Why do so many fail within the first 18 months of taking a job?

When our research tracked 20,000 new hires, 46% of them failed within 18 months. But even more surprising than the failure rate, was that when new hires failed, 89% of the time it was for attitudinal reasons and only 11% of the time for a lack of skill. The attitudinal deficits that doomed these failed hires included a lack of coachability, low levels of emotional intelligence, motivation and temperament.

Are technical and soft skills less important than attitude? Why?

It’s not that technical skills aren’t important, but they’re much easier to assess (that’s why attitude, not skills, is the top predictor of a new hire’s success or failure). Virtually every job (from neurosurgeon to engineer to cashier) has tests that can assess technical proficiency. But what those tests don’t assess is attitude; whether a candidate is motivated to learn new skills, think innovatively, cope with failure, assimilate feedback and coaching, collaborate with teammates, and so forth.

Soft skills are the capabilities that attitude can enhance or undermine. For example, a newly hired executive may have the intelligence, business experience and financial acumen to fit well in a new role. But if that same executive has an authoritarian, hard-driving style, and they’re being hired into a social culture where happiness and camaraderie are paramount, that combination is unlikely to work. Additionally, many training programs have demonstrated success with increasing and improving skills—especially on the technical side. But these same programs are notoriously weak when it comes to creating attitudinal change. As Herb Kelleher, former Southwest Airlines CEO used to say, “we can change skill levels through training, but we can’t change attitude.”

How will the hiring landscape be different in 2012 and beyond?

Between the labor pool from China and India and the fact that there are so many workers sitting out there unemployed, we can find the skills we need. The lack of sharp wage increases in most job categories is further evidence of the abundant supply of skills. Technical proficiency, once a guarantee of lifetime employment, is a commodity in today’s job market. Attitude is what today’s companies are hiring for. And not just any attitude; companies want attitudes that perfectly match their unique culture. Google and Apple are both great companies, but their cultures are as different as night and day.
As the focus on hiring has shifted away from technical proficiency and onto attitude, it’s precipitated a lot of tactical changes in how job interviews are conducted. For example, the new kinds of interview questions being asked are providing real information about attitude instead of the vague or canned answers hiring managers used to get. Smarter companies are less likely to rely on the old standby questions like “tell me about yourself” and “what are your weaknesses?” Companies now have answer keys by which to accurately rate candidate’s answers. Interviewers can listen to candidates’ verb tense and other grammar choices and make accurate determinations about someone’s future performance potential.

Where are companies finding candidates with the right attitudes? The majority is using social networks but is that even working?

Companies are not getting high performers from the usual sources. They’re hiring in, what we call, the “Underground Job Market”. According to our latest research (outlined in Hiring for Attitude), companies are finding their best people through employee referrals and networking. They have started to realize that the high performers they already have fit the attitude they want and that these are the people they should be asking to help find more people just like them.

Given that data, it seems like candidates should be networking in every way possible—including social networking. But one thing that people misconstrue is what networking is actually about. Too many people are not networking; but rather are ‘need-working,’ as in: “I need work, or a lead, or an introduction from you”. Usually people on the receiving end of this dodge those inquiries. Job seekers need to ask themselves ‘how can I add value to this person’ and then go from there.

Attitudes change as workforce dynamics change. What happens in this case?

The attitudes for which organizations should hire are not abstract or based on a theoretical ideal, but rather are just the characteristics that separate high and low performers.

Southwest, Google, Apple, and The Four Seasons are all great companies and they all hire for attitude. Their high-performing employees live their attitudes every day and it’s a big part of what makes these organizations so successful. Low performers struggle with those attitudes are typically rejected by the culture. But those companies’ attitudes are very different from each other. They couldn’t successfully emulate each other’s attitudes. Every company has to discover the attitudes that make their organization unique and special. And even if the company’s attitudes change over the years, those attitudes will always be an organic reflection of their most successful people.

Interview was conducted by Dan Schawbel who is the Managing Partner of Millennial Branding, a full-service personal branding agency. Dan is the author of Me 2.0: 4 Steps to Building Your Future, the founder of the Personal Branding Blog, and publisher of Personal Branding Magazine.