

## BUSINESS OUTCOMES

Automobile Manufacturer

Select Assessment  $\ensuremath{\mathbb{R}}$  for Leaders and Professionals

# Identifying Successful Professionals with Select Assessment<sup>®</sup> for Leaders and Professionals

### THE SITUATION

A large international automotive manufacturer contracted with Select International to improve the quality of hiring a professional position at their United Kingdom location. The organization wanted to examine the validity of Select Assessment<sup>®</sup> for Leaders and Professionals (SALP) and evaluate SALP against the current assessment center process. The main objective of the validation study was to increase accuracy and efficiency of the selection system.

#### **THE SOLUTION**

The Select Assessment for Leaders and Professionals is an in-depth online assessment for hiring top talent in leadership and professional positions. Multiple measurement methods are used in SALP. Specifically, SALP includes personality, situational judgment, and applied problem solving scenarios. The optional module of mechanical reasoning was also included in this version of SALP as mechanical reasoning is needed to be successful on the job.

#### **OUTCOMES**

Archived annual performance ratings across five years were utilized as an indicator of overall job performance. The results showed that SALP was strongly related to overall job performance; high scoring employees on SALP had a higher average annual performance ratings in the past five years.





SALP provides recommendation bands ranging from Band A to Band D. The graph shows the percentage of the high job performers in each band and the percentage of low job performers in each band. As can be seen in the graph, a majority of the high performers were in Bands A or B, while the majority of the low performers were in Bands C or D.

The effectiveness and accuracy of SALP was compared to the current assessment system. Compared to the current existing system, SALP was 2 times more accurate in identifying high performers. Specifically, 40% of the recommended group in the current system were high performers whereas 83% of the Band A group with SALP were high performers. That is a substantial improvement.

#### CONCLUSION

The Select Assessment for Leaders and Professionals was a successful predictor of overall job performance. SALP will be helpful in improving the quality of the professional hires. To quantify the assessment utility in terms of dollar amounts can be a challenge. One way to estimate return on investment (ROI) is proposed by Cascio (1987), who utilized a formula that approximated a difference of 1 standard deviation in performance ratings associated with a relative dollar value of 40% of the individual's yearly compensation. In this study, SALP improved performance by .81 standard deviations for the professional position. If that position pays \$50,000 a year, then a .81 standard deviation is worth \$16,200 per person per year in increased productivity. This translates into \$1,620,000 of increased productivity each year if the company hires 100 individuals per year. This study clearly demonstrates how valuable SALP is for an organization in terms of overall job performance and increased productivity.

Cascio, W. F. (1987). Applied psychology in personnel management. (3rd ed.), Englewood Cliffs, NJ: Prentice-Hall.



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