

THE USE OF TESTS IN THE HIRING PROCESS

Maximize productivity and retention

The Challenge of Employee Selection

Spot the Standout



The Selection Process



A crap shoot ... an objective, systematic process?

Sometimes It's Pretty Easy

Are either of these your next customer service rep?



Sometimes It's Not So Easy

Which of these is the "keeper"?



Alternative Selection Methods

- To what extent do the various selection methods you currently use predict job performance of entry level employees in your shipyard?

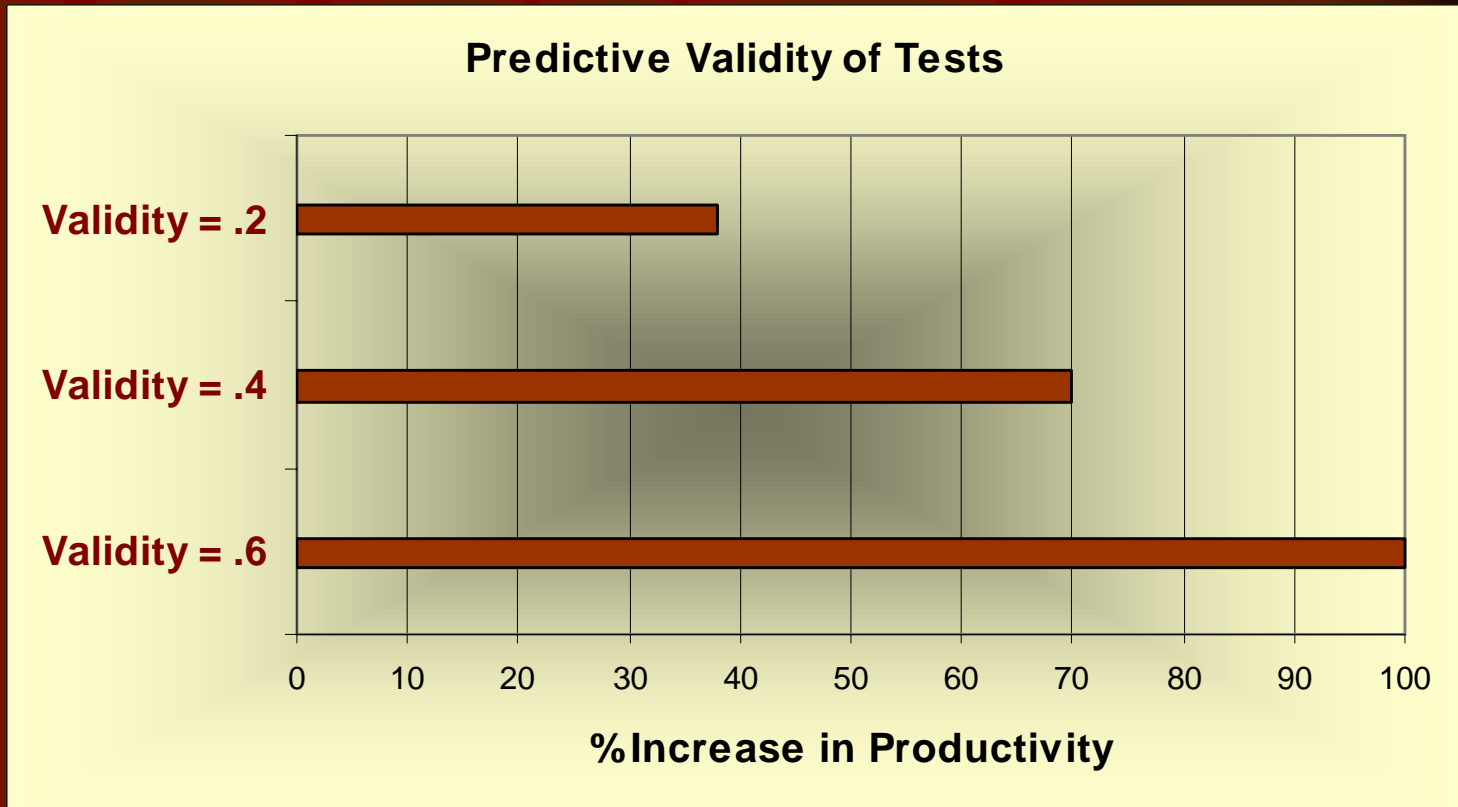
Research on Testing

(Multiple Peer Reviewed Studies)

Validity of Predictors of Job Performance



Validity of Tests and Productivity



Some Objections to Testing

- "I don't believe in tests."
- "We'll get sued if we use tests."
- "I trust my gut over any tests."
- "Testing is too expensive."
- "There aren't any tests for our jobs."

