

Select Assessment for Leaders & Professionals: Overview of Results

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TECHNICAL REPORT

Introduction Since 1993, Select International has been helping organisations assess and hire leaders and professionals in a wide range of industries. The process of selecting, promoting and developing effective leaders and professionals is fundamental to the success of any organisation. Select's research and experience has consistently shown that effective leaders demonstrate specific behaviours and possess key attributes. These assets clearly impact their organisations' bottom line and separate them from their less successful counterparts.

Select International's assessment approaches have evolved and changed in line with their clients' unique needs. Today, Select International offers unprecedented flexibility, comprehensiveness and accuracy. As with all of Select's systems, applied research studies have been conscientiously conducted to determine what works best, what does not work and how best to improve the assessment process – in the process, reducing time and increasing accuracy.

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System Content

Performance is multi-faceted. Therefore, no single assessment method is enough. Select International firmly believes, and their research demonstrates, that multiple assessment approaches are warranted. The result is a comprehensive assessment system – one that yields more robust results than by using a single approach.

While Select systems vary based on the specific needs of the organisation, each system generally contains several key methods. Those methods are briefly described below.

Personal Beliefs

These are self-report items covering multiple competency areas. The candidate is provided with a series of statements to which they indicate their level of agreement. There are no right or wrong answers in this section. This section provides insights into each candidate's core personality components.

Situational Judgment Scenarios

This method presents the candidate with realistic scenarios. These scenarios deal with key issues leaders typically face. The candidate is asked to rate the effectiveness of several possible options for dealing with the situation. This is a very flexible methodology and allows Select International to customise scenarios to the specific needs of the client organisation.

Critical Thinking

In this approach, the candidate is presented with a series of arguments. After each argument, there are several concluding statements. The candidate's task is to determine if the statements follow logically from the argument, contradict the argument, or neither. An alternative approach is to provide the candidate with the results of an experiment and ask them to rate whether a series of statements follows logically from the data. Both approaches focus on identifying the candidate's ability to use inductive and deductive reasoning skills.

Applied Problem Solving Scenario

In this approach, the candidate is presented with a description of a problem followed by a set of logical conditions. They are asked to use the information presented to answer a series of questions. The focus here is on the candidate's ability to interpret and apply information from multiple sources to solve problems.

Logical Reasoning

This method measures the candidate's abstract or logical reasoning skills. In brief, the candidate is presented with a series of three objects. From a series of options, candidates must select the fourth object that completes the series pattern.

Past Behaviour Interview Questions

As an important approach in the assessment process, trained assessors conduct an in-depth, structured interview with each candidate. Assessors focus on evaluating how a candidate's past behaviour relates to several key competency areas. This is a proven and extremely flexible technique based on the premise that past behaviour is a strong predictor of future behaviour. Moreover, questions and rating criteria can be tailored to each organisation's unique needs.

Situational Interview Questions

This method complements and supplements the past behaviour interview questions. Situational items present candidates with short scenarios that they might face at work. The assessor probes the candidate with regard to how they would handle each situation.

Interactive Role Plays

In this approach, the candidate assumes the role of a leader in a fictitious situation and interacts with a trained assessor who plays a scripted role. This is a very powerful technique that completes the logical flow from asking candidates what they have done in the past, how they would handle a potential situation and then actually demonstrating their skills in handling a realistic scenario.

Motivational Fit

With this method, the focus is not on whether the candidate "can do" certain aspects of the job, but instead targets the "will do" component. This is equally important, as how the candidate responds to these questions allows Select International to evaluate the fit between the candidate's interests and motivations and what the job or organisation has to offer. A variety of direct and indirect questioning techniques are employed to gather this information.

Establishing Footprints

To help their clients make the best decisions, Select International establishes success profiles or “footprints.” The footprints identify individuals who are most likely to succeed in the target position within the organisation. These footprints are typically established by first evaluating a representative sample of existing employees at the company. These employees’ assessment performances are compared to organisational results.

Over the years, Select International has found that, for leadership and professional positions, a footprint is a more appropriate decision-making tool than simply focusing on overall scores or simple pass/fail decisions. Footprints help organisations focus on what is truly important and help define the profile of success for leaders and professionals in their organisations.

Research Findings

The following information summarises several empirical studies that have been conducted using Select’s leadership and professional assessment systems. These studies encompass a wide range of positions and industries.

Note that in some of these studies, a correlation between scores on the assessment and some external criteria is provided (e.g., supervisor ratings of job performance). Table 1 below provides generally accepted psychometric standards for determining the strength of correlation coefficients in behavioural science settings.

