

Presented By:
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Hiring Under the Microscope: 5 Steps for Improving the Science of Selection



Metrics,
Analytics,
and
Big Data...
OH MY!

What is People Analytics

Bring HR & Business Data Together



Bersin by Deloitte

Workforce Data, Metrics, and Analytics Usage

Which of the following workforce data, metrics, and analytics are in use in your organization today and will be in two years?



Biggest Obstacles to Achieving Better Use Of Data, Metrics, and Analysis

What are the three biggest obstacles to achieving better use of data, metrics, and predictive analysis by HR and talent management professionals in your organization?



54%

Inaccurate, inconsistent, or hard-to-access data requiring too much manual manipulation

47%

Lack of analytic acumen or skills among HR professionals

To lead, HR needs both quantitative acumen and a keen understanding of what makes the business successful as well as the ability to connect business results to data about employee performance. HR needs to learn which employee metrics have the greatest impact on business results and be able to tell stories about what the numbers mean for the business. A key component of the business case for workforce analytics is that the solutions have the potential to be self-funding from the savings they generate.

5 Steps...

1. **Clarity** (what are we trying to achieve?)
2. **Validity** (are the methods we're using predictive?)
3. **Scrutiny** (how do I select the best tools?)
4. **Metrics** (how do I know what impact I'm making?)
5. **Vision** (what's next?)

Intro & Background

ProActive Consulting: www.consultproactive.com

- Masters degree in Human Resources Measurement & Evaluation
- 15+ years experience in survey and assessment work
- 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.

...DATA NERD!!!

This Presentation is...

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

Why Does Any of This Matter?



A photograph of a large, jagged white iceberg floating in a deep blue ocean under a clear blue sky. The iceberg is the only white object in the scene, contrasting sharply with the dark water and sky. The text is overlaid on the right side of the image.

Here's what
you see when you
interview



Here's what
you see when you
interview

Here's what
you get!

1. Clarity



What am I trying to accomplish?

More

Better

Less

Audience Poll

What screening methods best predict candidates' ultimate job performance?

(Choose your top 3)

- Job Experience*
- Personality*
- Emotional Intelligence*
- Situational Judgment*
- Bio Data*
- Integrity Tests*
- General Mental Ability Tests*



2. Validity



www.consultproactive.com

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.

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...

4- Quadrant Tests

	D	I	S	C	SECRET
7	+27	+28	+26	+24	+18
6	+9	+8	+12	+5	+6
5	+7	+11	+5	+4	+2
4	+6	+10	+3	+2	+1
3	+4	+7	+6	+1	0
2	-5	+3	+5	+2	-1
1	-6	+1	+5	+2	-2

Basic Description: How people describe themselves in terms of “style” or “preference”

State (vs. Trait)

Ipsative (vs. Normative)

Uni-Dimensional (vs. Multi-Dimensional)

4- Quadrant Tests

	D	I	S	C
7	+27	+28	+26	+24
6	+9	+8	+11	+5
5	+7	+6	+10	+4
4	+6	+5	+9	+3
3	+5	+4	+8	+2
2	+4	+3	+7	+1
1	+3	+2	+6	0

Best Uses:

- Self-awareness
- Team Dynamics
- Communication
- Coaching
- Enhancing Manager/Employee Relations

NOT Recommended for...

- Hiring
- Placement
- Promotion
- Talent Pool Management

2. Validity



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Integrity Assessments

- **Typically measure:** honesty, dependability, reliability, work ethic, propensity towards substance abuse
- **Objective:** assess likelihood of theft and other Counterproductive Workplace Behaviors (CWBs)
- No adverse impact
- **Uses:** reduce turnover, drug problems, theft, absenteeism, etc.

2. Validity



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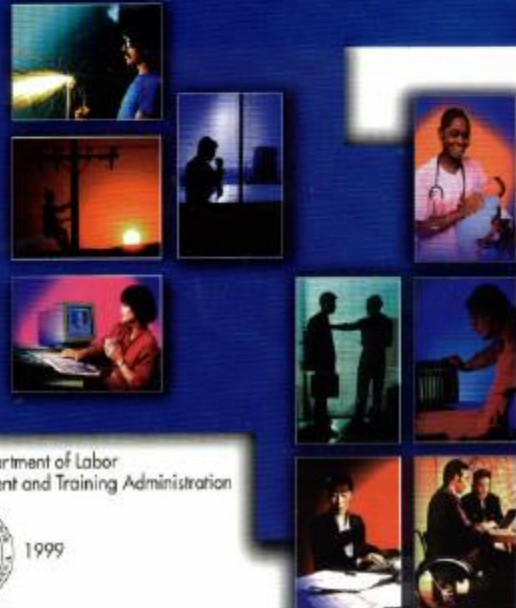
General Mental Ability (GMA)

- The single best predictor of job performance
- ...Period...

