Emotional Impact of Wrong Hiring Decisions

Hiring the right candidate is only time consuming, but a wrong hire has numerous other fatal disadvantages



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Wrong Hire! Does it sound familiar? Unfortunately yes! A wrong hire is one of the most dreaded situation in the corporate sector. Recently, we came across the news about the sacking of the

COO of a major informational technology multi-national organization, within 14 months of hiring with a severance package of over USD 40 million. This does not include his past salary and various other indirect costs. We all normally calculate and consider the huge financial implication of a wrong hire, but what about the psychological & emotional impact? In this article we'll cover some of these aspects.

Let's understand why we have to face such corporate accidents (if I may call it that). The simple answer is "A Flawed or Compromised Recruitment Process". In today's fast paced economy everyone is chasing numbers, the CEO is chasing growth, sales team is chasing targets, finance team is pursuing profit figures and HR Team is behind "Number of hires". In this hurry, we sometimes lose out on finding the "Right Hire" and unfortunately focus only on number of hires. The "post mortem" reports of "wrong hires" provide various secondary reasons such as i) Skill mismatch (ii) Culture misfit, (iii) Wrong expectations setting (iv) Attitude problem (V) Poor relocation decision etc.

Organizations with sound HR policies provide ample opportunities to the so called "wrong hire" to improve and settle in the organization to avoid the badmouth publicity. However, results are not always positive and companies are forced to sack the person. In some cases, the disgruntled employee may leave on his/her own, realizing the mistake and even with or without having another opportunity in hand.

Some companies simply sack the person without realizing the seriousness of the matter, whereas companies with good HR policies handle it more delicately. They try not to hurt the ego/sentiment of the person and offer counseling services as well as financial compensation. The entire family of concerned person goes through the traumatic experience. The person may even end up losing self-confidence.

Within a company, everyone directly or indirectly associated with the wrong hiring process is also impacted psychologically & emotionally. Some of them may not be convinced about the reasons to sack. Dissonance builds up and the blame game begins. Everyone starts searching for a scapegoat. The responsibilities are transferred from "Business Head" to "Functional Head" to "HR Manager" to "Recruitment consultant" etc. Everyone's sentiments are hurt in the process and in most cases it may result in poor employee morale.

On the other hand, there is also a loss of credibility with external world/ clients / suppliers / investors of the company.

People are the most important asset and a process to build up this important asset (read "talent pipeline") should be sound and fool-proof. No one should treat people just as numbers (read commodity). Companies besides having a strong process for finding the right-fit should also have a zero tolerance policy on "wrong hires".

To conclude, the wrong hiring decisions not only have a huge financial impact but a significant psychological impact on the concerned person, various employees of the company as well as society at large. Hence, it should be avoided under all circumstances. Taking short-cuts to build your team may reduce your immediate pains but can create much larger problems later on. Hiring the right candidate may be time consuming but it is worth it.

Topics: Talent Acquisition, Best Practices, Employee Engagement

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