Six Things You Should Consider Before Investing in a Testing and Assessment Solution

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The Testing and Assessment industry has aggressively expanded over the last two decades to include numerous solutions from hundreds, if not thousands of HR consultants, I/O Psychologists, and "technology" vendors. There are thousands of possible solutions for buyers, and the fact is that one size does not fit all when it comes to testing and assessment solutions. The degree of difference in the solutions offered is often dramatic. Below, we have highlighted 6 key areas for you to consider when evaluating testing and assessment solutions.

1.   Objectivity and Consistency are Number 1

From both a legal and practical position, objective and consistent methods are the "holy grail" of the hiring process. They ensure all candidates and employees tested are treated fairly and equally (read: objectively and legally). But really, how do objectivity and consistency deliver more value than subjectivity?

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The more a testing solution relies on data and removes opinion (no matter how educated or professional the opinion) from the process, the more objective, and therefore predictive, the result. While it is an acceptable and valid   practice to have consultants define a "profile for comparison" and interpret each test result for you, this method introduces potential   subjectivity to the process, and, as the amount of subjectivity increases, the accuracy of the results will decrease. Some technology-based solutions have the advantage of delivering an objective and consistent   feedback   mechanism independent of subjective interpretation.

How to address this issue with your vendor
Start by asking your solution provider how they ensure that the testing and assessment process is both objective and consistent. First, request and review the vendor's technical manual and/or validation document to understand how the test is comprised and best used. Second, decide with your human resources department, how the assessment will be used in the hiring process. Considerations such as the placement of the assessment in the screening process (i.e. pre-interview, post reference check, etc), and for which positions/departments will the assessment

be used are critical decisions that will ensure consistency in the process.

Finally, and most importantly, ensure you understand every step in the benchmark creation process, and remember, the motto, 'what you get in is what you get out'. If you are using a consultant/subjective model, then educate yourself on how competencies are built and the critical correlation to your strategic goals. For a more objective approach, understand why an incumbent sample is used, and track performance data on those incumbents for future assessment.

2. All Are Not Equal

How do you differentiate between the independent consultants, the technology vendors, and the hybrids?

What kind of test is used? There are numerous test types in the marketplace today, including honesty and integrity, skills/aptitude, personality inventories, and behavioral assessments just to name a few, but how do you identify which one is for you? You do not need a Ph.D. to select the right assessment,, but you must be aware of how different types of assessments deliver widely differing results.

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Who is offering the test? Behavioral assessments have traditionally delivered through consultants and more recently offered through technology (or in some cases, a hybrid of the two). Which is the best fit for your organization? Be sure to consider the flexibility, scalability, and response time of any solutions you are considering.

What is measured? It is important to be very specific when evaluating testing solutions (i.e. customer service ability, sales aptitude, or general skills such as typing). The next step is to dig deeper and understand what skills or behaviors are being measured and if they will relate back to your positions and goals.

How to address this issue with your vendor
Request a copy of your vendor's technical manual. The technical manual should provide a detailed analysis of what the assessment is designed to measure. Also, ask your vendor for specific references of other companies who shared your goals

when they embarked on a behavioral assessment program. Determine by speaking to those references the impact the assessment has made on their organization.

### 3.	Data is King

When evaluating testing and assessment solutions, you should determine how data is used as part of the process. Test related data can come in several forms depending on application, and each will have a range of values for various organizations.

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First, does the assessment solution use actual test results to compile a custom "Ideal Profiles" for each of your jobs or positions? Often, when a custom "Ideal Profile" is not established, "normative" data is being used. In essence, this means that your candidates will be compared to society as a whole, and not your incumbent top performers. Obviously, this is a less than desirable solution which carries significantly less predictive capability. Using actual data from top and low performers in your environment will increase the objectivity of your process (see Item 1).   Second, you should determine if performance data from your environment would be used in an on-going fashion to validate and further refine the predictive nature of the test being used in your specific environment (see Item 6). This will ensure that your results are directly linked to performance or hard facts. Lastly, you should discover whether compliance data like Adverse Impact will be tracked for your company by the vendor. Be sure that this data is easily accessed over time.

How to address this issue with your vendor
Start by taking a look at your existing appraisal systems to determine if   performance and productivity related data exist today to support the testing process. If you have little or no data, ask how your test provider can help. If you do have data, investigate how this information will be used to support your desired result. For example, if you are looking to increase the quality of hire in the position of "loan originator" and your desired result is to see an increase in the rate of closed loans, you should have data in these areas to compare to assessment results (and the assessments should relate to increased performance).

4.   Online Is Not Always Online

Many providers of testing solutions will indicate that their solution is "online", but what does that mean, and will it be flexible enough to scale across your organization?

Start by asking multiple vendors what their definition of "online" means.

You should investigate further what this means. In many cases it simply means that the test can be taken over the web or that reports are automatically e-mailed to users. While these may be adequate solutions, more robust online solutions provide full control over the test and assessment process. These solutions allow HR professionals and hiring managers to log in and administer tests and/or evaluate assessment results in real time based on user rights you define. This is ideal for the company seeking to own the process and deploy testing throughout the enterprise.

