



SRM **MERCER**
SOCIETY FOR HUMAN RESOURCE MANAGEMENT

ONLY 20% OF EMPLOYERS FULLY CONFIDENT IN CURRENT ENTRY-LEVEL JOB APPLICANT SCREENING METHODS (2017)

"...employers are relying on longstanding methods of screening entry-level job candidates even though they have little confidence in the accuracy of some techniques. According to the SHRM/Mercer survey, most employers use in-person interviews (95%), application reviews (87%), and resume reviews (86%) – despite nearly one-half of HR professionals having little or no confidence in application and resume reviews."

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Less than half (42%) of companies use selection tests for entry-level hiring, which scientific literature endorses as one of the most accurate predictors of performance, along with well-constructed interviews. Few organizations use personality tests (13%), cognitive ability tests (10%), or online simulations (2%) to select entry-level employees – methods supported by some of the strongest empirical research.


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Agenda



1. **Vision** What are we trying to achieve?
2. **Validity** Are the methods we're using predictive?
3. **Verification** How do I select the best tools? (Spoiler Alert! Crash course in reliability and validity)
4. **Value** How do I know what impact I'm making? What does ROI look like for my company?


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Background


- Masters degree in Human Resources Measurement & Evaluation
- Nearly two decades of experience with surveys and assessments
- Extensive research on the predictive validity of various assessment approaches and the research-practitioner gaps in assessment practices.
- Have worked with companies across size, industry, and geography to design predictive hiring systems.


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Presentation Disclaimers

- NOT my opinion
- NOT based on vendor research
- NOT product specific

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#1: VISION

“Hiring Better” Means...

- More _____
- Less _____
- Better _____

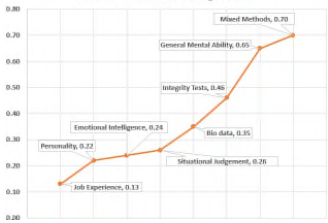
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#2: VALIDITY


What Are the Most Effective Hiring Methods?



Based on Frank Schmidt's 2014 research, which updates the following: Schmidt, F. L. & Hunter, J. E. (1998). The validity and utility of selection methods in personnel psychology: Practical and theoretical implications of 85 years of research findings. *Psychological Bulletin*, 124, 262-274.

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Personality Assessments

- “Big 5”: Emotional Stability, Extraversion, Openness to Experience, Agreeableness, Conscientiousness
- Universally desirable vs. contextual or “fit” model
- Using 4-quadrant assessments for hiring...


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4-Quadrant Assessments


- Basic Description: How people describe themselves in terms of "style" or "preference"
- State (vs. Trait)
- Ipsative (vs. Normative)
- Uni-Dimensional (vs. Multi-Dimensional)


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4-Quadrant Assessments


- **Best Uses:** Self-awareness, Team Dynamics, Communication, Coaching, Enhancing Manager/Employee Relations
- **NOT Recommended for:** Hiring, Placement, Promotion, Talent Pool Management/Succession Planning

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#2: VALIDITY

What Are the Most Effective Hiring Methods?



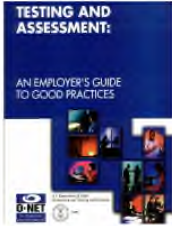
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#3: VERIFICATION

TESTING AND ASSESSMENT:
AN EMPLOYER'S GUIDE TO GOOD PRACTICES




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Selecting GOOD Tools




Reliability


- Internal consistency and test-retest
- DOL recommends a minimum of .7

Criterion-Related Validity

- Test scores are related to some outcome of interest (turnover, sales volume, patient satisfaction scores, productivity, absenteeism, etc.)

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Reliability:

Table 1. General Guidelines for Interpreting Reliability Coefficients


Reliability coefficient value	Interpretation
.90 and up	excellent
.80 - .89	good
.70 - .79	adequate
below .70	may have limited applicability

Validity:

Table 3. General Guidelines for Interpreting Validity Coefficients

Validity coefficient value	Interpretation
above .35	very beneficial
.21 - .35	likely to be useful
.11 - .20	depends on circumstances
below .11	unlikely to be useful

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MEASUREMENT STRATEGIES FOR ASSESSMENT SUCCESS
April, 2018


Aberdeen Group
A Harsco Health Company

#4: VALUE

Currently, just 14% of organizations indicate that they have data to prove the positive business impact of their assessment strategy.

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Integrated Selection System


#4: VALUE

Applicant takes assessments
Competency Interview
Phone Screen
Work Sample Application
Score Candidates

Final candidate is selected and onboarding process initiates

Rejected candidates are returned to the applicant pool

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Practice!



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