

"Our Assessment Program Isn't Working... "

Opinion by John W. Howard

If your assessment program appears to be having less effect than you anticipated or no effect - or worse, a negative effect, it is time for a thorough checkup! Here is a list of questions we offered for your assessment program checkup:

1. **Do you actually have a program?** Examine the process your business is using to administer and apply assessments. Are the procedures written, consistent and used as designed?

2. **Are you using the assessment results to affect your decisions?**

Too often, close examination of the usage of assessment information exposes a simple fact: Results are simply being ignored, underweighted or "explained away" by the people on the front lines of the decision process.

A simple analysis of a prescreening program, for example, will often reveal there is simply no significant difference in the assessment results of those hired and those not hired after assessment. (It's not being used!) In these cases, the front-line decision makers may well believe they are using the information and will often passionately defend the reasons for not using the assessment information in specific decisions.

3. Is each assessment being used appropriately?

In the Department of Labor's (DOL) Testing and Assessment: An Employer's Guide To Good Practices, this is a cardinal principle. Use assessments as they were designed to be used and for purposes tested in the validation process.

4. Are your outcome measures job-related, specific, measurable and repeatable?

The selection of outcome measures is critical to the success of your program. The less subjective your outcome measures, the more likely you will be to properly implement, adjust and maximize your program. Beware of "fuzzy" measurements such as managers' opinions of effectiveness, self-scoring of variables like happiness and satisfaction and correlations with other variables with low or no established reliability of their own.

5. Are you using a "whole person" approach?

Referring to the DOL once more, this is a crucial question. Assessment programs are, at the most basic level, simply intended to provide information. Information, from any source, is subject to error.

It is important to have information from a variety of reliable sources, and any single assessment's information should be combined with information from other sources to minimize error and increase the probability that a good decision will result.

Complete this checkup now and repeat it at regular intervals.

Designing and implementing an assessment program is a process, not a single action. Constant review, continuing measurement and an open mind are the hallmarks of an assessment program that works!

The table below summarizes the findings, program by program, presented in that analysis. The following article provides more recent findings, with some insights into the cost of ignoring these basics.

(Continued on page 2)

"Our Assessment Program Isn't Working... ", cont'd

When You Don't Use the Information...

Example # 1: A credit union has used the Step One Survey II(tm) in hiring for over two years but never analyzed the data for effects of the assessment. Eight months ago, the long-time employee who was also the point person in hiring, retired, and a new person assumed the position. Applicants began "slipping through the cracks," as managers took a more active role in the early stages of the hiring process. Some managers used the assessment data appropriately and some occasionally ignored it, arguing they had other, more important information indicating that the candidate should be hired.

Recently the CEO, noticing that turnover had climbed and firings were an unusually high part of the turnover, concluded that "the assessments are not working." Analysis of the data showed that if the credit union had simply adhered to the criterion applied by the former hiring director, they would not have hired any of the people who had been fired, and they would also have not hired 63 percent of the people who had voluntarily terminated their employment.

In other terms, if they had simply been consistent in following their own guidelines in using the Step One Survey II, their new hire failure rate in this period would have been 13 percent instead of the 43 percent they actually experienced. Based on their internal estimate of \$7,200 cost per hire failure, this represents a \$108,000 bottom-line loss to the member-owners of the credit union, in just eight months!

Example #2: A customer service call center with operations in several states and overseas opened a new call center to serve the needs of Spanish-speaking customers. The call center had been using a sequence of assessments in the pre-hire process. All applicants took the Step One Survey II(tm) and the Profile XT(tm) prior to their first interviews. When a candidate was selected for interview based on application information, the SOSII was scored. If the candidate met or exceeded a criterion level on the SOSII, the PXT was scored. Candidates who matched any of the open positions at a criterion level or better were invited to interview for the job. This process, in place for nearly a year, had dramatically reduced the interview load, reduced expensive hire failures and improved performance in the customer service calls. In the new call center however, new hire failures were running much higher than in the established centers.

Management went through a sequence of logical explanations for this costly challenge: New management (things will settle down soon), cultural differences in the population being hired, geographic differences, new technology and several others.

Finally, when the numbers continued to demonstrate a costly problem and did not go away, they turned to the data. Analysis of the assessment data showed fully 20 percent of the hired candidates had failed to even complete the two-assessment sequence. Further analysis showed another 18 percent had been hired in spite of their scores being below the required criterion level! Hiring managers, under tremendous pressure to "fill the seats," had been bypassing the system in a variety of ways, and the result was apparent in the failure statistics.

The company reviewed and modified the process, making it nearly impossible for any hiring manager to bypass the system, and simultaneously provided additional training on the system, its logic and its proven track record. The increased buy-in of the hiring managers, combined with the process modifications, has already begun to noticeably reduce the hire failures, and early data analysis indicates this new call center, like the others, is likely to reach the company's standards for retention and productivity.

"Our Assessment Program Isn't Working... ", cont'd

These two (very costly) examples could have been avoided if the client companies had followed the checklist shown here. Before you ask yourself if your assessments are doing their job, ask the more fundamental questions:

- ◆ Do we have a program?
- ◆ Are we using it? Is the use appropriate?
- ◆ Do we have good outcome measures?
- ◆ Are we measuring the "whole person?"