Building Talent with High Definition Assessment Science

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Unless you have been trapped in Outer Mongolia for the last decade, you have heard every major business thought leader and published C.E.O. identify organizational talent as a primary generator of sustainable success. In our knowledge and innovation based economy, talent has become the clear differentiator between winners and also-rans. However, believing it is one thing and executing on it is another. At BHI, we know building a talent strategy with powerful underlying principles and methods is the touchstone for which all companies strive. In this article, we want to increase our readers' knowledge about what constitutes excellent selection and how innovation can be applied in solving the talent equation.

In writing this article, we have assumed that the reader believes the three following statements.

1) Talent is a major driver in increasing shareholder equity. If you would like more information and data about the impact of talent on corporate success, access these highly regarded references: *Good to Great*, Collins, Jim (HarperCollins Publishers). *War for Talent*, Michaels, Ed; Handfield-Jones, Helen; & Axelrod, Beth. (Harvard Business School Press 2001).

2) That disciplined and scientific selection is a proven method of increasing the level of talent in your organization. There are numerous sources of compelling information proving the efficacy of scientifically validated selection systems. The following are just two of these studies: *The Validity and Utility of Selection Methods in Personnel Psychology: Practical and Theoretical Implications of 85 Years of Research Findings*. Psychological Bulletin, 124(2), 262-274. *On the Usefulness of Personality Variables; An Empirical Perspective*, Ones, Deniz S. (University of Minnesota).

3) Understanding the fundamentals of selection science is critical in choosing a selection process that works. The past decade has seen the proliferation of hundreds of companies vying for your employee selection business, all claiming to be the answer.

First of all, while we will be describing the science of selection, all principles will be explained in business logic with no scientific jargon. All of you will quickly recognize these principles but may not know the order and process necessary for outstanding results. Knowing these principles and methods allows you to more readily differentiate fact from fiction when making a decision about employee selection systems.

HIGH DEFINITION ASSESSMENT SCIENCE™

At BHI, we have branded our approach to assessments as High Definition because it allows the user to bring clarity and vivid detail to the talent assessment and selection picture. All of us have had the first experience of looking at a regular tube TV and then looking at a High Definition TV in either plasma or LCD format. The difference was almost shocking in its detail, brightness, and realistic depiction of the scene. However, until we saw the HD TV, we didn't even know what we were missing. The old tube picture was just fine but now we find it hard to go back. For this reason, many of us have spent (or are seriously considering it) 5 to 6 times the cost of a similar size tube TV to acquire a high definition set. Fortunately, HD assessment science is only marginally more expensive (if at all) but we will view results in much greater clarity, richness, and detail in understanding important job success behaviors and how to measure and predict these behaviors. Ultimately, a high definition assessment process creates a dramatic increase in return on investment through improvement in employ productivity.

LINKING JOB COMPETENCIES, PREDICTORS, AND PERFORMANCE.

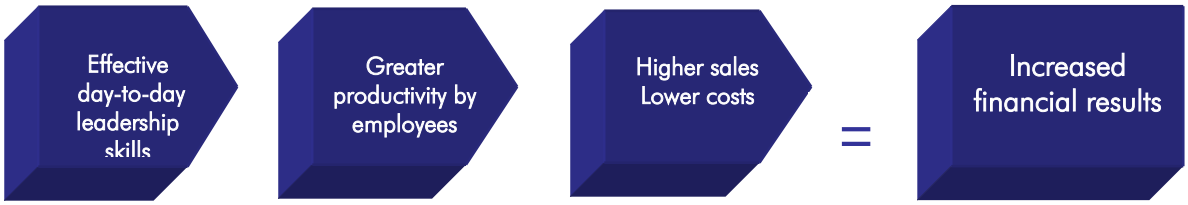
The following graphic shows the linkages that we believe drive excellence in selecting the best individuals for the job and company culture.

IMPORTANT CONCLUSIONS

1. Measuring job competencies and detailed success behaviors (1 in the graph above) is critically important to building a successful talent pipeline. This is the first step in the research process and cannot be minimized or side-stepped although many do so in an attempt to cut costs or speed the process. Without this information, how do we know what predictors to choose and what skills to train?

