

June 2, 2003

*Volume 3,
Number 6*

A monthly newsletter for our assessment product clients designed to assist and educate on key subjects related to human capital assessment technology and methodologies, and their effects on your organization.

Negligent Hiring – Understanding Your Liability

Hiring today is not something that should be undertaken by the "faint of heart." Individuals are better trained today than ever before to answer interview questions correctly and to appear both on paper and in person to be the best-qualified candidate. At the same time, organizations in recent years have been publicly criticized and held legally liable for making negligent hiring decisions that put other employees or the public at risk. According to a study conducted by Liability Consultants, it was found that between 1983 and 1995, damage awards for negligent hiring and related lawsuits averaged \$810,000.

Negligent hiring occurs when you know, or should know, that a person you're hiring poses a significant risk to coworkers, clients or the public. The risk may be qualifications-related as when, for example, an untrained operator is hired to work on a forklift that will be lifting heavy objects in a warehouse. Or, the risk could be based on a worker's past actions that would have significant consequences if they occurred again (hiring a preschool worker with a criminal record of abusing children, or a convicted embezzler to work as a bookkeeper, for example). You and your organization may be successfully sued for negligent hiring if the following happens:

- An unfortunate event occurs causing damage to a person or property (an object falls on someone, a child is abused, or money is stolen);
- A person you hired caused, or helped cause, the event while on the job; and/or
- You knew, or should have known, that the employee was unsuitable for a given position and, therefore, posed a danger to others.

What makes negligent hiring a challenging issue is that in your efforts to do a diligent job of hiring, you can be found to have unlawfully discriminated against individuals. For example, assume that a hiring manager reads several accounts in the newspaper about people with psychiatric conditions who brought guns into work and shot coworkers. The manager then asks everyone who applies for a job in his department whether they have ever been treated for a psychiatric illness and excludes individuals who answer "yes." Although the manager's plan may reduce the risk of hiring a potentially dangerous individual, it would also violate the *Americans With Disabilities Act's* restrictions regarding discriminating against people with mental disabilities. Many fully qualified people who have merely been treated for a psychiatric disorder of any kind would be unlawfully excluded from the applicant pool.

Our assessments become a critical tool in your hiring arsenal to assist you in making an informed choice, while protecting your organization from bad hires and possible future claims of negligent hiring. Profiles International assessments use both *Job Match* technology and a *Distortion Scale*, which

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indicate how well a candidate fits the job and the level of the candidate's candor while completing the assessment. Candidates with poor *Job Match* and/or a low *Distortion Scale* score should be evaluated very closely.

In addition to assessment instrumentation, we offer criminal and civil Background Checks, Work and Educational Reference Checking, and Drug Screening Services. These very cost effective services are a "must" to ensure that you are making an informed, defensible and smart hiring decision.

Faced with today's hiring challenges, our clients tell us they would not be without these critical hiring tools and that making a hiring decision without them would be tantamount to attempting to hit a target while blindfolded.

Developing Job Patterns...Simplified

Our *ProfileXT™* assessment, available through *Profiles On The Web™* now provides you and your organization with a library of over 1,000 preliminary job patterns for your use as a starting point when developing or modifying job patterns with which to compare candidates for hire or promotion. These patterns come from nearly all business sectors and functional areas and our clients have found them to be very valuable. They provide an outstanding reference point as you develop new *Job Patterns* for use within your organization, saving you much time and allowing you to begin utilizing your assessments for candidate comparison purposes much more rapidly.

Contact us at any time if you desire assistance in using this valuable resource, or if you need other assistance in development of your job patterns within any of our assessments. We are here to assist you.

A Thought For Your Consideration

In order for organizations to grow and succeed, they must maintain a continual learning approach to their business and their markets. It is a fact that all adult learning is preceded by a moment of surprise. The reason for this is that adults have many prior life experiences, gained over the years, and a "surprise" is necessary in order for new information to be identified as learning in adult minds. If there is no surprise, no learning occurs. Organizations are presented with a very significant challenge when any individual(s) at any level(s) maintain a desire to "never be surprised". This unwillingness to *learn* frequently occurs at more senior functional and organizational levels through statements such as, "I don't ever want to be surprised". Require reasonable surprises as part of your organization's culture and *learning* will improve dramatically. So will your organization's results.

For Further Information...

Visit us on-line at <http://www.hrihouston.com>, email us at haljay@hrihouston.com, or call us at 281-275-4180. We look forward to assisting you, and do not hesitate to forward this newsletter to other interested team members in your organization or elsewhere!