

INDUSTRY:
Automobile Manufacturer

SOLUTION:
Select Assessment® for Leaders and Professionals

Identifying Successful Group Leaders with Select Assessment® for Leaders and Professionals

THE SITUATION

A large international automotive manufacturer contracted with Select International to improve the quality of hiring group leaders at one of their facilities in Canada. The organization has been using Select Assessment® for Leaders and Professionals (SALP) for hiring and selecting employees for nine years. Over a thousand associates have been assessed to determine their potential for the group leader position and hundreds have been placed into the group leader role. Then, this organization conducted a predictive validation study to evaluate the effectiveness of the selection system and examine possible improvements to increase accuracy and efficiency in identifying successful group leaders.

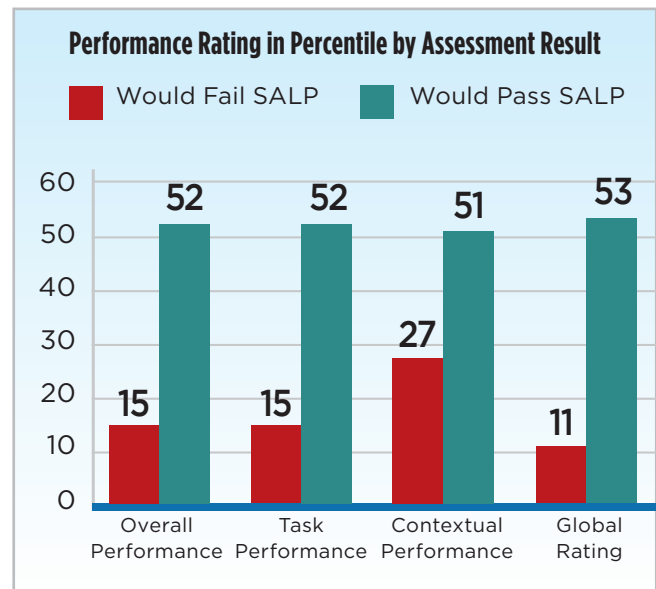
THE SOLUTION

The Select Assessment for Leaders and Professionals is an in-depth online assessment for hiring top talent in leadership 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.

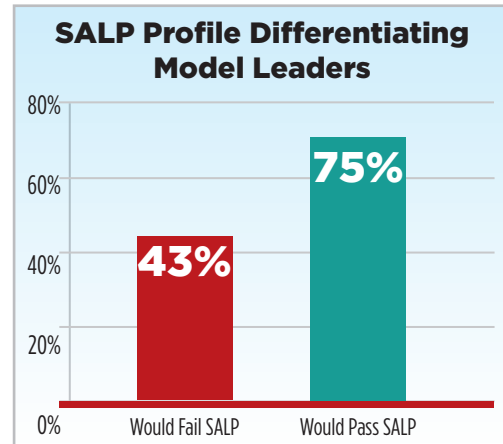
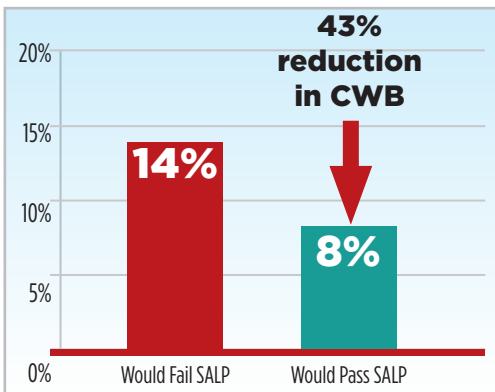
OUTCOMES

Supervisors' ratings of job performance were collected for several domains: task performance, contextual performance, and global rating. Task performance concerns the tasks specific to the job requirements, such as providing feedback to their subordinates. Contextual performance ratings measure the behaviors that go above and beyond

what is expected of the employee. Global ratings are the overall impression of the employee. Overall performance was a combination of the three domains of performance. SALP was significantly correlated with overall job performance, task performance, contextual performance, and global rating. The graph compares individuals who would have failed SALP with individuals who would have passed SALP in terms of performance rating. Performance is shown in percentile with the 50th percentile considered average. As seen in the graph, those who would have failed SALP performed below average and those who would have passed SALP were slightly above average. People who would have passed SALP had an overall performance that was over 3.4 times better than people who would have failed SALP.



As shown in the graph, there was a 43% reduction in a counterproductive work behavior (CWB) item when comparing those who would have failed SALP with those who would have passed SALP.



In addition, individuals who would have passed SALP are much more likely to be considered a “model leader” by their supervisors. Supervisors were asked to rate their agreement on the statement of “This individual is a model leader.” Individuals who would have passed are much more likely to be rated as a model leader than individuals who would have failed. Specifically, 75% of the employees in the passing group were identified as being model leaders by their supervisors, whereas only 43% of the employees in the failing group were considered model leaders.

CONCLUSION

The Select Assessment for Leaders and Professionals was a successful predictor of job performance. SALP is useful in improving the quality of the group leader hires and reduction of counterproductive work behavior. To quantify the assessment utility in terms of dollar amounts can be challenging. 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, there was an improvement of 1.11 standard deviations from those who would fail versus pass SALP. If the group leader position pays \$50,000 per year, an average improvement of 1.11 standard deviations is estimated to be worth \$22,000 per person per year in increased productivity. This translates into \$2,200,000 of increased productivity each year if the company hires 100 individuals per year. Thus, this study shows the value of SALP in hiring quality group leaders in terms of performance and productivity.

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