

# **Employee Assessments**

**Valuable to Clients –  
Profitable for You**

Leake & Associates

Confab 2003

Session M5A

# **Learning Objectives:**

- ✓ **Offer a basic overview and understanding of business assessments**
- ✓ **Learn what's out there and how to talk about them**
- ✓ **Recognize their value to clients**
- ✓ **Evaluate for potential revenue for your practice**

# What is an Assessment?

- Observations
- Resume evaluations
- Applications
- Interviews
- Work samples
- Ability tests
- Achievement tests
- Physical ability tests
- Honesty/Integrity tests
- Personality inventory
- Work value inventories
- Drug tests
- Medical tests

# Why Organizations Use Assessments

- Selection
- Placement
- Training & Development
- Promotion
- Career guidance
- Program evaluation

Source: Testing and Assessment:  
An Employer's Guide to Good Practices  
U.S. Dept of Labor 1999

# Testing is Acceptable!

Statistics show that  
**92% of applicants surveyed  
found tests acceptable,  
while only 3% resented it.  
The rest had no opinion.**



Source: Molding Systems,  
May 1999 v57 i5 p56(1).

# Five Good Reasons to Use Tests

- **Limit Legal Liability**
- **Minimize Poor Performance**
- **Identify Potential Problems**
- **Reduce Turnover**
- **Increase Quality of Employees**



Wayne Outlaw, Smart Staffing

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# What is a Good Assessment?

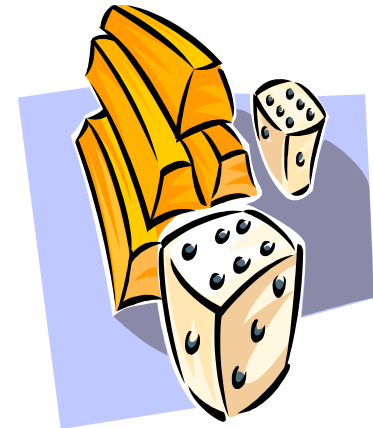
- **Reliable (.70 or better)**
- **High Validity**
- **Convenient**
- **Cost effective and valuable**
- **Technical validation available**



# Reliability

(how trustworthy are the results)

- **.90 and up.....Excellent!**
- **.80-.89.....Good**
- **.70-.79.....Adequate**
- **Below .70.....May have limited applicability**



Source: Testing and Assessment:  
An Employer's Guide to Good Practices

U.S. Dept of Labor 1999

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# Caliper Reliability...

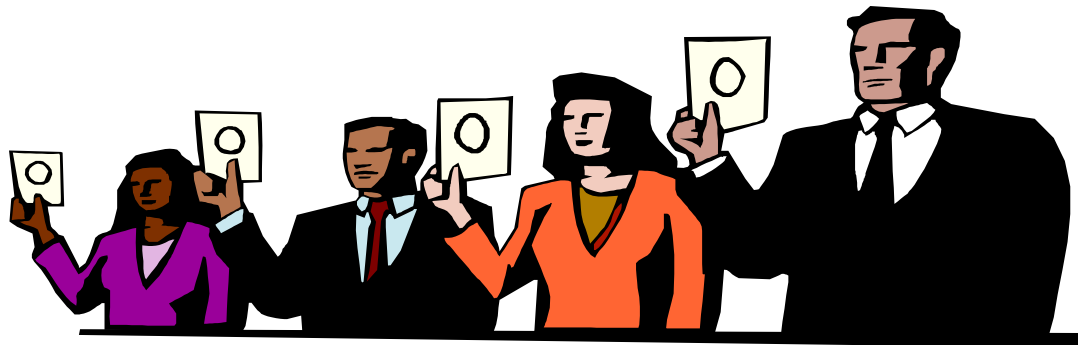
**"Our test-retest reliability coefficients, with second administration of the Caliper Profile within six months of the first administration), range between .35 to .86 (N=72 persons). The values of the coefficients depend upon which one of the 27 scales/traits is being analyzed. The average coefficient is .604."**

**Cynthia Hedricks, Ph.D.  
Research Dept.**

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# Other Reliability...

