

A Selection System that Works

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Selection systems are processes that use measurement techniques to understand, describe, and predict work-related skills, abilities, and characteristics in people.

Although this article will not encompass all there is to know about selection systems, it should start you thinking about your organization's process and how you can best reach your goals of hiring effectively. Finding the best match between a candidate's profile of skills and those needed to succeed on the job is the most essential objective.

In this article we will cover the following list of topics.

- Where do I start?
- Evaluating current practices
- Identifying competencies
- Recruiting the right applicants
- Selection tools to consider
- Validity
- Maintaining records
- Building a system that works

Why do I need a selection system?

Today's organizations face fierce competition in an ever-changing environment. This requires that companies make the best use of their resources, including capital, raw materials, and people—*human resources*. Hiring qualified people who will thrive in your organization is critical to meet the challenges of today's competitive environment. Success is built on the performance of all of your people, not just the brightest few.

Have you ever hired the "perfect" employee, only to find out later that the person did not have the right skills for the job or didn't fit well on your work team?

Do you wonder how you can tell whether someone really has the skills and attributes you're looking for?

There are accurate and reliable ways of measuring the knowledge, skills, and abilities needed for success in a position. Simple and easy-to-use tools such as paper-and-pencil tests can provide a wealth of information regarding a candidate's skills.

Do you have trouble keeping qualified people?

Are you hiring people who have the technical skills needed for a job, but don't work out for some reason?

Sometimes people with strong technical skills do not work out because their work habits and attitudes do not fit well with your organization's culture. Different organizations' cultures promote and reward different work styles. For example, an organization that provides freedom to individuals to be creative may be frustrating to someone who prefers a structured environment with clearly defined tasks and objectives.

Good selection systems combine several different tools that allow you to hire candidates who have the necessary skills and will work well in your organization.

Where do I start?

The basic steps to develop a selection system include:

1. Evaluating the current hiring practices in your organization
2. Identifying competencies needed for the jobs
3. Recruiting an applicant pool of qualified candidates
4. Choosing selection tools to help you hire the best candidates

When you begin to have some car trouble, is it best to go right out and buy a new vehicle? Not usually. First you examine your car to determine what the problem is. It could be that you just need new tires or a tune-up. If you do in fact decide that a new vehicle is the most cost-effective way to go, you think about what your current needs are. Also, you may employ several methods for finding out about the vehicles that are currently available—noticing advertisements, visiting dealerships, and searching the Internet. Finally, you consider things like cost,

efficiency, and whether the car will meet your needs before you make the final choice.

Developing a selection system is not a dissimilar process from the one just described. There are a number of preparatory steps involved before finally choosing the tools that you will use in your selection system. The following sections will highlight some important aspects to this process.

Evaluating current practices

The first step is to evaluate how your current selection practices impact your organization. There are several ways to approach this.

- ***Look at your turnover rate.***
Is it reasonable, or is it too high? Exit interviews can help you understand why people are leaving. Find out from managers what events lead to people leaving. Also, consider *who* is leaving—more successful or less successful employees? Some turnover can be beneficial.
- ***Consider performance appraisals.***
Do they indicate employees are working at the expected level of performance for your organization? Consider whether quality, customer service, or other results are where you desire them to be.
- ***Interview first-line managers.***
See how they feel about the workforce. Are employees performing at the required level? Are they learning the jobs in a reasonable time period? Are there recurring problems with employees or new hires?
- ***Interview mid-level managers.***
Find out about their picture of the ideal workforce and the current workforce, and compare the two pictures. What is

missing in the current workforce? What should be the emphasis in selecting new members of the workforce?

- ***Anticipate future needs.*** How is your company changing? What competencies or skills will be needed in the next year? In the next 5 years?
- ***Examine the steps in your process.*** Are they clear to candidates and managers? Do they take a reasonable amount of time? Is the process smooth as candidates move from one stage to the next? Do the decision makers have a defined, consistent method for combining the information they receive during the process?

Think about how your current hiring practices address the issues and concerns you've uncovered. Consider what changes need to be made to existing processes, and what you might want to introduce to improve the system. Keep this in mind as you think about needs and competencies for specific positions.