3. Scrutiny

TESTING AND ASSESSMENT:

AN EMPLOYER'S GUIDE TO GOOD PRACTICES



U.S. Department of Labor
Employment and Training Administration



1999

I.D. *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.)
- Predictive Validity
 - Personality generally shown to have predictive validity in the .20 range
 - DOL says .21+ “likely to be useful”, .35+ “very beneficial”



I.D. GOOD Tools

Reliability:

Validity:

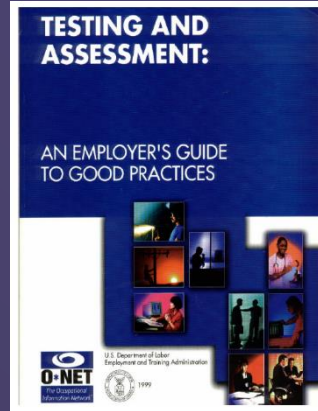


Table 1. General Guidelines for Interpreting Reliability Coefficients

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

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

4. Metrics

MEASUREMENT STRATEGIES FOR ASSESSMENT SUCCESS

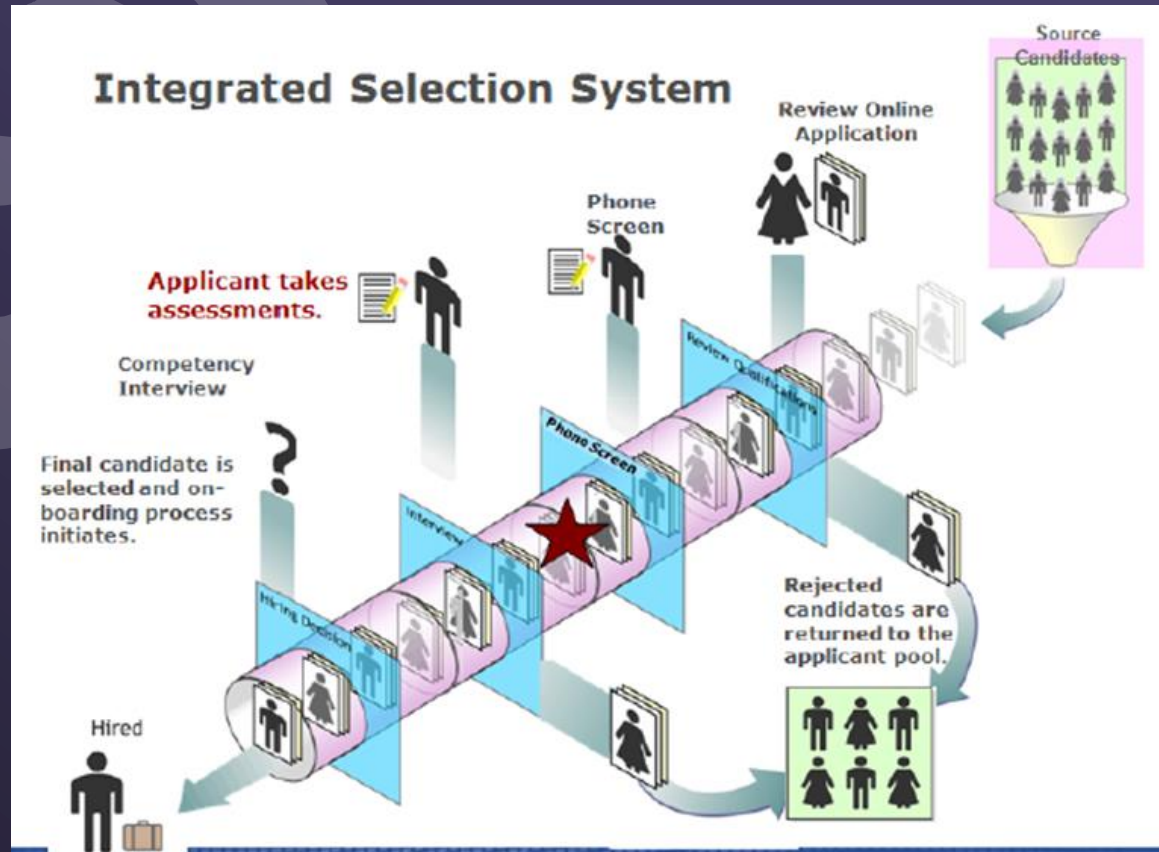
April, 2014

Aberdeen *Group*

A Harte Hanks Company

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

Process Design: Maximize Impact



Practice Time!



5. Vision

What's on the horizon?



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...to more Scientific Selection

Create a systematic, highly predictive, evidence-based selection process!!



Available Resources

- *IQ? EQ? 4-Q? What every HR pro should know about hiring assessments (White Paper)*
- *The Problem with Using Personality Assessments for Hiring (Harvard Business Review)*
- *Testing and Assessment: An Employer's Guide to Good Practices (Department of Labor publication)*
- *The Death of Guess (Book chapter)*
- *Complementary Assessment Strategy Discussion, including product recommendations where appropriate*
- **E-MAIL "RESOURCES" to whitney@consultproactive.com**

For More Information:



E-MAIL whitney@consultproactive.com

CALL 336-202-2385

www.consultproactive.com