- **DiSC (Carlson)** . **38**
- **MBTI** . **50**



# **Validity**

**(How good a test is)**

- **Face**
- **Content**
- **Construct**
- **Criterion**

# How Much Validity is Good Enough?

- **.35 & Above.....Very beneficial**
- **.21-.34.....Likely to be useful**
- **.11-.20.....Depends on  
circumstances**
- **Below .11.....Unlikely to be useful**

Source: Testing and Assessment:  
An Employer's Guide to Good Practices  
U.S. Dept of Labor 1999

# **Personality Assessments**

- **Most competitive segment of the industry**
- **Few designed for business use**
- **Few have good reliability/validity**
- **6 ways to construct questions**
- **3 common ways to to measure**
- **Some require experts or certification**

# **6 Ways to Construct Questions**

- **Forced choice**
- **Ranking**
- **Rating**
- **2 from 4 choice  
(most/least descriptive)**
- **True or False**
- **1 of 3 choice (yes/no/not sure)**

# Three Ways to Assess People

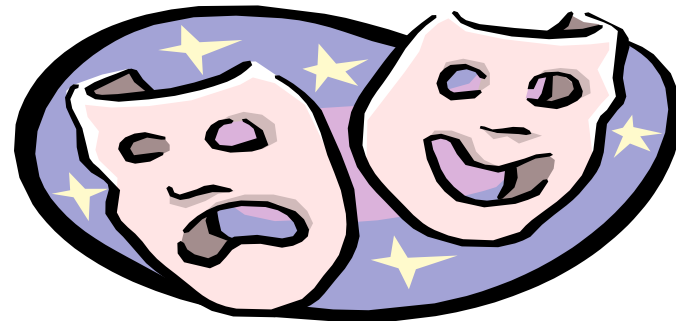
- How a person sees themselves  
*ipsative*
- How a person really is  
*core behavior - normative*
- How others see a person  
*multi-rater*

# Evolution of Personality

- **Personality States  
(Hippocrates theory)**  
*PPI, DiSC, Wilson, Personalysis*
- **Personality Type (Jung theory)**  
*Myers-Briggs, Keirsey*
- **The Big Five Traits (research)**  
*TotalView, The Profile, 16PF, NEO5*

# The Four Quadrant Personality

- First created by Hippocrates
- Theory that 20,000 adjectives fit into four categories
- Fakeable



# The Four Quadrants

**Dominance**

**Fire**

**Driver**

**D**

**Red**

**Choleric**

**Influence**

**Wind**

**Expressive**

**I**

**Yellow**

**Sanguine**

**Compliant**

**Earth**

**Analytical**

**C**

**Green**

**Phlegmatic**

**Steady**

**Water**

**Amiable**

**S**

**Blue**

**Melancholy**

# Personality Type

- **Theory first developed by Jung**
- **Millions use every year---good narratives**
- **Concern when using as a hiring tool**
- **Easy to be “pigeon-holed”---Labeling**
- **Poor reliability - “Ipsative” despite great spin**

# Personality Type

- **Most well known is Myers-Briggs**
- **4 scales with 16 possibilities:**
  - **Extraversion vs. Intraversion**
  - **Sensing vs. Intuition**
  - **Thinking vs. Feeling**
  - **Judging vs. Perceiving**
- **Measures preferences, not traits**

# **Big Five Personality**

- **Significant relationships across occupational groups**
- **Relationships with performance using intelligence, critical thinking and job analysis**
- **Use of Big Five does not result in adverse impact**
- **Well designed personality measures predict performance**

# **Assessment Uses: Pre-Hire**

- **Attitudes**  
ex – Honesty/Integrity/Work Ethic
- **Values**
- **Behavior Style**
- **Job Matching**

# 95% of Applicants Lie

95 % of 1997 college graduates  
were willing to make at least  
one false statement  
to get a job.

41% had already  
done so.