THE COSTS OF TURNOVER

\$\$\$ = 30% of hourly employee's yearly salary, per employee (Cornell University)

Less Tangible Effects

- Organizational good will/reputation
- Loss of customers
- Productivity
- Employee morale

Tests Should Predict

- Test Validity
- Do test scores relate to job performance?
 - Performance
 - Retention
 - Productivity

Selecting Tests

- Tests are not commodities.
- The Testing Professionals
 - Psychologists
 - Professional Test Publishers
 - Psychological Corporation
 - Sigma Assessment Systems
 - Consulting Psychologists Press

Tea Leaves and Horoscopes

Irrelevant to pre-hire test validity.
Job relatedness is the key.

"WOW! This test describes him to a *tee!*"

"John will sometimes become overly emotional."

"Jane usually prefers working with people, but can succeed in solitary ventures."

Positioning Tests

- Telephone screen
- Application process
- Initial interview
- Background checks
- Final Interview
- Notification

Proper Use of Tests

"This is not a pass-fail test, we just try to rule out idiots."



Qualities of Good Tests

- Validity

Does the test predict?

- Reliability

Are results stable?

- Adverse Impact

The "4/5 rule"

WHAT DO TESTS MEASURE?

- *"CAN DO"*
- *"WILL DO"*

CAN DO?

Cognitive Qualities

- Knowledge
- Skills/Abilities
- Aptitudes

- General Ability

WILL DO?

Personality Qualities

- Motivation
- Temperament
- Interests

- General Suitability

Personality Theory in Pre-Hire Assessment

The Five-Factor Model

Adjustment

Extraversion

Openness

Agreeableness

Conscientiousness

Faking on Personality Tests

“Social Desirability”

(Lying on personality tests)

Testing and Courtship

Is this who the applicant is?

Or

Who the applicant thinks we want him to be?

Assessing Shipyard Applicants

- Entry-Level Employees
- *Can Do* and *Will Do*

Shipyard Scenario

CAN DO

- SELECT
 - Measure general mental ability.
 - Benefit from training process?
 - Catch on to the job?
 - Possess promotable talent?

Assessing Mental Ability

SELECT Test

5 Subtests

1. General Knowledge

"In what country is the 'Great Wall'?"

Ireland

China

Libya

SELECT TEST

2. Workplace Judgment

"You are the first person in a crowded theater to see smoke and fire. What is the best thing to do?"

Yell, "FIRE!" and run for the exit.

Find the nearest fire extinguisher and put out the fire.

Calmly go tell the theater manager or other employee.

SELECT TEST

3. Basic Math

"A person has \$5 and receives \$7 more.
Now much does the person have?"

\$12

\$2

\$17

SELECT TEST

4. Logical Reasoning

"What is next in this series? J K ___"

