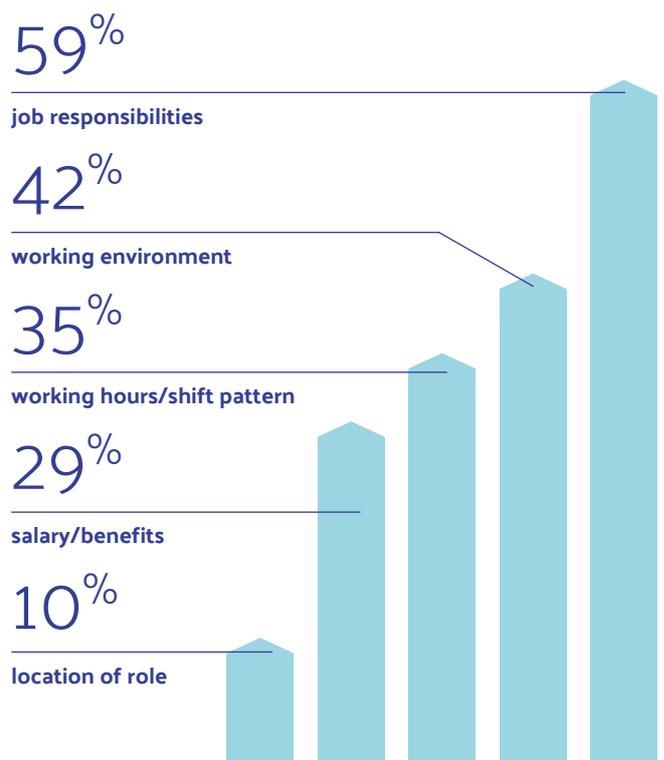
The simple fact is that today's workforce is looking for more than just a monthly pay cheque. They value experiences as much as they do a career, they want to grow and develop as individuals. They want to come to work and feel valued, feel they have a purpose and that they are making a difference. And if they don't get this, the harsh reality is that they will leave.

What are the most common reasons for employees leaving?

Our research shows that, of the 48% of people who left a job because the role wasn't what they expected.

48%

The most common reasons were:

59%
job responsibilities

42%
working environment

35%
working hours/shift pattern

29%
salary/benefits

10%
location of role

What are the consequences of over-selling a role?

As well as the obvious turnover of staff – people will leave if the job isn't what they expected – there's the monetary cost of having to re-hire and train a new employee.

Research conducted by Oxford Economics showed that the total cost of replacing a single employee costs on average an eye-watering £30,614.

£30,614

However it's not just attrition that's impacted by over-selling a role; it's performance too. If a disengaged employee stays, then our research suggests that they're three times more likely to be unproductive as someone who feels they're a good fit. 24% of those who feel they're not a good fit with the role or the culture would still expect to stick around for between one and three years, meaning employers could have less productive employees in their ranks for a considerable time.

But perhaps one of the biggest consequences of overselling a role is that it will be very quickly found out. The rise of peer-to-peer review sites like Glassdoor, make it easy for prospective candidates to find out what a company's really like. Searches for hashtags on social media such as #LifeAt"CompanyName" are becoming increasingly popular. In fact, 70% of employees say they would not apply for a role without researching the company first. If the reviews don't match the brand image the company projects, it could harm future recruitment efforts as well as potentially damaging the overall brand if prospective and existing customers hear of cultural discrepancies.

How to make sure the job role fits the reality

- ⊘ Think clearly about what skills are actually needed for the role – having a never-ending list of skills you'd ideally like the employee to have, but that they won't actually use in the role is a sure-fire way to create disillusion from day one.

- ⊘ Most jobs have enjoyable bits and not-so-enjoyable bits. Talking about both of these at interview and presenting an honest account of % time spent doing each is critical.

- ⊘ Candidates appreciate honesty. While you may feel you have to sell the perfect image of your company and colleagues, employees know this isn't possible and don't expect it. Being honest about the journey you're on and where you hope to get to is much more likely to get prospective employees on board without unrealistic expectations.

Gen Z: New workforce, changing expectations

Despite their newness to the world of work, 54% of Generation Z employees, those aged 18-24 years old, have left a role because it wasn't what they expected. Counter-intuitively this was the highest demographic in our survey.

