Walmart
Save money. Live better.

+

Modern Hire

CASE STUDY

From a single discount store in rural Arkansas in 1962, Walmart has grown to become the world's largest retailer with 2.3 million associates in 24 countries. The retailer was an essential business during the pandemic, serving 220 million customers in-store and online.

Case Study: Walmart + Modern Hire

Challenge

Walmart's commitment to providing opportunity and advancement for its employees has been a key growth driver. When Walmart hires, it hires for keeps: about 80% of its store managers are initially brought on as hourly associates.

With an applicant pool that exceeds three million annually, Walmart's talent acquisition team was having difficulty identifying the thousands of candidates most likely to succeed on the job and to stay. It needed a more efficient method for screening and engaging the most qualified, diverse candidates with less effort required by both the candidates and the store-based hiring teams.

Solution

Science-based, custom pre-hire assessments have improved hiring outcomes.

Walmart built the world's highest-volume hiring engine by becoming data-driven. Its Retail Associate Assessment is an award-winning, custom pre-hire assessment developed in partnership with Modern Hire that efficiently and accurately predicts candidate performance and retention.

Walmart and Modern Hire met multiple criteria in developing the Retail Associate Assessment, including some driven by high-volume hiring logistics, such as the length of the assessment and efficiencies in hiring teams' use of it. They also found a solution for maintaining a relevant, valid assessment in the face of constantly change in the job and work environment.

"To meet these requirements and constraints, we sought a pre-hire assessment that would be developed based on a rigorous job analysis and supported by a validation study. Our top priority in creating the Retail Associate Assessment (RAA) was that it be firmly grounded in science. Our team worked with the Modern Hire team throughout the design and validation process and made every effort to follow established principles of rigorous and objective test validation." - Josh Allen, Director, Global Selection and Assessment Strategy, Walmart

The high level of overlap between Walmart applicants and its customers held another challenge: creating a hiring experience that would uphold applicants' loyalty regardless of whether they received a job offer. Walmart found its solution in choosing Modern Hire's Virtual Job Tryout™ as the foundation for its assessment.

The AI-powered Virtual Job Tryout enables employers to share comprehensive information about their employment experience and track candidate feedback. Candidates can immerse themselves in realistic job previews and job simulations while learning more about the role, the company, and the employment experience. They gain the insights they need to decide if the opportunity is a good fit for them.

By assessing candidates' core competencies for retail roles such as reliability, manages priorities, and pursues excellence with Modern Hire's assessment, Walmart's recruiters can quickly advance candidates who will learn the job faster, be more productive, and are likely to stay on the job.

Case Study: Walmart + Modern Hire

Results

100%

of candidates would recommend applying at Walmart to others.

Completion rates for the assessment averaged 95%, and nearly 100% of candidates indicated they would recommend applying to Walmart to others. In addition, a survey of Walmart's hiring managers confirmed that candidate scores on the Retail Associate Assessment are a top factor in their selection decisions for interviews and hires.

Despite record brick-and-mortar store closings in 2017 and 2018, Walmart was able to continue its growth trajectory through improved hiring outcomes. The retailer was awarded a 2019–2020 Human Resource Management (HRM) Impact Award by the Society for Industrial and Organizational Psychology (SIOP) and SHRM (Society for Human Resource Management) and their foundations for what has become the new standard for high-volume hiring and retention.

> **"Data suggests the application process is a positive experience for candidates and provides them with greater understanding of the role," states Allen.**

Response in Unprecedented Times

The emergence of the global pandemic in 2020 began an extreme test of hiring operations and resources for Walmart. Walmart's data-driven hiring process was a definite advantage as the retailer brought on 400,000 new employees in the first four months of the 2020 economic shutdowns. Walmart continued to hire at unprecedented levels to respond to unprecedented customer demand in stores and online.

"A conservative return-on-investment analysis showed savings in the hundreds of millions annually," notes Allen. "This estimate only includes eliminating replacement costs from not hiring the lowest scoring candidates. If we included estimates of lost productivity and training costs, the real impact might exceed $1 billion annually."

Modern Hire

Seriously better hiring through better prediction of job performance and fit

Modern Hire's intelligent hiring platform transforms each step of the process with screening, assessment, interview, and workflow automation tools that make hiring more effective, efficient, ethical, and engaging. Modern Hire is differentiated by its advanced selection science and is trusted by more than 700 leading global enterprises and nearly half the Fortune 100.

Find out more about Modern Hire's commitment to seriously better hiring.

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