



Utilizing Assessments to Grow Business

By Jan Watson, J.P. Watson Group,
Contributing Editor & Advisor

O

rganizations today are continually looking for ways to make better decisions about talent in order to minimize the risk of a bad hire or promotion and to ensure that individual efforts are aligned with organization goals. The Society for Human Resource Management, (SHRM), recently reported that it costs an average of \$7,123 to hire an

Organizations are trying to ensure the people they do hire and the people already employed by the company are put in the right roles, are developed in the right way.

employee. Given this context, organizations are trying to ensure that the people they do hire and the people already employed by the company are put in the right roles, are developed in the right way, and are prepared for upcoming leadership challenges as effectively and efficiently as possible. The latest research shows that assessments, when

used for employee selection, development, and succession are powerful tools to ensure corporate growth. A study by the Aberdeen Group, a research and market intelligence services company in the human resources industry, discovered that top performing organizations were found to be using assessments more frequently and consistently than other organizations. Foundational assessment success was a strong tie to the business, organizational leadership buy-in, and a competency framework to assess against.

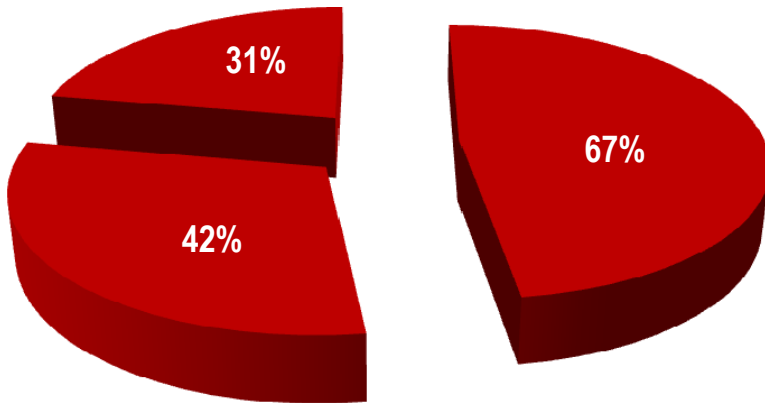
ALIGNMENT IS KEY

Alignment drives performance. The purpose for assessing individuals is to gain insights into employee skills, their thinking styles, behavior traits, and working styles in order to evaluate them against a set of criteria that are important to the organization. Aligning skills, behaviors, and styles with business needs is a critical element of driving organizational performance and is creating the increasing need for assessments.

PRESSURES DRIVING THE USE OF ASSESSMENTS

The current increasingly competitive landscape is also among the top pressures identified in Aberdeen’s December 2009 report, Integrated Talent Management. Companies are focused on using assessments to find people with critical skills, particularly those that may be in short supply in the marketplace and want to be prepared with the right talent to address specific needs.

UNDERSTANDING THE MARKET AND HIRING EVALUATION PROCESS



67%
Competitive landscape putting focus on productivity and performance

42%
Shortage of leadership skills/weak succession pipeline

31%
Marketplace and customer demands require better insight into existing and future workforce

Organizations use assessment tools and procedures to help them perform the following human resource functions:

SELECTION

Organizations want to be able to identify and hire the best people for the job and the organization in a fair and efficient manner. A properly developed assessment tool may provide a way to select successful sales people, concerned customer service representatives, and effective workers in many other occupations.

PLACEMENT

Organizations also want to be able to assign people to the appropriate job level. For example, an organization may have several managerial positions, each having a different level of responsibility. Assessment may provide information that helps organizations achieve the best fit between employees and jobs.

TRAINING & DEVELOPMENT

Tests are used to find out whether employees have mastered training materials. They can help identify those applicants and employees who might benefit from either remedial or advanced training. Information gained from testing can be used to design or modify training programs. Test results also help individuals identify areas in which self-development activities would be useful.

PROMOTION

Organizations may use tests to identify employees who possess managerial potential or higher level capabilities, so that these employees can be promoted to assume greater duties and responsibilities.

CAREER EXPLORATION & GUIDANCE

Tests are sometimes used to help people make educational and vocational choices. Tests may provide information that helps individuals choose occupations in which they are likely to be successful and satisfied.

PROGRAM EVALUATION

Tests may provide information that the organization can use to determine whether employees are benefiting from training and development programs.

MOST VALUABLE USES OF ASSESSMENTS

- Identifying candidates likely to have the greatest impact
- Identifying competency gaps for individuals
- Identifying team fit and building teams
- Evaluating promotion readiness of employees
- Assigning team members based on fit
Source: Aberdeen Group, March 2010.
Those firms enjoying “Best in Class” performance shared some common characteristics including:
 - Leadership buy-in to define competencies against which new hires and existing employees can be assessed
 - Providing parameters on how assessments should be used and their purpose within the organization
 - Ensuring that the assessment tool evaluated multiple aspects of the individual in order to provide an accurate and comprehensive evaluation