54%
18-24 years old
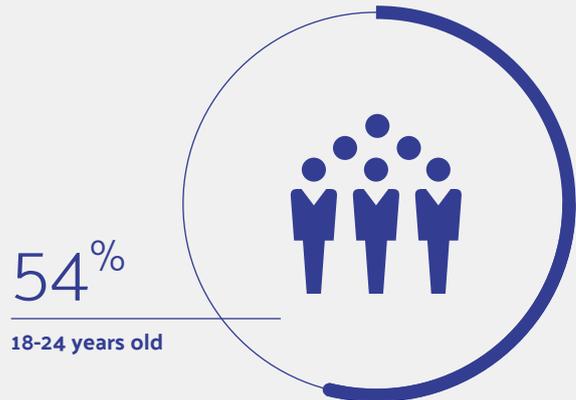
The reasons they left were disparities between expected:

job responsibilities
73%

working hours/shift pattern
39%

working environment
36%

32% have left a job because of the company culture:

Everyday management
69%

Approach of senior leaders/behaviour of colleagues
54%

Career development opportunities
35%

Chapter 2

# Should you hire with culture fit in mind?

The top-level results of our survey suggest that most people leave a job because the role wasn't what they expected (48%) rather than the company culture (31%). But drilling down into the detail paints a slightly different picture.

While job responsibilities not matching what the employee was led to believe is the main reason employees leave a company (59%), the next three most popular reasons all fit firmly under the company culture umbrella and fall in the order for all the ages groups included in the survey:

- approach of senior leaders (56%)
- behaviour of colleagues (53%)
- everyday management (52%)

When you take this into consideration, company culture is exposed as the most serious overall problem to solve when it comes to retaining staff.

With so many moving parts, cultural fit can be difficult to nail down so it's perhaps not surprising to hear that while 96% of HR leaders agree that recruiting for cultural fit is crucial, only 11% are satisfied with how they hire for it[6].

96%
of HR leaders agree that recruiting for cultural fit is crucial

11%
are satisfied with how they hire for it
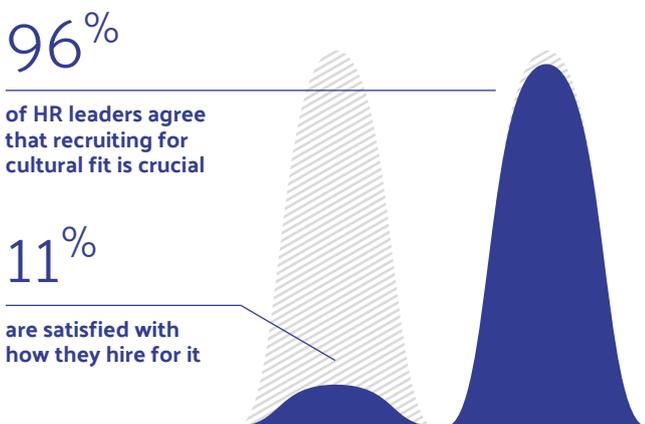
But it's an issue that employers are going to have to get to grips with if they want to recruit future top talent that will thrive within their organisation…

Company culture appears to be a particularly important for younger workers, with more than a third (35%) of millennials and 32% of Gen Z saying they've left a job because the company culture wasn't what they expected, compared to only 25% of those aged 55 and over.

And with millennials set to represent an astounding 50% of the global workforce by 2020[7], cultural fit is arguably set to become more and more of an issue as older generations leave employment.

Another potential disparity when it comes to company culture is what employers may believe employees want versus what employees really want. Despite the noise around employees intrinsically linking culture with their apparent desire to work flexibility, our survey would suggest otherwise. Only 20% of employees gave working flexibility as the reason they left a job – it was actually the lowest ranked reason of all.

What are the most common cultural fit reasons for employees leaving?

Our research shows that, of the 31% of people who left a job because the company culture wasn't what they expected, the most common reasons were:

Approach of senior leaders
56%

Behaviour of colleagues
53%

Everyday management
52%

Lack of career development opportunities
21%

Work/life balance
21%

Work flexibility e.g. location/hours
20%

6   Confusion reigns around hiring for cultural fit. ThriveMap. July 2018
7   Meet the Millennials report. KPMG. June 2017

What are the consequences of getting cultural fit wrong?

