

Selecting Talent....What's the Evidence?

Introduction

The search for a foolproof method for selecting the ideal candidate and matching them with the job and the organisation has been a holy grail for HR teams and their Operational partners for many years.

Selection methods range from the 'wine bar conversation' through to meticulous and sophisticated assessment centres with a bewildering range of tools, exercises, tests and techniques to support the hunches and intuitions of the recruiting manager.

Wescott Williams has been increasingly called on by clients for help in this critical area. Why? Because the 'War for Talent' has highlighted the problem of increased competition for the scarce and reducing pool of talented executives and professionals, resulting in increased cost and wider consequences for a business if a selection decision is a poor one.

We've therefore been scouring our own resources, experiences and the literature to help us and our clients to understand what works. What (if any) is the evidence that any one method of selection is more effective than another in selecting the best person for the job?

What the Papers Say!

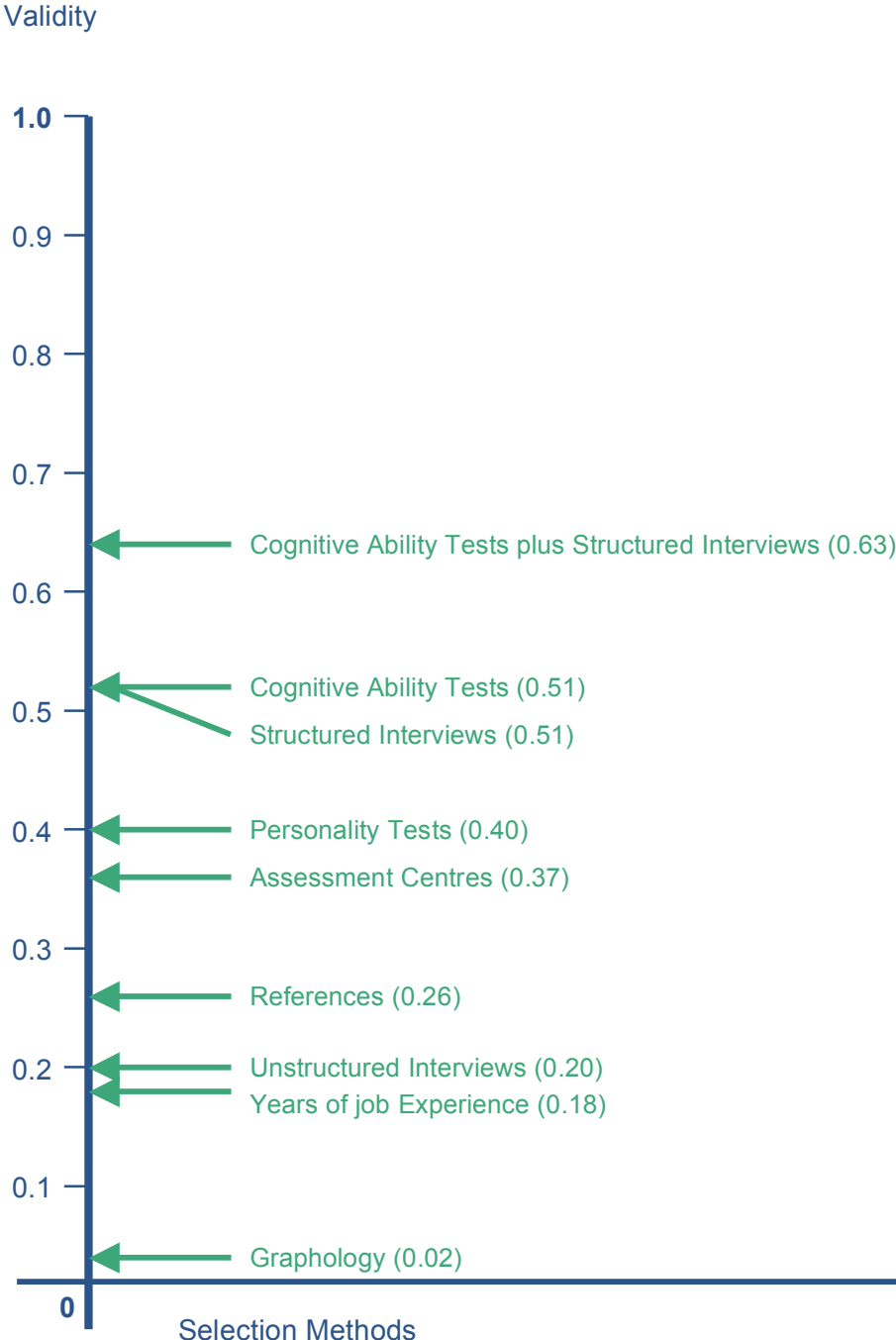
We have unearthed a 'pearl of wisdom', from the extensive literature on selection, which confirmed our own experiences, both as recruiters in the various organisations we've worked in and as recruiters for clients.