Identifying competencies

To select the right candidate for a job you must know what you are looking for—what attributes you expect the “right” candidate to have. ***Competencies*** represent the critical knowledge, skills, and abilities needed to perform successfully in a position.

A straightforward method for identifying the competencies for success involves understanding the tasks and responsibilities of a position, and determining the skills or qualities that differentiate good performers from poor performers.

In order to understand the position for which you will be hiring, interview current employees and their supervisors to identify

important responsibilities and skills that differentiate employees. Ask questions such as:

- What are the key tasks central to performing this job?
- What makes someone a good employee in this position?
- Why do people leave this position?
- What does a person need to know when he or she is hired? What tasks can he or she be trained to perform?
- What type of individual thrives in your organization's environment? What are the attitudes that motivate people who excel?

Developing selection systems may seem like an overwhelming task if your organization has a large number of positions. However, positions that require similar competencies can be grouped together for selection purposes. Because competencies are more general than specific job tasks, different positions will often require similar competencies. For example, a sales representative and a customer service representative will both likely require competencies such as communication skill, critical thinking, and customer focus.

Recruiting the right applicants

Once you have determined the skills and work requirements for a position, you will need to generate a pool of candidates. Ideally, you want to attract applicants who have the foundation of necessary skills. Some conventional and unconventional methods for recruiting qualified job candidates include:

- **Marketing your company.** Know why people like to work for your company. Communicate your organization's strengths, but be realistic. Turnover also occurs when people's expectations for a job are not met. Don't forget to highlight non-financial incentives.
- **Reaching your audience.** Market your company and hiring needs within the community where you do business. Use local resources, and recruit at community events that potential employees are likely to attend. The Internet is also a great way to use technology to reach your target audience. Consider how you reach both "active" and "passive" job applicants.
- **Using referrals.** Current employees are a great resource for referrals. Give incentives and rewards for referred new hires that stay past the probationary period.
- **Networking.** Network with other employers in related industries, and in your geographic area. Contact companies who are experiencing cutbacks and provide a convenient way for interested people to apply for your open positions.
- **Targeting candidates for diversity.** Consider diversity as a goal. Target specific segments of the workforce and identify benefits or programs that attract these workers. Consider retirees and college students as potential candidates. Participate in school-to-work and welfare-to-work programs.

Using recruitment as a tool, you can reduce the demands on your selection system. By attracting more candidates who have the right skills and "fit" with your organization, you will not have to screen as many

applicants to fill your open positions. Recruitment should work hand-in-hand with your selection system.

Selection tools to consider

Selection tools can be custom developed for a specific organization. Alternatively, many "off-the-shelf" tools are ready to purchase and use. In evaluating any test you will want to examine: (a) what the test is truly measuring, or "validity"; (b) the reading level of the test; (c) how relevant the test appears to applicants, or "face validity"; and (d) legal issues.

To decide whether to develop or purchase tests, consider the following:

- Some tests, such as those that measure personality and abstract reasoning, are complex to develop.
- Tests that directly reflect a sample of work content are relatively straightforward to develop.
- The cost per applicant is important in deciding between custom and off-the-shelf tests. At what number of candidates do you break even? Generally custom developed tests are more expensive, but they may be the most cost-effective approach over the long term. Off-the-shelf tests do not include the expense of development and customization, but have on-going costs with each use.

Although there are a number of different tools available, here are some descriptions, caveats, and things to think about regarding a few of the most commonly used selection tools.

Paper-and-pencil tests. You can use written tests to measure general skills such as reading and math, or specific knowledge such as electronics. Additionally, written tests can assess complex skills such as management problem solving. Personality-based tests examine work habits, motivation, and people skills.

Structured interviews. Are you ready to interview candidates with a list of job-related questions to predict performance? Interview questions can assess general work habits, such as conscientiousness, attention to detail, customer service, and leadership. You can ask questions to reveal specific behavioral responses that represent positives for your work environment, such as enthusiasm or creativity. All questions asked should be related to your business, the position for which you are interviewing, and a common model of desired competencies.