2. A broad library of targeted job performance predictors (2 in the graph above) is necessary to build a valid and focused selection system that provides the talent that is the lifeblood of the organization. One size does not fit all situations, although many purveyors of selection tools would like you to believe one set of trait measurements covers most jobs. Of course, there is a basic set of fundamentals that is necessary for many jobs (i.e., conscientiousness), but just like tube TV's you don't know what you are missing until you see the job in high definition. Understanding and measuring behaviors and facets of the company's culture are necessary to move beyond the fuzzy picture stage.

3. Selection science is primarily focused on predicting critical job behaviors that are observable on a day-to-day basis. These performance measures should be under the control or direct influence of the individual rather than distant outcomes or results. By validating predictors against the more observable behaviors, we ensure that we are hiring or promoting individuals who exhibit the desired job behaviors. Our experience and our business logic tell us that in general, individuals who show effective leadership team building skills will ultimately achieve stronger financial results. However, we also know that there are other factors that influence these financial outcomes (i.e., competitive pricing, manufacturing costs, etc.). The logic chain is:



4. Selection validation is not one study but an accumulation of evidence over time. High definition predictors will show a relationship with business outcomes such as turnover, quality measures, sales, and financial results. However, the first step in proving validity is to closely connect selected trait measures to observable success job behaviors. Also, remember that each step in the recruiting and selection process can add accuracy (incremental validity) to the final hiring decisions.

BHI's High Definition Assessment Science™

Selecting targeted trait measures for specific job competencies is exactly what BHI High Definition methodology is designed to do. By bringing more "pixels" to the process of developing clear and vibrant competencies and by having a broader variety of trait measures available, we can maximize the prediction equation for increased job performance. Additionally, these same HD competencies work as powerfully in performance management applications.

Comparison of High Definition Assessment Science™ to Typical Selection Process

Typical Selection Process

1. Competency Research
   Identify macro job competencies in order to justify one set of proprietary predictors.
2. Predictors of Success
   Focused on maximizing and selling existing personality and trait assessment tools. Most research is around identifying the traits that predict across the broadest number of jobs not maximizing the prediction for specific jobs.
3. Validation
   Uses broad ratings of overall job performance which can be biased and subject to significant error. Results tend to be lower level prediction outcomes. Macro competency approach has limited effectiveness in performance management systems.

High Definition Assessment Science™

1. Competency Research
   Focused on an in-depth understanding of successful job performance. Research to identify the detailed behaviors that lead to increased performance.
2. Predictors of Success
   Is creating a library with a wide variety of proven predictors of job success and actively creates new predictors where appropriate. Focused on customizing a selection process that maximizes prediction for each unique job and company culture.
3. Validation
   Validates accuracy of selection using best practice rankings and ratings of observable on-the-job behavior from HD competency research. Usually show higher levels in prediction of job performance. Has maximum power in creating performance management tools and systems.

Conclusions

Don't be satisfied with "quick and dirty" research and recommendations on selection tools and systems. It takes a thorough, detailed, and scientific approach to identify the competencies/behaviors of success and the trait measures that predict them. Using High Definition Assessment Science™ as a powerful lever in re-building and upgrading your talent pipeline can be a major driver in increasing your shareholder equity. Companies that have committed to this disciplined approach have reaped the rewards of sustainable success that comes from solving the talent equation.

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VERY IMPORTANT QUESTIONS YOU NEED TO ASK ABOUT ASSESSMENT SYSTEMS

1. What method is/was being used for developing job competencies?
   Since all talent management processes are based upon these competencies, their development must be thorough and show the job success factors in High Definition.

2. Is your selection partner deeply experienced in the Science of Assessments and flexible in their approach? One size absolutely does not fit all and building a powerful selection process is much more important than "quick and dirty" canned solutions.

3. Is your selection partner really validating successful job behaviors? Productivity is the critical differentiator in today's competitive environment. Consequently, identifying and hiring employees who exhibit the observable skills and attributes for job success is paramount. High Definition Assessment Science™ was designed to clearly identify these important behaviors and predict them.