Getting cultural fit wrong has many of the same implications as getting the fit with the job wrong – the employee may leave (or stay and be unproductive), time and money will have to be spent rehiring and re-training and you risk the wrath of their dissatisfaction on social media.

But there are perhaps more far-reaching implications associated with a poor cultural fit if the person in question is hired into a senior role:

- Where the outlook, management style or personality of the new hire isn't a good fit with the team they manage, you potentially risk disruption to and implosion of the team and ultimately the successful running of your company.
- When someone who is a poor fit takes the helm of an otherwise high performing team you risk the performance of the team dwindling as they become frustrated and disillusioned, potentially resulting in the resignation of some of your best employees.

Why might businesses be getting cultural fit wrong?

Perhaps the most uncomfortable reason a business may be getting it wrong is because the values and reality within the organisation are out of sync. For example, if senior leaders feel the company culture is one of candidness and open opinion, but this isn't the perception of the employees who work under them, there's a fundamental disparity that potentially reveals deeper problems in the business.

Another potential reason is simply that there has been a communication breakdown between senior leaders and the rest of the workforce. In these instances, there's not a fundamental issue with the culture, rather the way the culture is being communicated, or a lack of communication which leads employees to draw their own conclusions and potentially think the worst.

There is also a mistaken belief that company values are the same as company culture. Values set by a company are behaviours which they want their employees to aspire to. This is very different to culture, which is how managers and employees actually behave. Values are the dream, culture is the reality. Just setting these values is not enough to create the desired culture. These values need to be understood, embraced, recruited against and acted upon in order to become a part of life within the organisation.

Biases, insecurities and inconsistencies are other reasons companies may be getting it wrong:

- **Biases**: It's human nature to be drawn toward people like yourself, but when this happens in a business environment, even subconsciously, it can cause problems with hiring. There is a temptation to hire those that are similar to you rather than to look for someone with the skillsets and behaviours that are required for the role.
- **Insecurities**: We all have different personalities, but if the company culture is such that a hiring manager feels threatened by a candidate rather than embracing how much talent they have to offer to the team, the company could potentially miss out on a great candidate.
- **Inconsistencies**: This happens where a manager is either 'winging it', has no set of guidelines to follow in a clear process or is not fairly measuring each prospective hire.

How to make sure the company culture fits the reality

Here are a few ideas to help make sure that your prospective employees are a good fit with the reality of your company culture:

- ⊘ Take the time to really understand your culture. Be mindful of any disconnects between the view that senior management has compared with the 'at the coal face' realities that employees may experience.

- ⊘ Avoid buzzwords. Saying you have a culture of innovation may sound good, but how will hiring managers know the traits and behaviours they should be hiring on? Identifying what innovative means, e.g. being comfortable with grey areas, or good at juggling lots of projects at the same time, will start to tease out the traits you're actually looking for.

- ⊘ Find factors that you can measure – like working style and management preferences – that can be used to objectively compare candidates and ensure you regularly review them to ensure results are up to date and accurate.

- ⊘ Be aware of departmental differences: recognise and embrace the intricacies within different areas of the business so you hire people who complement each other, rather than trying to hire the same type of person broad-brush across the business.

- ⊘ Educate hiring managers about the culture of their company and team so they can look for and recognise the traits in candidates that will fit the values and working style that is required.

- ⊘ Ensure your external brand – your recruitment ads, your website, marketing materials, selection process, social media channels – accurately reflects your culture in terms of both visuals and messaging. This can help prospective employees 'self-select' you as an employer of choice. For example, a company that actively gives back to the community is more likely to attract candidates who want to work for an organisation where ethics are high on the agenda.

Chapter 3

How well are pre-hire assessments working?

Pre-hire assessments used to take the form of personality tests like Myers Briggs designed to test how well, or not, certain personality types would work together. These tests have largely found to be of little value, as personality is a poor indicator of how someone will perform in a particular role in a particular organisation.

New technology has helped to transform many areas of working life over the last few years – collaboration tools such as Slack and Trello, standing desks and cloud-based task management platforms such as Basecamp. However, many employers are failing to take advantage of new tech to improve the recruitment experience and have done little to update their processes.

This is highlighted by the fact that only 27% of employees in our survey had completed a pre-employment assessment.