Table 1. Ranges in Correlation Coefficients

Range in Correlation	Strength of Relationship between Predictor Coefficient ¹
r = .00 - .19	Little, if any, relationship
r = .20 - .29	Small/Moderate relationship
r = .30 - .39	Moderately strong relationship
r = .40 - .50	Strong relationship
r > .50	Very strong relationship

Study 1 – Group Leaders for a Television Manufacturer

Group leaders at this 5,000-employee facility oversee several teams of manufacturing employees. Group leaders typically have four to eight team leaders reporting to them, with a total of 20 to 70 total

¹ Taken from ranges in effect sizes described by Cohen (1977).

employees reporting to them. A total of 73 current group leaders were assessed using the Select Assessment for Leadership System. In addition, data was collected from the group leaders’ supervisors regarding their job performance.

The overall competency profile scores from the assessment system correlated $r = 0.50$ with supervisor ratings of performance. As the ranges in Table 1 demonstrate, these results are statistically significant and would be considered to be a strong relationship.

In addition, the results of this study indicated substantial differences in job performance existed between individuals who met the footprint vs. those who did not. Specifically, there were five key competency areas in which high performing group leaders differed from their less successful peers:

- Analysis Skills
- Coaching
- Leadership Style
- Managing Resources
- Work Ethic

The graph in Figure 1 highlights standardised job performance ratings, for group leaders who met vs. did not meet the footprint, on those five competency areas.

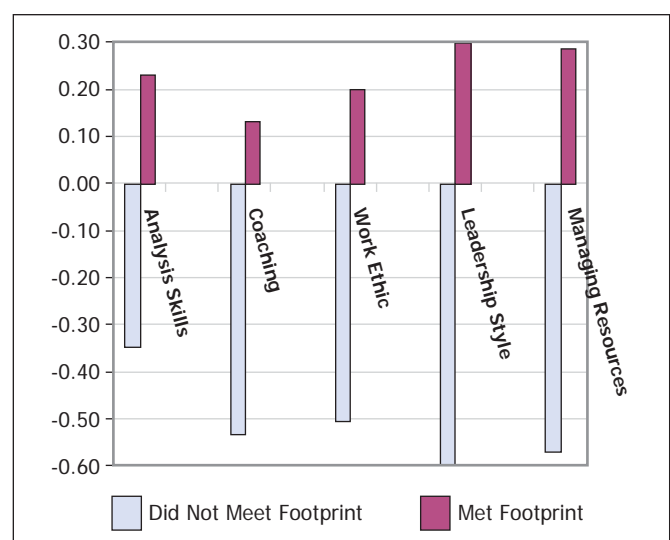


Figure 1

Additionally, the average difference in overall job performance ratings for these two groups was almost one full standard deviation in performance ($sd = 0.75$).

This information can be and should be used to determine the extra value that better group leaders

provide to the organisation. According to the salaries of these employees and a standardised ROI formula, group leaders who met the profile are worth at least \$21,000 more to the organisation than those who did not meet the footprint.²

Study 2 – Department Store Sales Managers

Sales managers in this firm oversee retail salespeople from a broad range of in-store departments. A total of 53 sales managers were assessed using the Select Assessment for Leadership System. On average, each manager oversees five salespeople.

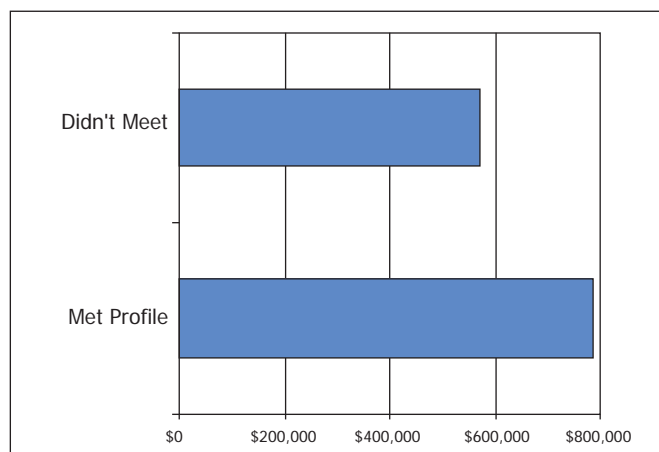
The key criteria in this study were group sales over a one year time period. In addition, supervisor ratings of the sales managers' performance were considered.

