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A Scorecard for Making Better Hiring Decisions

by Ben Dattner

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Given that most organizations spend roughly 70% of their operating budgets on workforce expenses, it is noteworthy how rare it is for organizations to measure the success of hiring managers in their ability to select the right candidates. It is also rare for individuals to hold themselves accountable for becoming better interviewers over time. By using a quantitative interview scorecard to evaluate the qualifications and suitability of job candidates, and by comparing interview-based predictions with subsequent performance on the job, it's possible to boost your interview hit rate and your organization's return on human capital investment over time.

Let's start by evaluating why most companies and individuals make less than stellar investments in human capital, particularly when using interviews to evaluate candidates. People are biased, emotional, and inconsistent when interviewing and as a result, decades of industrial psychology research has found, the validity or predictive power of a typical unstructured job interview is around 20%, meaning that only one in five interviews increases the baseline odds that a hired candidate will be successful.

Unconscious, implicit associations or stereotypes create a problematic, non-level playing field for job seekers. The solution, according to some academics and practitioners, is to make people aware of their biases so that they are able to make more "objective" determinations about job applicant suitability. Asking all candidates a standard set of good interview questions can also boost the accuracy of the hiring process.

However, when it comes to interviewing, many of us have biases that cause us to not even realize how biased we are. When a candidate ends up being successful, many people in the organization believe and claim that they spotted her or his talent early on. And when a candidate does not succeed, suddenly it seems that the candidate was hired despite widespread doubts. To paraphrase an oft-repeated saying, *success has many fathers, but failure is an orphan*. Selective memory therefore makes it hard for us to accurately recall our impressions of candidates at the time we interviewed them, which in turn makes it hard for us to learn about our biases and to have an accurate assessment of how skilled we are as interviewers.

Using the model of detection theory, there are four basic scenarios for interviewing and hiring. The first is that a "good" candidate is hired, constituting a "hit." If the "good" candidate is not hired, this is a "miss." In the event that a "bad" candidate is not hired, this is a "correct rejection" and if a "bad" candidate is hired, this is a "false positive."

Interviewers tend to be most concerned with trying to avoid "false positives" as hiring a candidate who doesn't work out can be highly problematic. It's rare that an interviewer ever finds out about a "miss", e.g. that a candidate that was not hired became very successful somewhere else (a notable example of this being Jan Koum who did not get a job offer at Facebook and then ended up selling his startup WhatsApp to Facebook for $19 billion). Your "hit rate" can be calculated by the ratio of your "hits" and "correct rejections" to your "misses" and "false positives."

How can you improve your hiring hit rate? An interview scorecard can provide a quantitative basis for comparison between interviewers, enabling you to validate your perceptions with your colleagues and learn where your ratings may be outside of the norm. By correlating your predictions with candidates' actual performance on the job, you can also get quantitative feedback about your accuracy at assessing different criteria. Only by developing awareness of our own evaluative interview biases is it possible to correct them.

To create an interview scorecard, write down ratings along five or so applicable criteria (see example table below, and download a version here), and then periodically revisit them. Discuss and debate your candidate ratings with colleagues in order to assess and improve your individual and collective accuracy. You might learn that you are good at assessing technical ability, but less accurate in your evaluation of leadership skills. Or that a colleague is too lenient on some criteria and too stringent on others.

Interview Scorecard

Candidate name _____

Position interviewed for _____

Date _____

CRITERION	INTERVIEW RATING (1–5)	PERFORMANCE RATING AFTER HIRE (1–5)	GAP	COMMENTS/ LESSONS LEARNED
1 **Technical ability**				
2 **Leadership skills**				
3 **Interpersonal/ team skills**				
4 **Presentation skills**				
5 **Organizational citizenship**				

Overall strengths:

_____

_____

_____

_____

_____

_____

Overall concerns:

_____

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_____

What would help this candidate be most successful in the role?

_____

_____

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This validation technique is analogous to artificial intelligence in which a neural network learns pattern recognition over time, for example, to read handwriting. For learning to occur over repeated trials, there has to be feedback in the system, wherein the computer makes a "guess" about what letter is represented and then gets feedback about whether it is right or wrong. If there are no "criteria for correctness" it makes it difficult if not impossible for the computer to learn how to read different handwriting. Analogously, if you don't revisit your predictive "read" on candidates and validate it against their subsequent performance, you won't be able to learn how to better evaluate different candidates.

When used properly and consistently, interview scorecards help level the playing field for candidates, create a quantitative basis for comparison and validation, and enable you and your organization to make better hiring decisions over time.

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