But with new, cutting-edge, pre-hire assessments now giving insight into a range of facets aligned to specific job roles, including skills, commitment and culture fit, could employers be missing a trick to better align the expectations of employees with the reality of the role on offer?

Is the traditional interview flawed?

While it's important to meet a candidate face-to-face as part of any recruitment process, it's important to recognise by our very nature of being human, we have preconceptions and biases that can cloud judgement even if we don't realise it.

For this reason, the traditional face-to-face interview can have many flaws:

Biases: We all have biases, whether conscious or unconscious. From non-verbal biases such as judging someone on their handshake to cognitive biases such as allowing one positive trait in a candidate to overshadow other behaviours, resulting in an artificially positive evaluation regardless of actual skills and abilities.

Personality: in our personal lives, we're all drawn to certain types of people – usually those we see as similar to ourselves. If this spills over into the hiring process, there is a danger of choosing a candidate that you like, rather than one that best fits the role.

Self-marketing: it's a fact that some people are better at marketing themselves than others. Being impressed with how well someone comes across in an interview isn't necessarily a problem if that's a skill they'll need in their job. However, it becomes a problem if you're looking at this rather than how well they can do the job.

Pre-hire assessments can be an effective way to overcome these flaws and biases, but how do employers make the most of them? How successful are they? And, here's the killer question, do candidates enjoy completing them?

What do candidates think of pre-hire assessments?

While our survey showed that only 27% of employees had completed a pre-employment assessment, it's probably no surprise to hear that younger employees are much more likely to have taken one: 30% of those aged between 18 and 34 have completed one, compared to only 20% of 55 year olds and above.

Interestingly, 23% of respondents weren't sure whether they'd taken an assessment or not, which, although

may be down to memory, could also suggest that the process may not have been clearly explained to them.

Of the people who had completed a pre-hire assessment, 45% said they didn't enjoy the experience, showing there is clearly room for improvement. The top three reasons given for this negativity were:

47%
Took too long

37%
Unclear why they were taking it

30%
Didn't relate to the job
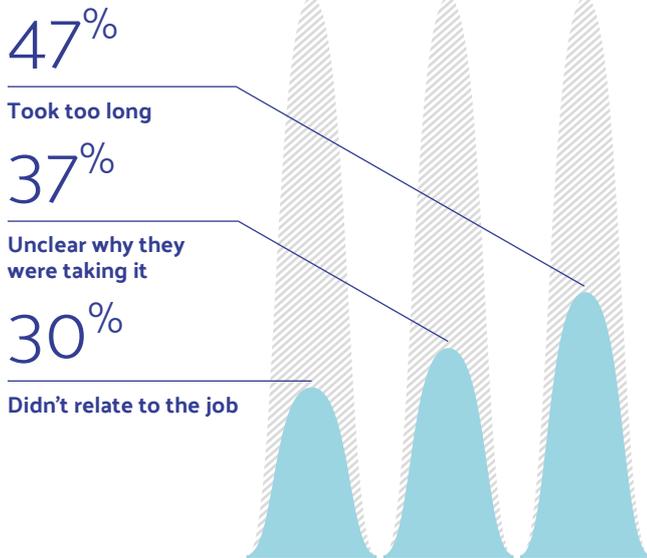
Generation Z employees – those for whom using technology is as natural as breathing itself – were the group that cited "took too long" as the biggest issue (67%), followed closely by the 55+ age group, perhaps suggesting that using technology for this older age-group may bring its own challenges if they're perhaps not as familiar with user interfaces as younger employees.

However, if executed correctly, our survey shows that most employees would welcome a pre-hire assessment:

71% of people surveyed said they'd actually like to take an assessment if it showed them the realities of the role and culture with only 4% saying they still wouldn't be happy to take this type of assessment.

71%

4%
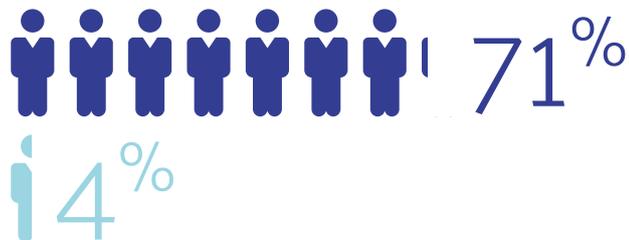
Top Tip: Ensure that your pre-hire assessments show candidates the realities of the role. Not only are these types of assessments informative, the results will be more accurate as the questions will be based in a real-life work context.