Overall, assessment profile scores correlated significantly with both criteria studied. The correlations are shown below:

- **r = 0.48 with supervisor ratings**
- **r = 0.55 with group sales**³

On average, each salesperson sold approximately \$140,000 per year, or \$672,000 per sales group. Based on actual sales for the year, it was clear that sales managers who met the footprint were able to lead their teams to significantly higher sales than those who did not meet the footprint.

Figure 2. Actual Group Sales Comparison Between Sales Managers Who Met the Footprint vs. Sales Managers Who Did Not



² Refer to Cascio, W. F. (1987). *Applied Psychology in Personnel Management*. (Third Edition), Englewood Cliffs, NJ: Prentice-Hall, for a discussion of utility and the value of SDy (standard deviation in job performance).

³ Group sales were evaluated as the percentage of sales quota achieved. This is the most accurate measure because different individuals/groups have different sales quotas.

As can be seen in Figure 2, on average, sales managers who met the footprint had group sales that were \$215,000 higher than those who didn't meet the footprint. What's truly impressive about this is that these sales managers oversaw small groups of entry-level retail salespeople. These were not high-level sales professionals. It is clear that good leadership made a significant difference in department store performance.

Study 3 – Managers in a Construction/ Mining Company

Managers in this firm oversaw multiple work groups that were, in turn, led by frontline supervisors. As part of a larger developmental program, these managers were assessed using the Select Assessment for Leadership System. Ratings of manager effectiveness were gathered from their direct subordinates (i.e., the frontline supervisors who reported to them), as well as their bosses. Footprints were established for the managers based on job analyses and discussions of the organisation's goals. One hundred five managers participated in this study.

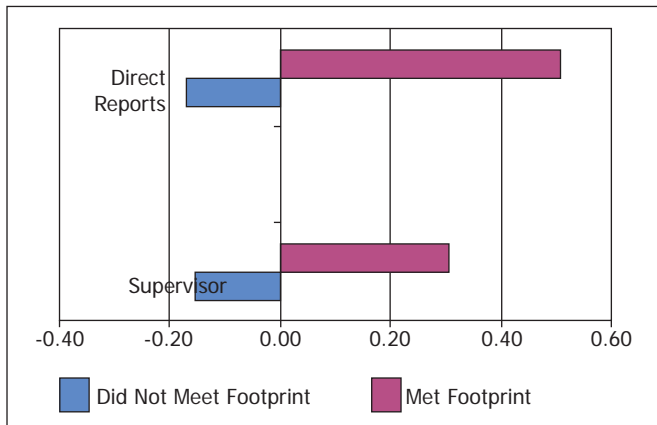
The footprint focused on five key competencies that were critical to success on the job. The correlation between these competency scores and ratings of effective job performance from direct reports and the supervisor is shown in Table 2 below.

Table 2. Correlation Between Five Key Managerial Competencies, Overall Assessment Profile Score and Effectiveness Ratings from Direct Reports and Supervisors

	Direct Reports	Supervisor
Analysis Skills	.48	.86
Decisiveness	.48	.43
Initiative	.48	.26
Judgment	.53	.26
Leadership Style	.57	.43
Overall Profile	.60	.45

These correlations are in some cases very strong – especially ratings from the direct reports. The managerial assessment system was clearly in strong alignment with ratings of effectiveness from the direct reports of these managers.

Figure 3. Standardised Effectiveness Ratings from Direct Reports and Supervisors for Those Managers Who Met the Footprint and Those Who Did Not



Study 4 – Managers in a Telecommunications Firm

Telecommunications Managers came from a variety of different parts of the organisation, including sales, billing, customer service and repair. This group of 122 managers took part in a developmental program in which they were assessed using the Select Assessment for Leadership System.

In addition, as part of a larger study, they were asked their reaction to their experience. Many of the questions focused on the appearance of the screens, the type of internet connection they used, whether they were able to concentrate, etc. Answering the questions was 100% voluntary. Participants were also asked three key questions regarding their perception of the assessment. Their ratings are shown in Table 3 below.

Table 3. Telecomm Managers’ Perceptions of the Web-based Leadership Assessment System

	Agree	Disagree
People who do well in the system will likely do better on the job.	97%	3%
This system provides a positive first impression of company’s commitment to hiring the best.	76%	24%
I felt that this assessment was a positive experience.	93%	7%

These results are very positive, especially when one considers that most people do not have particularly favourable impressions of “tests” or assessments. The most important rating is really the first one, which is an indication of the “perceived fairness” of the system.

Almost 100% of these managers felt that those who do better in the assessment are likely to do better on the job.

