# 8.5 Recruitment and development

Name: _____ Class: _____ Date: _____ **Total: 13 marks**

**KEY WORDS** predictor validity • structured interview

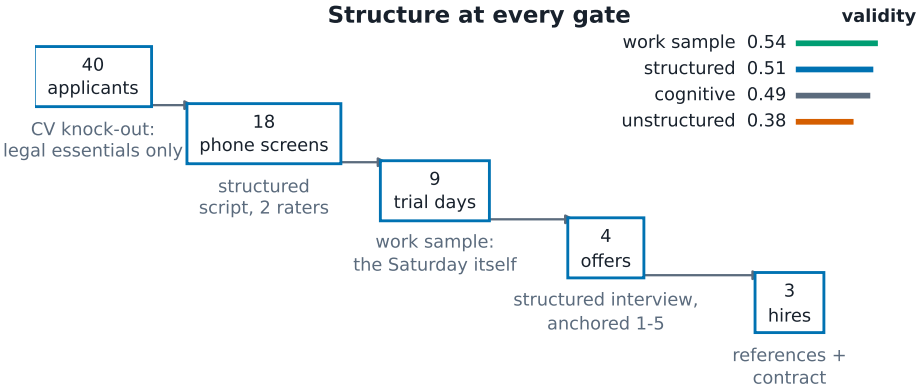
## Objective

Design a selection funnel with structure at each gate; apply the validity ladder and base-rate arithmetic; evaluate development ROI on behaviour.

## 1 Key knowledge and worked examples

### ■ The ladder

Work samples 0.54, structured 0.51, cognitive 0.49, unstructured 0.38. Base rate 0.20 with r = 0.4 lifts a top-quartile cut to ~0.35.




*Structure at every gate*

### ■ Worked example. The Nimbus funnel

40 → 18 → 9 → 4 → 3; trial days carry the widest expensive gate (£810); the structured interview buys 0.38 → 0.51 with a question sheet.

## 2 Practice

A bookshop chain hires booksellers: 60 applications, 25 five-minute chats ("I know in five minutes"), 6 interviews, 2 hires. First-month turnover: 1 of 2.

**2.1** Compute the funnel's stage rates and its overall yield. [3]

**2.2** Redesign the funnel around the validity ladder: name each gate and its criterion. [4]

**2.3** The chain adds a half-day paid shelf trial (validity ≈ 0.5) at £70 a candidate for the final 8. Compute the cost and justify it against a mis-hire at 40% of a £24,000 salary. [3]

**2.4** Write ONE structured interview question with its anchored 1–5 scale (state the 1, 3 and 5 anchors). [3]

## Solutions

**2.1**

- Chat rate $25/60 = 41.7\%$; interview $6/25 = 24\%$; offer-hire $2/6 = 33\%$.
- Yield $2/60 = 3.3\%$.

**2.2**

- Gate 1 CV: legal essentials only (no “bookstore experience” knock-outs).
- Gate 2 structured phone screen: fixed script, two raters.
- Gate 3 half-day shelf trial – the work sample, widest expensive gate.
- Gate 4 structured interview with anchored scales; references close.

**2.3**

- Cost: $8 \times £70 = £560$.
- Mis-hire: $0.40 \times £24{,}000 = £9{,}600$ – $17\times$ the trial budget.
- One mis-hire prevented pays for 17 cohorts of trials.

**2.4**

- Question: ”A customer asks for a book you know is bad for their stated need – what do you do?”
- Anchors: 1 = sells it silently; 3 = offers the better title once; 5 = explores the need, recommends honestly, records the preference.