How to make sure pre-hire assessments work for you

With young tech-savvy millennials and digital native Generation Z employees set to form the bulk of the employment market, if you're considering using pre-hire assessments as part of your recruitment process, think about the following points to ensure the one you choose works hard for you:

⊘ **Communication is crucial** – if you're going to ask a candidate to take a pre-hire assessment, explain why they're taking it and what you'll do with the results. This is one of the first interactions they'll have with your company, so make sure you're honest and transparent and get your relationship off to a positive start with any potential employees.

⊘ **Candidates' time is precious** – the best candidates almost certainly have more than just your prospective job on their horizon. If your assessments are long and complicated, they may understandably assume working for your company will be a similar experience and decide you're not the right employer for them. Our experience is that assessments should be kept to under 15 minutes where possible.

15 mins

⊘ **Be realistic** – by presenting the candidate with the realities of the role, e.g. narrative based assessments and job simulations, they'll know exactly what the job entails ahead of joining, accurately aligning the reality with their expectations. Employers can be confident that anyone who completed the assessment understands the role and the commitment required to perform it well.

Chapter 4

Is culture fit the key to staff retention and productivity?

Acas[8] lists the four key ingredients to a happier, more motivated and more productive workforce as:

1 Leaders with a vision who value how individuals contribute

2 Line managers who empower rather than control their staff

3 Values that are lived and not just spoken, leading to a sense of trust and integrity

4 Employees who have the chance to voice their views and concerns

Research from LinkedIn[9] supports this with 71% of employees saying they would be happy to take a pay cut if they could work at a place that had values like their own, and 47% stating it's important that they can be themselves at work.

Recent research from the CIPD reveals the shifting priorities of employees with almost half of all workers (47%) not believing that 'a job is just a way of earning money'. Almost six in 10 (59%) say that they would enjoy having a paid job even if they didn't need the money.[10]

It's clear that, overall, people place a positive intrinsic value on their jobs. They want good, meaningful work.

By actively managing and developing culture through their recruitment process, companies can significantly improve staff retention and productivity, which can directly influence company growth and profitability. A win-win for everyone involved.

Don't underestimate the power of teams

Teams are micro-cultures within your company. You can't force people within a team to work well together, but you can certainly lay the foundations and create the right conditions for this to happen.

Feeling like part of something bigger is very empowering – it can push teams to become more than the sum of its individual parts. Anyone who is part of a successful team will know the boost it can give to performance.

A great example of this is the massive underdogs Leicester City winning the Premier League in 2016. Despite starting the campaign as 5000-1 outsiders for the title, they beat all the odds. Most commentators put this triumph down to team spirit; players working together, not thinking about themselves but of the collective effort. Having the desire and the will to win.

8   www.acas.org.uk/index.aspx?articleid=2701
9   business.linkedin.com/talent-solutions/blog/trends-and-research/2018/linkedin-research-perks-benefits-employees-care-about
10   UK working lives Summary. CIPD. 2018

Good fit versus employee tenure and productivity

Our research shows that, those employees who feel like they are a good fit for their role and culture are more likely to stay longer with their organisation and feel more productive. Getting the right employee in the right role really can make a significant difference to bottom line:

46%

7.18
/10

5.29
/10

**nearly half (46%) plan to stay 5 or more years**
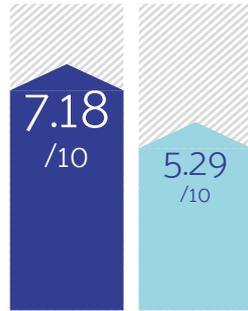
they rate their productivity at 7.18 out of 10, compared to those that aren't happy at 5.29 (36% increase)

Conversely, those employees that feel like they are not a good fit for their role and culture:

3X

24%

are more than 3 times more likely to be looking to leave within a year, compared to those who feel that they are a good fit (15% versus 4%)
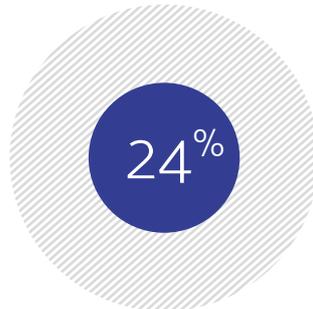
may still stay 1-3 years (24%), meaning a less productive and probably less motivated employee in the workforce for a considerable period of time.

