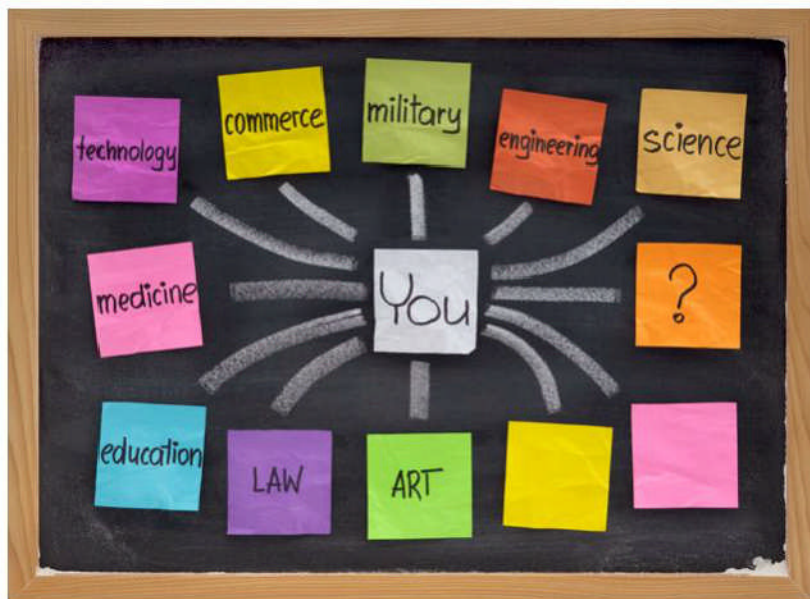


# Science of Selection

## Improving the Science of Selection

By Whitney Martin, MS



**O**VER THE LAST TWO DECADES, THE CHATTER in HR circles has concerned “becoming more strategic” and “getting a seat at the table.” However, a golden opportunity has been missed, as a linchpin function of HR—one with a profound impact on the bottom line—has been largely ignored. In 2002 Rynes, Colbert, and Brown<sup>1</sup> conducted research to determine whether the beliefs of HR professionals were consistent with established research findings on the effectiveness of various HR practices. As it turns out, the area of greatest disconnect was in staffing (particularly related to hiring assessments), where fewer than 50 percent of respondents were familiar with prevailing research findings.

As we roll into 2015, the HR chatter has turned to metrics, analytics, and big data. Yet again, though, personnel selection is late to show up to the party. A 2014 Aberdeen study<sup>2</sup> found that only 14 percent of businesses have data to show the business impact of their assessment strategy. With payroll and benefits representing one of the largest line items on virtually every company’s operating statement, effective selection is one of the top areas where HR can have a significant impact on the bottom line. It’s time for organizations to put hiring under the microscope.

Virtually everyone has acknowledged the fact that getting the right people in the right jobs is critical to business success. But *how* to get the “right” people continues to elude many: I have talked with organizations that have tried to incorporate everything from horoscopes to a deck of playing cards into their selection process, all in a vain attempt at systematically identifying which candidates have the best chance of becoming strong employees. I believe the following steps will help HR improve the science of selection.

**1. Clarity.** *HR needs to think more strategically about the desired outcomes of their selection systems.*

“We want to hire better people” is not a clear enough goal. What is it you are actually trying to impact—turnover, retention, sales volume, customer satisfaction, morale, productivity, theft, absenteeism, safety incidents, drug use in the workplace, etc.? There are different assessment instruments designed specifically to address these, and countless other, issues or goals. Once your objective is clear, you can determine what constructs you can measure that will be predictive of that outcome.

**2. Validity.** *Predictive validity should be a driving factor (if not THE driving factor) in creating selection systems.*

Extensive research has been done on the predictive validity—the overall ability to predict job performance—of different hiring methods and measures. The table below<sup>3</sup> reports the relative validity of some of the most commonly used selection practices based on a meta-analysis of a century’s worth of workplace productivity data.

Graphology (Handwriting Analysis) . . . . .	.02
Personality Tests. . . . .	.22
Emotional Intelligence . . . . .	.24
Reference Checks . . . . .	.26
Integrity Tests . . . . .	.46
Cognitive Ability Tests. . . . .	.65
Multi-Measure Tests (i.e., Cognitive Ability + Personality + Interests). . . . .	.75+

This means that if your hiring process relies primarily on interviews, reference checks, and even personality tests, you are electing to use a process that is significantly less effective than it could be. There is only one question that matters when deciding to incorporate a selection method: is the information gleaned from this tool predictive of future job performance? If the answer is no, there is no point in using it, regardless of how cheap, easy, or popular it is.