The data is shown in the following visual which is taken from a paper by Ivan Robertson and Mike Smith published in the Journal of Occupational and Organisational Psychology. Robertson and Smith, working for the School of Management at UMIST, extensively reviewed the research and practice in recruitment and selection methods particularly in terms of how 'valid' they were in predicting job performance.

The Validity scale on the left ranges from 0 to 1, where 1 is perfect, i.e. if a selection method scored a validity of 1, it would be 100% perfect in predicting job performance. As a guide, a validity score of 0.4 (40% valid) would be a 'strong' score on these methodologies which are quite difficult to correlate with job performance.

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Accuracy of Selection Methods in 'Predicting' Job Performance



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A quick definition of 'their' selection methods may help:

Cognitive Ability Tests....Tests which measure general mental ability e.g. retrieval (memory), cognitive speed, numerical and verbal reasoning, fluid intelligence, abstract reasoning.

Structured Interviews....Interviews based on questions which ask the candidate to describe their behaviour in different situations. These are often called Competence based interviews or Critical Incident interviews. To improve validity the interview should focus on past experiences rather than 'predict behaviour' in future situations.

Personality Tests....Typically personality profiling tools based on the 'Big 5' personality factors (Independence, Extraversion, Warmth, Control, and Emotionality). To improve validity these tests should have a method of spotting or reducing applicant distortion which can be a problem when using them for selection.

Assessment Centres....Typically involving a number of assessors and where a number of different skills and competencies are being assessed through a range of work related exercises and simulations.

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Our Observations...

First, a reminder that the validity of the selection methods was 'tested' using candidates who were recruited by these methods and then rated in their performance by their superiors (i.e. were performing well). In the words of the authors, scores above 0.4 showed strong validity of the assessment method in predicting job performance.

The best 'single method' scores, by a significant margin were for *structured interviews and cognitive tests which both scored 0.51 validity*. In fact some researchers gave the structured interviews a validity score of 0.56, when the questions stuck robustly to previous critical incidents and situations.

Mixing methods may be more powerful, in this case combining cognitive tests with structured interviews was the best predictor of effective performance (0.63).

However assessment centres which involved more complexity and a wide range of exercises and simulations gave a lower validity score, i.e. were a poorer predictor of performance!

Personality tests as a single (and 'simple') method of assessment gave quite a strong validity score of 0.4.

Unstructured interviews (little pre-determined structure, 'shooting from the hip') were a poor predictor of performance (0.20).

So What Might We Conclude?

It's important to note that unless a reasonable analysis of both the job and person requirements is done prior to the selection...none of these methods will have any validity, since the evidence gathered during selection has to be assessed against good quality criteria for success in that job!

Developing and practising a process for structured interviewing *can give almost a 3X better chance of selecting the right candidate compared with unstructured interviews*. Combining the structured interview with cognitive tests further improves these odds.

Our experience (backed by the views of the authors of the paper) shows that combining structured interviews with personality tests (both of which give strong validity scores independently) is a reliable predictor of performance.

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The relatively low validity scores for assessment centres combined with the high expense and resource required to develop and run them puts a question mark on their use. The reliability in predicting performance could be improved by simply combining structured interviews with personality and/or cognitive reasoning tests. *This mini-assessment would be cheaper and easier than a full blown assessment centre and would be an accurate predictor of performance.*

The cost to the business of getting executive/professional selection decisions wrong (or the benefit of hiring a strong performer in) means that reducing the odds on making a wrong decision can be business critical.

Here is some strong evidence that an investment in structure, choosing the right method of selection and ensuring competent people carry it out will reduce those odds very significantly.....you might put some money on a horse you knew had a 63% chance of winning...would you take the same risk on one with a 20% chance of coming in?