Going back to the football analogy, just as a player can be transformed if they are in the right club, with the right support network and a management style they thrive upon (just look at Wilfried Zaha at Crystal Palace, Fernando Torres at Atletico Madrid or Thierry Henry at Arsenal), the same can be true for employees. Our survey shows feeling comfortable within a role and the culture of an organisation can make an enormous difference to performance, that can enhance greatly the overall success of a business.

Recruiting with culture fit in mind

By taking a more holistic approach to recruitment – considering views from right across the business to gain a true representation of what it's like to work in your organisation – you'll be best placed to put articulate a real reflection of your company's culture, one that's going to match the employees' expectations. Here are some ideas for how to go about it:

- ⊘ Empower your recruiting managers by encouraging them to put forward an honest view of the brand in the interview process – one that accurately reflects their own experiences and comes from a genuine place.

- ⊘ Think about the key areas that were highlighted in our survey: the majority were behaviour based – approach of senior leaders, behaviour of colleagues and everyday management. Be clear on how these behaviours manifest themselves in your company and be accurate in your description of them to help ensure that candidates know what to expect. Conversely, if you discover these behaviours are not what want in your organisation take steps to rectify them through training and mentoring.

- ⊘ Think about how you can use your company culture to stand out. This doesn't necessarily have to mean spending money. In the case of offering career development (something that has caused 21% of people in our survey to leave a job), it could be simply a case of presenting the opportunities differently. If there is no obvious career path for individuals, think about how training or mentoring could open up new avenues for people to grow.

Summary

Aligning your recruitment practices with the reality of working for your company is a no-brainer. There's little point spending time and money attracting great talent under false premises only for it to leave in under a year or stay and be unproductive.

By making sure that your recruitment process accurately reflects the job requirements and your company culture – that the dream matches the reality – you'll not only naturally attract and retain the best-fit employees – who'll ultimately be happier and more productive working in a company that fits with their personal values – you'll also help set up your company for future success in terms of growth, productivity and reputation.

Here are the key takeaways from our report to help you rethink your process:

- Honesty is the best policy – start your relationship with your employees off on the right note by telling the truth about the job role on offer. Think clearly about what skills are actually needed for the role and avoid the temptation to oversell it. False expectations create resentment and ultimately cause employees to leave.

- Recruitment is about finding the candidate with the right capability, commitment and culture fit. Be aware of biases, insecurities and inconsistencies in the interview process which could hinder finding the best candidate.

- Take the time to really understand your culture. Be mindful of any disconnects between the perception at director level versus the reality at employee level and be prepared to address these.

- Educate hiring managers about how to look for and recognise the traits and behaviours in prospective employees that will fit the values and working style of their team. Empower them by encouraging them to bring their own personal experience of the brand to the table.

- Understand that culture fit is not about personality but about how an employee prefers to work.

- Candidates want more than just a pay cheque. They want to come to work and feel valued, feel they have a purpose and feel they are making a difference. To win the war for talent recognise these expectations and match your process to them.

- Branded pre-hire assessments can create a positive first impression and identify suitable candidates, but they need to be quick, easy to use, and educate the candidate on what a typical day in the role or culture will consist of in order to get the best results.

- Ensure your external brand accurately reflects your culture in terms of both visuals and messaging. A positive recruitment experience can create powerful brand advocates and encourage candidates to apply again if another suitable position comes up. Conversely, a negative recruitment process can create powerful brand detractors that can significantly harm your business.

- Take time to know your own company and how it works – own your story and be proud of it.

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ThriveMap creates innovative, customised pre-hiring assessments for companies looking to communicate their employer brand and hire more effectively. Our narrative-based job and culture simulations take candidates through a virtual "day in the life" experience. This data helps companies improve quality of hire, reduce time to hire and deliver a beautiful candidate experience.

If you'd like to find out how ThriveMap could work with you to create a pre-hire assessment that tells your story, book a demo today: **thrivemap.io/signup**