### **3. Scrutiny.** *HR needs to get savvier when selecting tools.*

Most HR people don't choose their profession because they love numbers, so it's understandable that sifting through a highly technical validation document may be daunting; however, it's also necessary. A tool must meet certain criteria as it relates to reliability, validity, adverse impact, and a number of other factors. Test publishers should be able to provide ample data showing how rigorous they were in developing their instrument. If necessary, HR can seek help in critically scrutinizing this information (consultants and academics are two potential resources).

### **4. Metrics.** *Selection-system outcomes should be tied to organizational metrics.*

HR should be able to demonstrate that the use of a particular tool has had a direct impact on some organizational outcome of interest. In other words, as test scores go up, turnover goes down, or as test scores go up, sales volume increases. Many times this can be achieved through either a concurrent or predictive validation study.

As an example, one of my clients has 100 sales people, who are publicly ranked on a scale of 1 to 100 based on objective performance metrics. The company leadership decided that, more than anything, their goal was to *avoid hiring the bad ones*. We were able to create a benchmark (incorporating mental ability, behavioral characteristics, and occupational interests) that was a clear differentiator between top and bottom performers. Using this tool, they would have correctly identified five out of eight of their top performers, but perhaps more importantly, *they would have conclusively avoided hiring nine out of ten of their bottom performers*. This is an example of a concurrent validation study that demonstrates how assessment results are directly tied to sales success.

Organizations that choose to rely on less predictive selection methods are unnecessarily creating a competitive disadvantage for themselves. HR practitioners have an opportunity to increase their indispensability to the organization by creating scientific, evidence-based selection systems that are demonstrably linked to bottom-line outcomes of interest to the C-suite. An HR leader who can effectively do that will be *happy* to be placed under the microscope!

## **As you ponder “What’s Next in Human Resources?” here are some questions for reflection:**

- Are you feeling pressure to incorporate more data-supported or evidence-based methods in your job? If not, could it be coming? Have you been hearing more about “metrics,” “analytics,” or “big data”? Is now your chance to get ahead of the curve?
- Is there anything you can do to increase the predictive validity of your hiring process? Are the steps in your current process yielding measurable results? Are there tools out there that could help your process be both more effective and more efficient?
- Can you calculate the impact that your hiring processes have on the organization's bottom line? If pressed, could you tell your C-Suite exactly how accurate your selection system is and quantify the ROI of your efforts? Is there an opportunity to further solidify your strategic value to the organization by improving in this area?

For more information regarding this topic, email [whitney@consultproactive.com](mailto:whitney@consultproactive.com)

### **Whitney Martin, MS, Measurement Strategist, ProActive Consulting**

*As a measurement strategist, Whitney's passion and expertise lies in the field of surveys and assessments. A self-professed "data nerd," Whitney has a master's in the area of Human Resources Measurement and Evaluation and has conducted extensive research on the predictive validity of various hiring assessment strategies. Whitney has been a highly rated speaker at the National SHRM conference, and has authored an article for "The Harvard Business Review." She resides in Louisville, KY, with her husband and two young daughters and can be reached via email at [whitney@consultproactive.com](mailto:whitney@consultproactive.com), or phone at 336-202-2385.*

### **References:**

<sup>1</sup>Sara L. Rynes, Amy E. Colbert, and Kenneth G. Brown, "HR Professionals' Beliefs about Effective Human Resource Practices: Correspondence between Research and Practice," *Human Resource Management* 41, no. 2 (2002): 149–74.

<sup>2</sup>M. Lombardi, "Measurement Strategies for Assessment Success," *Aberdeen Group* (2014). [http://v1.aberdeen.com/launch/report/research\\_report/9043-RR-measuring-assessment-success.asp](http://v1.aberdeen.com/launch/report/research_report/9043-RR-measuring-assessment-success.asp).

<sup>3</sup>Based on data shared by Frank L. Schmidt in a Nov. 6, 2013, address to the Personnel Testing Council of Metropolitan Washington as an update to ——— and John E. Hunter, "The Validity and Utility of Selection Methods in Personnel Psychology: Practical and Theoretical Implications of 85 Years of Research Findings," *Psychological Bulletin* 124, no. 2 (1998): 262–74.