X

L

3

SELECT TEST

5. Basic Vocabulary

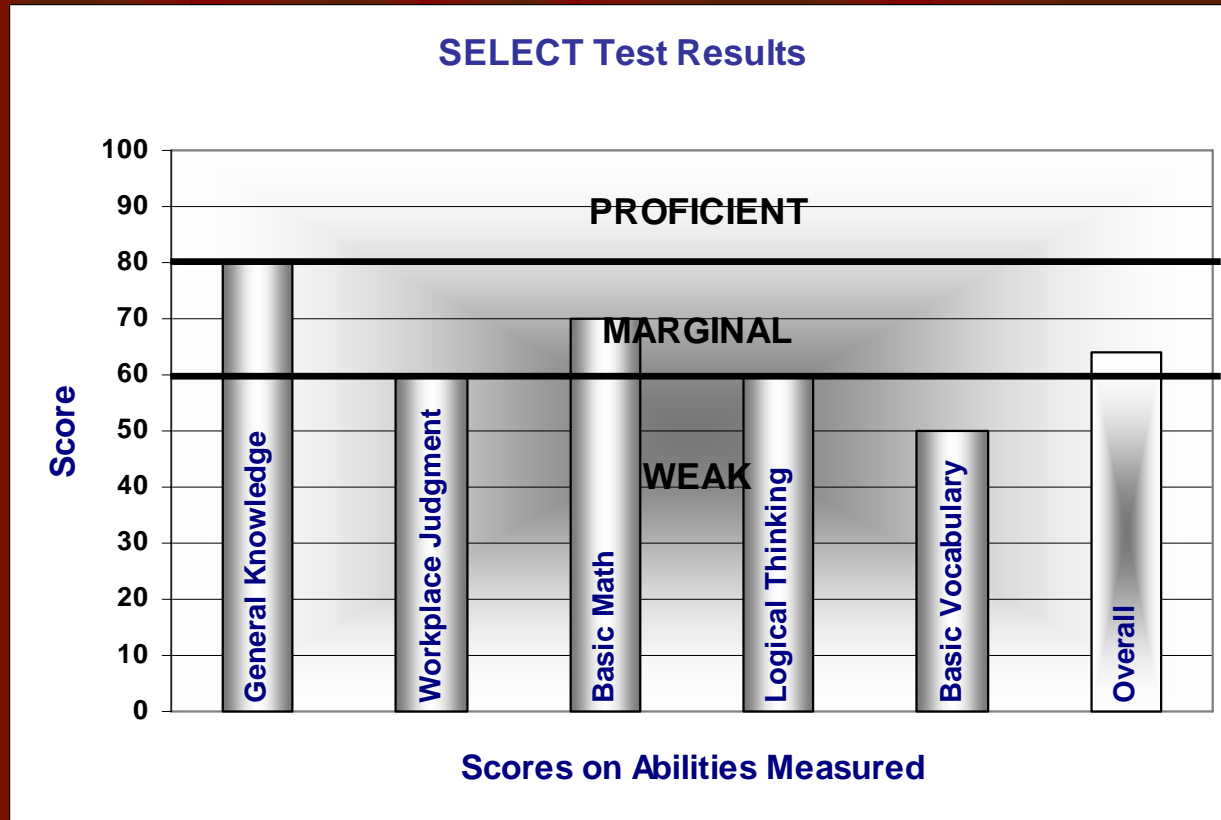
"Which word is closest in meaning to the word,
DESIRE? "

Want

Cold

Bent

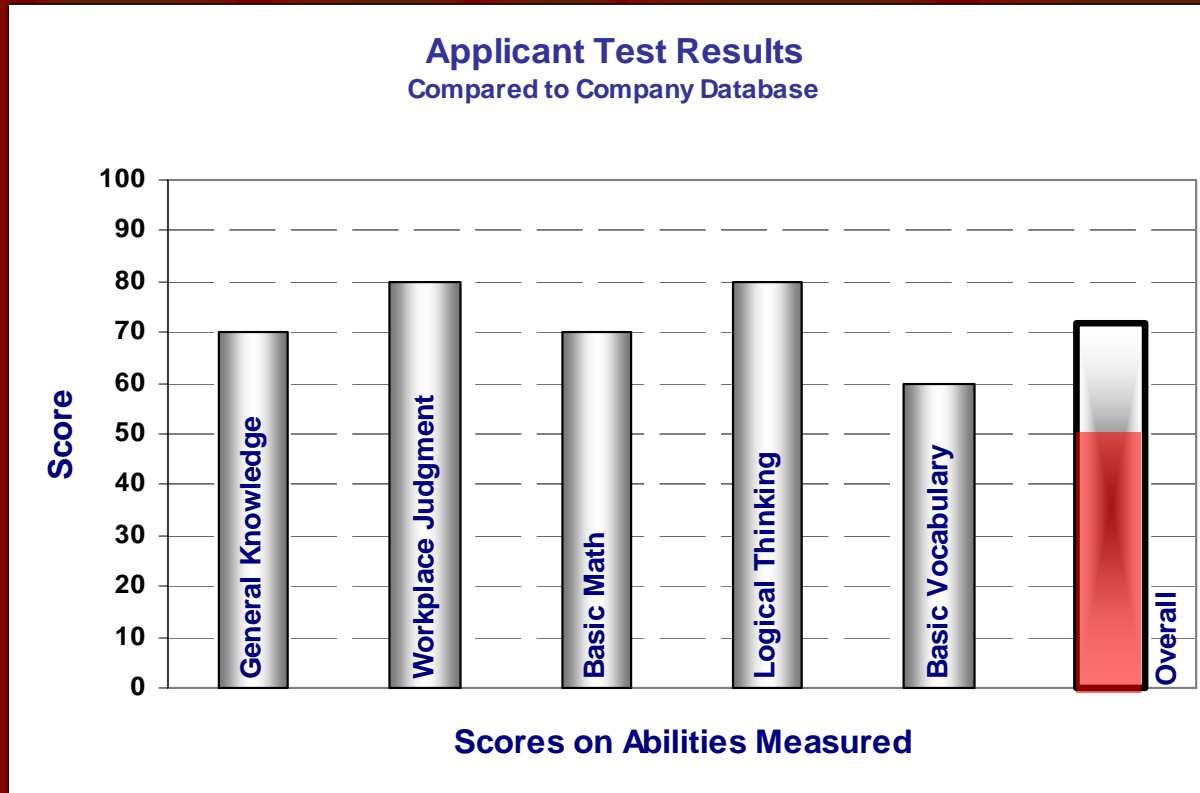
SELECT RESULTS



Assessing Shipyard Applicants

- SELECT – “Local Validation”
 - Test current employees to form database.
 - Assess performance of current employees.
 - Relate test scores to performance.
 - Establish cutoffs, minimums.