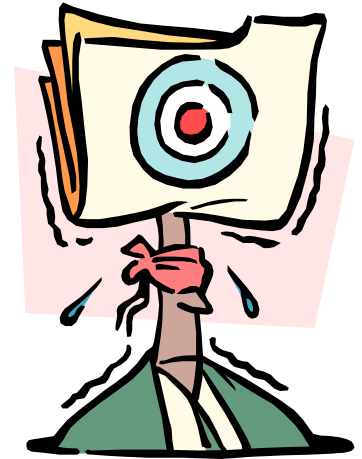
Nation's Business,  
May 1999



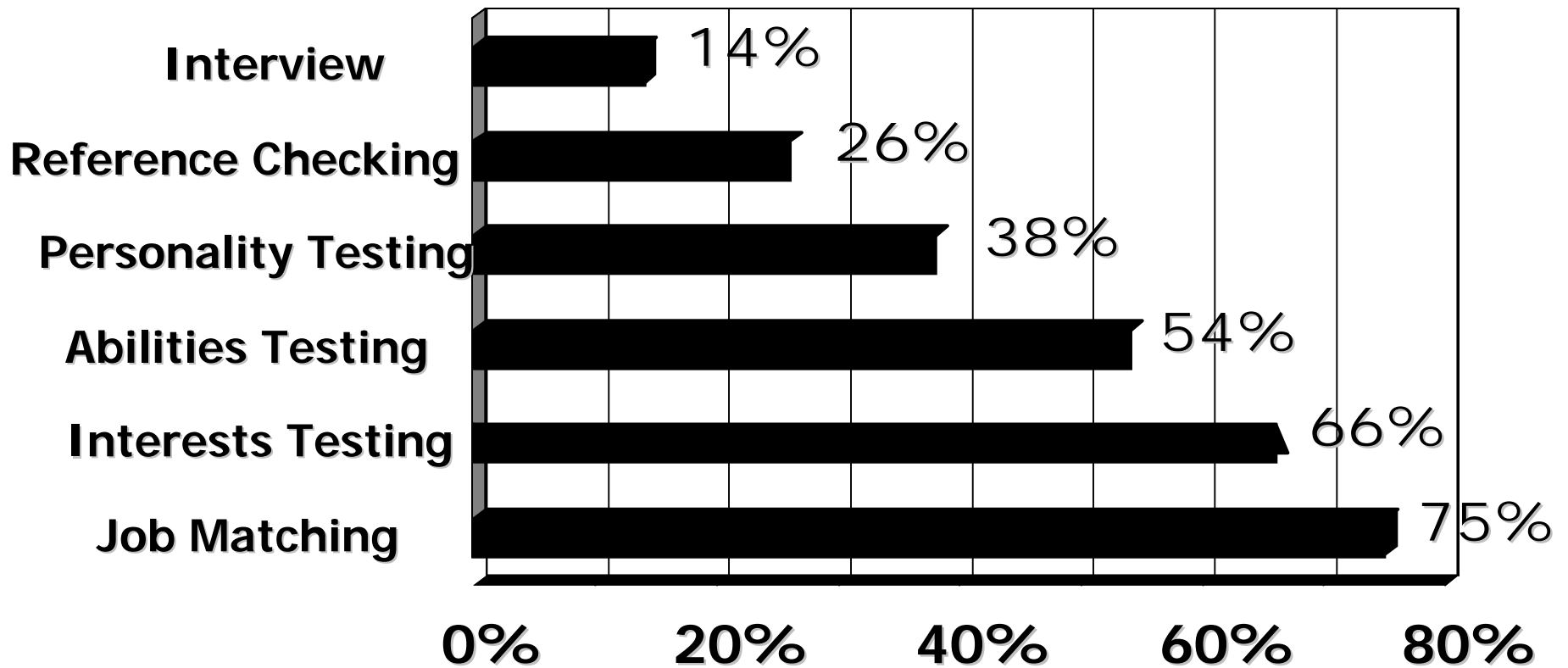
**A Harvard Business Review study found 90% of hiring decisions are based on the interview.**

**A Michigan State University study found that interviews are only 14% accurate.**

Crain's Business, Oct. 99



# Use All Available Resources



# **Assessment Uses – Development**

- **Coaching**
- **Promotion/Succession Planning**
- **Training Needs**
- **Conflict Resolution**
- **Team Building**
- **Leadership Development**
- **Employee Incentives**

# Multi-Rater Assessments

**“I predict that within 5 years, everyone will have to do a 360-degree review.”**

Stephen Covey  
*“The Seven Habits of Highly Effective People”*  
Quoted in USA Weekend, Aug. 29-31, 1997

# **What is 360° Feedback?**

- **Model that improves appraisal process**
- **Multi rater feedback**
- **Taps collective wisdom of those who work most closely with the individual:**
  - › **Supervisor**
  - › **Colleagues (peers)**
  - › **Direct Reports (subordinates)**
- **Gives managers clear understanding of personal strengths and areas needing development**

# Legality

- **Is the assessment job relevant?**
- **Will the assessment create adverse impact?**
- **Is the assessment constructed for business or psychology?**

# **Assessment Review Checklist**

- ✓ **Is it appropriate for work settings**
- ✓ **Is it reliable - consistent over time**
- ✓ **Is it valid - measures what it's supposed to measure**
- ✓ **Is it easy to administer**
- ✓ **Is it easy to score**
- ✓ **Are results easy to understand/use?**
- ✓ **Does delivery system meet organization needs**
- ✓ **Is there a technical manual available**

# **Why Consider Assessments?**

- **Provide value to clients**
- **Strengthens relationship with clients**
- **Enhances current expertise/role**
- **Residual income potential**

# **For More Information:**

## **Contact:**

**Leake & Associates**

**(866) 373-0300**

**[www.AssessmentPros.com](http://www.AssessmentPros.com)**

**Email: [AssessmentPros@aol.com](mailto:AssessmentPros@aol.com)**

**Some enhancements made have been made to this  
presentation prior to Confab.**

**Please visit our website for our most current version.**