Study 5 – Management Trainees in a Vehicle Leasing Firm

As part of a project to establish a means of selecting and then developing candidates into their management training program, this organisation assessed a group of 36 current management trainees. Management trainees are identified as high potential individuals and are then placed on a 12-24 month management development career track. Their direct supervisors were asked to rate the management trainees’ job performance, according to structured rating criteria.

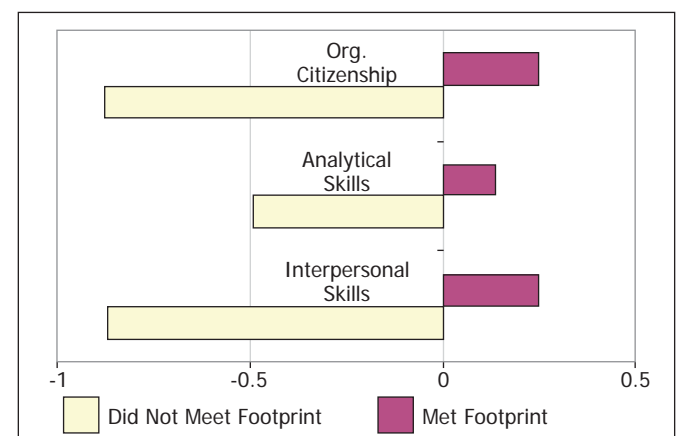
An assessment footprint was established using a sample of 10 individuals – five were identified as top performers and five as lower performers. This footprint was then applied to the entire group. Correlations between the footprint scores and the three primary job performance factors are shown in Table 4 below.

Table 4. Correlation Between Overall Footprint Score and Three Key Job Performance Factors

	Correlation
Organisational Citizenship	.79
Analytical Skills	.42
Interpersonal/Leadership Skills	.72

These results indicate that there is a very strong correlation between the overall assessment footprint score and job performance.

Figure 4. Comparison of Met vs. Did Not Meet Footprint for Three Key Job Performance Factors



The results in Figure 4 clearly show that those individuals who met the assessment footprint substantially outperform those who did not meet the footprint.

The average difference in job performance was 0.96 standard deviations. Using the same ROI formula described in Study 1, applying this footprint would result in an average difference in performance of almost \$20,000 per person per year.

Summary of Findings

The results of the applied research studies are consistent and extremely positive. Across these five different studies, it can be concluded that:

- Leaders and professionals who meet the established organisational footprint significantly outperform those who don't meet the assessment profile.
- The leadership assessment system accurately predicts supervisor ratings of performance, subordinate ratings of effectiveness and hard performance data.
- Individuals perceive the leadership assessment program as being extremely fair and consider it a positive experience.

Legal Defensibility

As with all of its assessment systems, Select International developed its leader and professional assessment system to comply with professional standards as presented in the **Standards for Educational and Psychological Testing** (American Educational Research Association, American Psychological Association and the National Council on Measurement in Education, 1985), the **Principles for the Validation and Use of Personnel Selection Procedures** (Society for Industrial and Organizational Psychology, Inc., 1987), and the **Uniform Guidelines on Employee Selection Procedures**, 1978.

In addition, this system was designed to evaluate, assess and serve as a fair predictor of relevant job performance for members of various demographic groups, including all individuals identified as members of "protected groups," as defined by Title VII of the Civil Rights Act of 1964, Title I of the Americans with Disabilities Act of 1990, the Age Discrimination in Employment Act of 1978 and the Civil Rights Act of 1991.

Over the past 15 years, Select International has developed and implemented selection and assessment systems for well over 200 clients and assessed individuals from over 80 countries. Over 3 million individuals have been evaluated by Select International assessment and selection systems. In addition, Select has conducted over 75 empirical validation studies to evaluate the quality of its systems. During this time period, Select has participated in a number of legal reviews by corporate attorneys, independent law firms, the Equal Employment Opportunity Commission (EEOC), and the Office of Federal Contract Control Programs (OFCCP). Selection and assessment systems developed by Select International have consistently met the standards and scrutiny of these reviews.

No client of Select International has failed to successfully defend a selection or assessment system developed by Select International against claims of discrimination or unfair hiring practices.

Closing

The Select Assessment for Leaders & Professionals provides a comprehensive and accurate assessment of competencies critical for success in a wide range of leadership and professional positions. The assessment can be customised to meet the specific needs of each organisation, is available over the Internet, and can be combined with a structured telephone interview by a trained assessor.

By creating a customised footprint, Select International is able to fine-tune the accuracy and greatly improve the usefulness of the system for their clients.