How to address this issue with your vendor
Start by asking multiple vendors what their definition of "online" means. Ask for a demonstration of any "technology" promised and dig into the logistics of how it would work with multiple positions or geographies.

5.   No Solution is an Island

Like most solutions in business, testing and assessment rarely operates in a vacuum. There are other systems such as Applicant Tracking, Performance Management and Human Resource Information Systems that may need to communicate or share data with your testing and assessment solution. Find out if your assessment vendor has the ability to communicate with your current systems.

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If integration with any of your HR systems is essential to your desired result, you'll need to seriously consider a technology-based solution. In this space, there are vendors that provide a "platform" with a wide variety of solutions to choose from, and others that allow for flexible integration based on well-defined interfaces (and still others that cannot integrate).

How to address this issue with your vendor
Start by defining all of the existing systems that support your hiring and development process and identifying how critical each is to your desired result. If for example you are interested in a solution that will help your Field Sales Managers evaluate candidate fit to the position based on all related data from any location; you'll want a solution that can provide assessments, resumes, background check results, and review notes in one environment. You should

investigate thoroughly how your solution provider can support this process and if there are others that have successfully done so. One final suggestion is to ensure that the behavioral assessment solution is "XML Compliant", the standard to which most leading HR systems are complying, which allows data between systems to be seamlessly transferred.

6.   Reliable, Valid, Predictive, Legal

By definition, no provider should be in the business if they are not providing testing and assessment vehicles that are reliable, valid, and predictive indicators. However, there is disinformation out there, and it is important to ensure that you understand what these terms mean so that your due diligence is most effective when evaluating a testing solution provider.

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To the new user, the above terms may seem synonymous with each other and may be summed up in one word – accuracy. However, the difference between the four is huge, and critical to understand in order to use assessments correctly. Some simple definitions are as follows (note: that the U.S. Department of Labor titled "Testing and Assessment: An Employer's Guide to Good Practices" which provides detailed guidelines for Testing and Assessment that includes a comprehensive discussion of these terms. It can be found at www.uniformguidelines.com.):

Reliable: Reliability refers to how dependably or consistently a test measures a characteristic. If a person takes the test again, will he or she get a similar test score, or a much different score? A test that yields similar scores for a person who repeats the test is said to measure a characteristic reliably.

Valid: Validity refers to *what characteristic* the test measures and *how well* the test measures that characteristic. Validity also describes the *degree* to which you can make specific conclusions or predictions about people based on their test scores. In other words, it indicates the usefulness of the test.

Predictive: A predictive testing solution should be one that can show a positive relationship between test performance and some indicator of job performance (this is also referred to as criterion-related validation). In other words, individuals who score well on the test tend to perform better on the job than those who score poorly on the test. If the criterion is obtained at the   same time the test is given, it is called concurrent validity; if the criterion is obtained at a later   time, it is called predictive validity.

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Legal: The EEOC is responsible for enforcing federal laws regarding discrimination (the most common issue in the legal context of testing). While too broad a topic to cover herein (note again the Uniform Guidelines as an excellent reference source), your test solution provider should be able to share their method and data for ensuring that the test(s) being administered will not provide a biased result that would discriminate (commonly referred to as Adverse or Disparate Impact).

How to address these issues with your vendor
Start by reviewing the technical terms related to testing in the public domain guidelines and requesting technical manuals and validation information from your test solution provider. Also, probe to determine how the test will be validated in your environment and whether that process will impact your time and investment.

Hopefully, you have found this information useful. It is our intent at PeopleAnswers to contribute positively to the testing and assessment community. We would be pleased to share our solution with you and show you how we operate within the context of the key areas outlined above. For more information please contact us at 888-868-7216.

For further reading …
- "Testing and Assessment: An Employer's Guide to Good Practices", U.S. Department of Labor Employment and Training Administration, 1999
  www.uniformguidelines.com
- Greenberg, Herbert and Greenberg, Jeanne (1980). "Job Matching for Better Sales Performance", Harvard Business Review, September – October 1980
  www.harvardbusinessonline.com
- Schmidt, Frank and Hunter, John (1998). "The Validity and Utility of Selection Methods in Personnel Psychology: Practical and Theoretical Implications of 85 Years of Research Findings", Psychological Bulletin (v. 124, No. 2, pgs. 262-274)
  http://www.apa.org/journals/bul.html

Ira Grossman is President and CEO of PeopleAnswers America, LLC and Oliver Yates is Vice President of Talent Management Group, an independent PeopleAnswers dealer based in Troy, New York. PeopleAnswers is the leading provider of web-based behavioral assessment solutions, allowing for efficient and methodical selection and development of top performers at all professional, managerial, and customer facing levels of the enterprise. PeopleAnswers gives you unparalleled insight into job applicants and existing employees. Our software compares an individual's Behavioral DNA™ against our validated Best Practice Profiles or against a company's own custom-developed Top Performer Profiles™. PeopleAnswers software determines the specific behavioral traits in a group of existing top performer employees and uses these traits to seek new applicants, thereby filling a company's roster with the best and brightest. Clients include Neiman Marcus, Texas Instruments, Quicken Loans, Mack Trucks, and Hilton Hotels. For more information on PeopleAnswers, our website may be viewed at www.peopleanswers.com.