Assessing Shipyard Applicants



Assessing Applicant Personality

WILL DO

- Employee Screening Questionnaire (ESQ)
 - Hire productive, committed employees.
 - Avoid employees likely to engage in counter-productive behaviors.

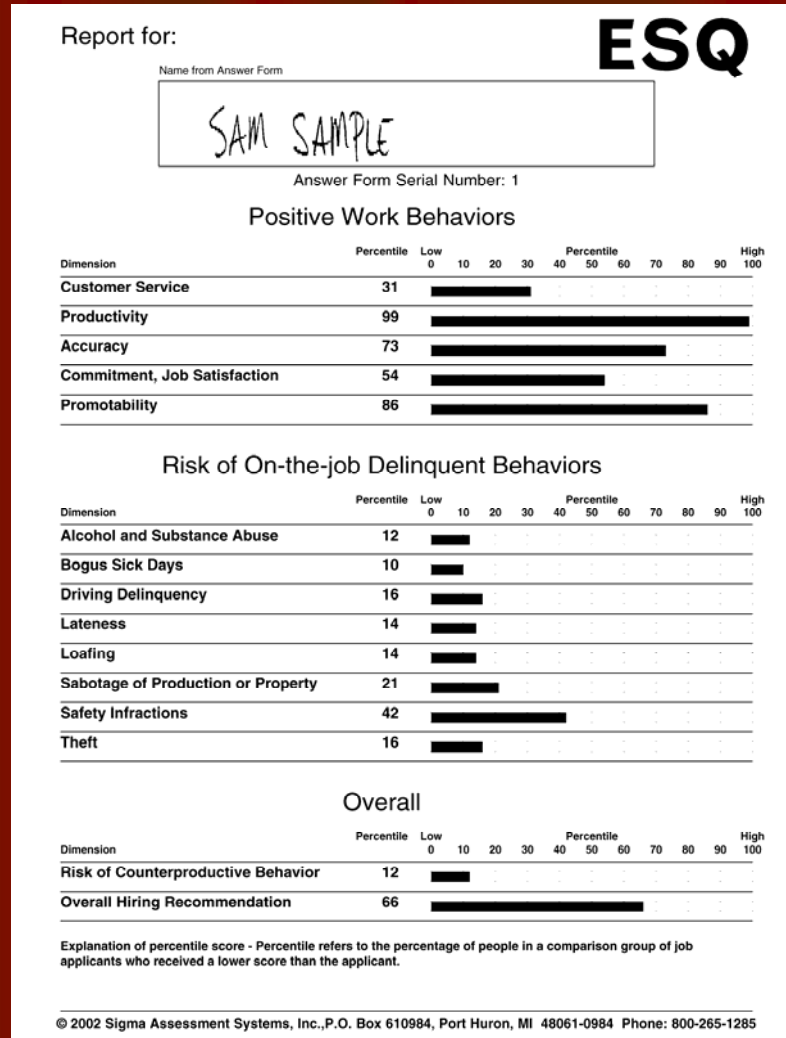
ESQ Sample Report

Positive Behaviors

- Customer Service
- Productivity
- Accuracy
- Commitment, & Job Satisfaction
- Promotability

Overall Scores

- Risk of Counterproductive Behavior
- Overall Hiring Recommendation



Negative Behaviors

- Theft
- Driving Delinquency
- Alcohol and Drug Abuse
- Bogus Sick Days
- Lateness
- Loafing
- Sabotage
- Safety Infractions

Ideal Testing Process for Entry-Level Applicants

- Internet-based, untimed.
- Validly measure *Can Do* and *Will Do* factors.
- Administered via clerical staff.
- Minimal length.
- Easy to administer and take.
- Instantaneous, sensible results.
- Hire/No-Hire recommendation.
- **Cost Effective**

E.J. Flynn Company

Management Psychologists

- **Pre-Hire Assessments**
Entry-Level, Supervisory/Managerial, Technical, Executive.
- **Employee Surveys**
How do employees perceive the organization?
- **Supervisory/Managerial Skills Assessment**
Multi-rater, '360°' assessments.

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