Structured interviews contain predetermined questions to tap job dimensions, as well as “anchored” rating scales for each dimension. This means that statements describing excellent, good, and poor behavioral responses are presented for the interviewer to use as a guide when rating the candidate’s response to the interview questions. Structured interviews that are numerically scored predict performance more accurately than general interviews. Using a structured interview also ensures that each candidate is asked the same types of questions, producing a process that is consistent and appears fair to applicants.

Work simulations. A good way to see how a candidate will perform on the job is to have them perform tasks that are similar or identical to tasks they would encounter on the job. These can be particularly useful when success depends on performing several skills simultaneously. Also called “work sample tests,” they can take the form

of individual or group exercises. Sometimes several different exercises are used in an extended procedure known as an assessment center. Commonly used exercises include in-basket exams, business games, and group discussions. Incorporating a simulation tool into your selection process will help candidates see the relevance of the testing process to the job for which they applied.

Individual assessments. Job candidates undergoing individual assessment take a series of paper-and-pencil tests that can include measures of skills, work history, personality and interests. These tools, along with a structured interview conducted by a professionally trained consultant, yield information about a candidate’s interpersonal, planning, problem solving, and leadership skills, as well as their motivation level and work habits. The consultant provides a written profile of the candidate’s results that usually includes strengths and developmental needs, and often a recommendation to hire or not hire.

Reference/ background checks. The best predictor of future behavior is usually past behavior. This is why reference checks and background checks can be useful tools when making a hiring decision. They can provide such information as dates of employment, criminal history, driving record, and attendance. Look for organizations that offer these services in your area. When requesting investigations, ask only for job-related information. Remember that each organization is unique and an applicant who worked well in a previous job will not necessarily fit well in your company.

Drug screens. Providing a safe work environment includes having one that is free from drug and alcohol use. Drug and alcohol screening is a legal way of identifying candidates who would be at risk for on-the-job substance abuse.

Validity

Using valid tests for selection allows you to hire employees who can be successful on the job. A *valid* test is one that is related to job performance. For example, a test that involves reading and translating a story written in a foreign language would not likely be valid for hiring firefighters. A physical ability test that involves carrying a 100-pound hose up two flights of stairs would more likely be a valid selection tool. Because the test measures a skill needed to do the job successfully, test scores would be related to performance on the job.

Face validity refers to how relevant or appropriate the test appears to applicants taking it. Therefore, carrying a 100-pound hose up two flights of stairs would be viewed as face valid because it is clearly needed for the job. Lifting a 100-pound weight bar, although measuring the same ability, would not be as face valid because it is not as clear why it would be relevant to the job. Face validity is important in making a good impression on candidates, and in minimizing potential legal problems.

Maintaining records

For legal reasons it is important that organizations keep accurate records documenting their selection decisions. Information that should be documented and maintained on file includes, but is not limited to: (a) the position for which the candidate applied; (b) the candidate's test scores, interview scores, and any summary of test performance; (c) reasons for not considering the candidate further in the process; and (d) demographic data necessary for EEO compliance.

Remember to keep testing information separate from employee records. Any time changes are made to your selection system, check with your attorney to ensure proper security, separation, and maintenance of records.

Building a system that works

In designing a selection system for your company you want a smooth, efficient process that makes the best use of your company's time and money. In terms of cost-effectiveness, you would want to use less expensive methods—such as a paper-and-pencil test—to screen out candidates who lack basic skills early in the process. Where possible, reserve more costly selection methods—such as interviews or work simulations—for later stages when a smaller number of promising candidates are involved.

In terms of efficiency, consider the time needed to complete each step in the process. Generally, the steps of a hiring process occur in a certain sequence for a reason. For example, legally the drug and health screening must occur *after* a conditional offer of employment is made. However, some steps can occur simultaneously. Parts of the background/ reference check can be conducted while skills testing is conducted. It may be possible to overlap steps in your process in order to complete the selection cycle more quickly.

By carefully considering your current hiring practices, as well as your current and future employment needs, you can choose effective tools for attracting and selecting the candidates who will be successful in your organization.