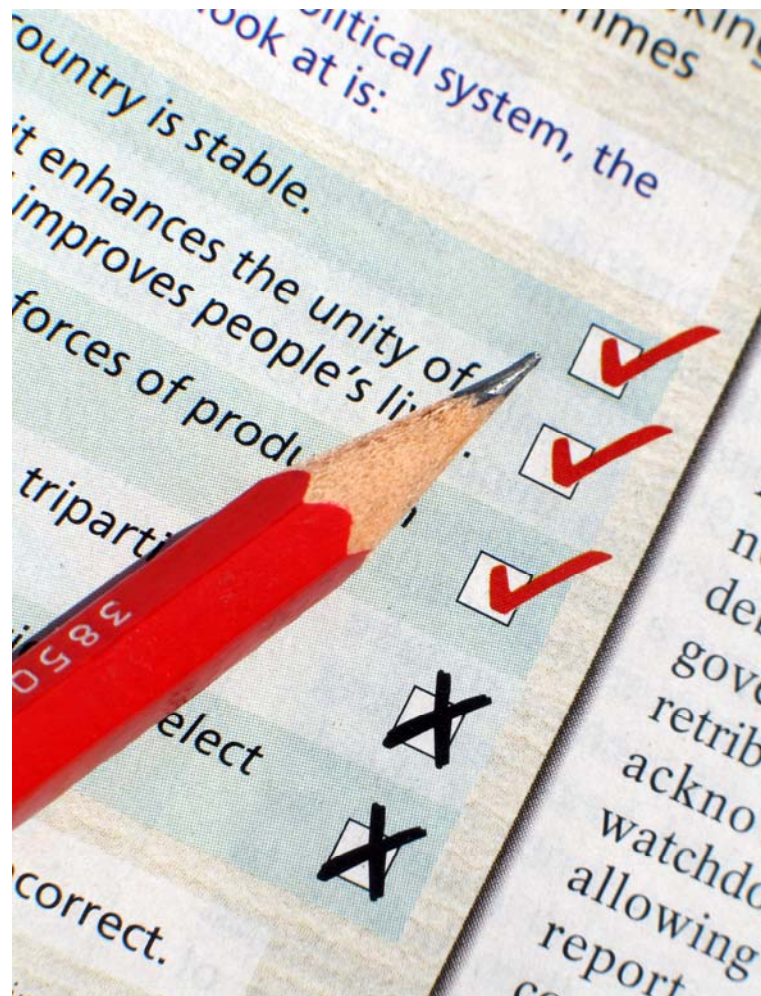
ASSESSMENTS: IPSATIVE VS. NORMATIVE

In an interview with Dr. Lindley, a well established and respected assessment specialist in the British Psychological Society, the differences between assessments were explained. Assessments are classified into two categories: Ipsative and Normative. Interest surveys or Ipsative assessments are used for teams to help individuals understand one another. An Ipsative test would ask: “Which do you prefer, being in control or being active?” You might like both or you might hate both and you may say you would like to be in control even though you might actually prefer to be active. You might be operating at a very low level or a very high level, but all Ipsative tests tell you is which one you prefer rather than how that preference compares to the other candidates. As Myers Briggs or DISC assessments are tests most commonly known and used in personal development, experts as well as the companies agree that “interest surveys” or Ipsative assessments should not be used for hiring selection

Ipsative tests only tell you the candidate’s preference, rather than how that preference compares to the other candidates.

BEST IN CLASS PERFORMANCE ALSO INCLUDE SPECIFIC ACTIONS:

- Utilizing the assessment tool in pre-and post-hire, and throughout the employee lifecycle
- Defining a competency guideline to be assessed against
- Linking assessment results against organizational performance metrics



or coaching employees. Dr. Lindley further explained, “For selection, you want to rule out tests that are just referring to yourself rather than comparing you to a larger population. Anything that talks about how you are better at one thing than another, but doesn't compare you to the outside world, isn't helpful.”

Success with assessment tools is contingent on a true understanding of how to use the assessment results.



Normative assessments compare the assessed candidate to two key audiences in the “outside world” referred to by Dr. Lindley in previous paragraphs:

- The general working population as represented by a sample of more than 140,000 assessment takers that form part of the validation and reliability study
- The population of “top performers” in the position that the person is applying for in the form of the concurrent pattern developed from these top performers’ assessment results

UTILIZING ASSESSMENTS IN THE BEST CONTEXT

Assessments have long been considered a pre-hiring tool and are increasingly being used to address challenges throughout the talent lifecycle. Best-in-Class organizations place a premium on the ability to find candidates who are most likely to impact the organization positively and are far more likely to use assessments for alignment and engagement purposes among current employees.

Success is contingent on a true understanding of how to use assessment results. If one does not fully understand what the assessment results indicate, it could be used inaccurately to make decisions or provide false confidence in decision making because it is considered a “test.” ❗



About the Author

Jan P. Watson has over 20 years of sales and marketing experience and has gained national recognition as a public speaker, published author and consultant. Serving in various positions that encompass physician education and corporate business development, Jan has worked for medical device start-up companies, as well as industry leaders, such as AMO and Alcon Laboratories. For more information on this topic, please contact Ms. Watson at: jwatson@jpwatsongroup.com.

Visit the J.P. Watson Group website: www.betterjobfit.com.

betterJobfit

www.betterJobfit.com

Realizing the Potential in Your Work Force.



-  **Cloning
High-Performance
Employees**
-  **Creating Superior
Team
Performance**
-  **Executive
Development**
-  **Succession
Management
Planning**
-  **Professional
Transition
Coaching**



J.P. Watson Group

850.529.8362