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How To Develop An Employee Selection System

A white paper by
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Employee selection systems are the processes, procedures and tools used to make decisions related to hiring, training, placing, certifying, compensating, promoting, terminating, transferring, and/or other actions that affect employment status (Principles, 2003). Although selection systems vary greatly from organization to organization, all organizations have some form of selection system in place. The most common form of selection system is the hiring process. Regardless of how it is used, organizations should ensure the system is properly developed in order to gain maximum benefit as well as minimize legal risk.

This article will discuss the five basic steps required to properly develop a selection system: 1) analyzing the target job; 2) identifying relevant dimensions of job performance; 3) identifying the knowledge, skills, abilities and other factors (KSAOs) required to successfully perform the job; 4) developing tools to measure the KSAOs or locating published tools; and 5) validating tools to ensure they accurately predict performance.

Step 1: Analyzing The Target Job

Job analysis is the process whereby information about a job or position of interest is collected. The information that is collected during this step serves as the foundation for the remaining steps. There are a variety of methods for collecting job information which are beyond the scope of this article. However, the most common method is to conduct a job analysis interview. A job analysis interview is a process in which information is gathered, using a structured interview protocol, from a group of experts on the position of interest.

In order to conduct a successful job analysis, advance preparation is required. First, it is important to review as much information about the job as possible. Examples of useful information are job descriptions, training manuals, and on-boarding program content. Next a structured interview protocol should be prepared. Typically, a job analysis interview should have a series of questions such as:

- What is the main function of the position?
- What are the key activities or tasks performed in this position?
- What are the key deliverables created in this position?
- How is performance determined in this position?
- Describe interactions individuals in this position have with peers, customers, subordinates, boss, etc.
- What types of machinery or tools are used on the job (e.g., computer, jackhammer, etc.)

These questions are designed to distill the position down to its component parts and allow the individual conducting the job interview to make inferences about the type of individual that will perform the job successfully.

Next, it is important to identify subject matter experts (SMEs) that have knowledge about the position of interest. SMEs may come from a number of places:

- individuals currently doing the job (incumbents)
- individuals that have done the job in the past
- individuals that have considerable interaction with the job (e.g., technical trainers)

As a result of an effective job analysis interview, an accurate description of the following key components of the job will be obtained:

- Tasks Performed

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- Deliverables or Products Created
- Equipment Used
- Working Conditions
- Education and Training Required
- Any other factors that characterize the position.

Step 2: Identifying Relevant Performance Criteria

The information from the job analysis interview drives the remaining steps in the process. Although in practical application step 2 is already included in step 1, the importance of this step warrants particular emphasis. The goal of Step 2 is to identify the outcomes, deliverables, and/or objective measures (e.g., sales totals, volume increase, number of products produced, etc.) that differentiate between good performers and poor performers. For example, in sales jobs, revenue and volume may be important performance indicators, where good performers generate more revenue and volume than poor performers. Although this step appears to be straightforward, it can sometimes be difficult when analyzing certain types of jobs. Typically, entry level jobs, sales jobs, and operations type jobs have more tangible, objective measures of performance. On the other hand, professional, management, and leadership jobs usually do not have tangible performance measures. In cases where performance measures are not as objective, supervisor and/or customer ratings of performance may be more appropriate.

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Step 3: Identifying KSAOs Required for Successful Job Performance

The information gathered from Steps 1 and 2 results in identification of the knowledge, skills, abilities and other factors necessary for successful job performance. The goal of Step 3 is to identify KSAOs that are specific to the job being analyzed. For example, in sales jobs there may be certain personality characteristics that are needed. Alternatively, jobs in technical areas such as accounting or engineering may require more specific knowledge such as GAAP or physics. Although numerous books are written on the various ways to identify KSAOs for target jobs, it is recommended that an organization contact a professional that specializes in job analysis to provide advice in this area.

Step 4: Developing Tools to Measure KSAOs

Once the KSAOs have been identified, it is necessary to screen candidates on these KSAOs as part of the selection process. The most efficient way to measure the KSAOs of job candidates is to utilize an assessment tool. According to Gatewood and Feild (2001), assessment tools can be classified into the following categories:

- Application blanks
- Biographical data forms
- Reference checks
- Interviews
- Abilities tests
- Personality inventories
- Simulation and performance measures

When deciding on which assessment tools to use for any given position there are some guidelines that should be followed. First, the assessment tool should measure the KSAOs of interest. Second, the assessment tool should distinguish between candidates' skills. Third, the assessment tool should be cost effective.

The purpose of the assessment process is to determine which candidates will perform best on-the-job. A properly constructed assessment tool should therefore, discriminate between different levels of the KSAOs of interest. In other words, the assessment should indicate which candidates have more of, or less of a particular KSAO depending on the results of the assessment. Poorly constructed assessments, where candidates all perform equally well or interviews that focus on general questions about career goals, strengths and weaknesses make it difficult to differentiate amongst candidates (Gatewood & Feild, 2001).

It is also critical that the assessment tool be properly developed and validated, and it is the responsibility of the organization using the tool to ensure this has been done. Use of an assessment tool that does not meet this standard jeopardizes the organization legally, financially, and ultimately in terms of the quality of the selection decision that gets made. Typically, organizations purchase a commercially available assessment tool through a consulting firm or a publishing company. Although there are many tools available to choose from, there is great variability in the quality of the development and validation work for these tools. Consumers may be left feeling overwhelmed with the kaleidoscope of available tools and claims of success. The only accurate way to determine the effectiveness of an assessment tool is to examine the way in which the assessment was constructed, which is beyond the scope of this article

The cost associated with developing and administering the tool should also be considered. Different types of assessment tools have varying levels of costs associated with administration time and development. For example, pencil-and-paper assessments might be most cost-effective for entry level, high volume jobs. Typically in these types of jobs, decision-makers need to balance the volume of applicants with the time it takes to make a hiring decision. Although pencil-and-paper assessments require more time to develop, the administration and scoring is generally quick and easy. More time-consuming assessments, such as role-plays and simulations are typically more appropriate for professional level or management level jobs.

These types of jobs do not usually have the same level of applicant volume and are more expensive to recruit for. As a result, the additional expense associated with developing a high level simulation exercise or series of exercises may be balanced by the additional information provided on the candidate.

Step 5: Validation of the Assessment Tool

Validation of the assessment tool is critical and determines the extent to which the tool should be used. It is a technical process for which organizations should seek professional help from an industrial-organizational psychologist. Validation describes the means by which an organization verifies that the KSAOs measured on an assessment tool relate to real job performance. Ideally, the assessment tool should predict performance on the job such that candidates who attain a certain score on the assessment can be expected to attain a certain level of proficiency on the job of interest. Making this sort of inference requires the application of various statistical techniques.

If validation reveals that the assessment tool does not show evidence of predicting job performance, it will be inappropriate for use in the selection process. Additionally, use of an assessment tool that has not been validated to make hiring decisions, may result in legal, financial, and productivity issues for an organization.

Conclusion

Organizations should recognize that employee selection is not just limited to hiring practices. A selection system may be as complex or as simple as an organization deems fit for its needs. However, no matter what types of components are used in a selection system, the five steps outlined in this article are required for making the best possible selection decisions.

References:

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