
ePredix

Leaders in online Screening and Selection

Internet Assessment:
Opportunities and Challenges

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Presentation Summary

Introduction

I thank you all for the opportunity to speak today. We have a full agenda so I will do my best to be concise and honor your time. My name Paul Brooks I am a staff industrial/organizational psychologist with ePredix. ePredix is the first company to provide integrated online assessment solutions for both the screening and selection stages of Internet recruitment. ePredix's technical board consists of many of the nation's finest industrial and organizational psychologists: Dr Philip Bobko, Dr Fritz Drasgow, Dr Michael Mumford, Dr Craig Russell, Dr Frank Schmidt, Dr Mary Tenopyr and Dr Paul Thayer.

Today I would like to outline the trends shaping Internet recruitment, and address the most important issues that impact the use of online assessment systems. Also, to give you an example of how a Fortune 500 company is successfully using online assessment right now. I would also like to walk you through what an integrated online assessment solution looks like. And I will end by outlining how companies can successfully use Internet recruiting and assessments to position for the future.

I. eRevolution: the move towards online assessment

- *Platform for online recruiting*
- *Platform for online assessments*
- *Merges recruiting and selection into a unified process*
- *Allows for data basing and retrieval of information*
- *Offers a platform for matching people to jobs*
- *Opportunity for Human Resources*

Traditional ways of matching people to jobs are being re-shaped by the internet. Corporations initially flocked to the internet to establish a web presence. However, these same companies quickly realized that the net is a powerful platform for recruiting future employees.

As we all know, internet sites such as Monster.com allow companies to reach a greater number of job seekers in less time and for lower cost than traditional methods. As a consequence, resumes are being piped into companies at a rapid rate. For example, over the last year, Cisco Systems received over 1 million resumes through the Internet.

The problems this is creating, in terms of the cost and time incurred in-house to process these resumes, is leading companies to view this type of Internet recruiting as only a partial solution.

And there are other factors in play that are re-shaping Internet recruitment. The tight labor market. And the push to make online recruiters adopt the traditional cost per hire model – charging companies not by the applicant, but by the hired candidate. These factors are shifting the emphasis from finding quantity of applicants towards finding fewer, higher-quality candidates.

Today increasing numbers of human resources decision-makers are looking for a total solution which puts the emphasis on finding quality hireable candidates. An integrated solution composed of online recruiting, application processing, assessments, data warehousing, and reporting. A system that offers real-time access to applicant data including contact information, job experience and job performance potential, and overall summary reports. The opportunity for tomorrow is the matching quality candidates to jobs using an integrated online recruitment and selection solution.

II. eSelection Issues

- *Quality of assessments*
- *Validity and reliability*
- *Job relatedness*
- *Goal is higher quality employees*

As corporate human resources departments gravitate to hiring solutions that utilize online assessments, several issues come into focus. What is the quality of online assessment tools? How do we benchmark assessment effectiveness? What are the legal issues surrounding online assessment?

The bottom line is the quality of assessment tools. And quality of assessments can only be measured in terms of validity, reliability and job relatedness. That is, validation studies showing empirical evidence of test scores predicting job performance scores. In essence, high test scores should be associated with high performance scores and low test scores with low performance scores.

Quality of assessment also means reliability and job relatedness. Reliability of assessments must be firmly established by documenting evidence of measurement consistency. Also, onsite job analyses are needed to shed light on the appropriate knowledge, skills, abilities, and behaviors needed to be successful and to establish job relatedness. The goal is to choose applicants with the highest probability of employee job success. And high quality assessments lead to high accuracy of prediction.

The legal standards for the use of paper and pencil or computer based tests are the same for internet administered tests. Assessments must establish and document evidence of validity, reliability and job relatedness. Moreover, online tests must comply with EEO regulations and show fairness by documenting a lack of adverse impact. Finally, online assessments must offer reasonable accommodation for test takers.

III. Internet Customer Service Solution

A. Assessments

- *Application questions*
- *Assessment of applicant dependability*
- *Assessment of applicant interpersonal relations*
- *Assessment of applicant information problem solving*
- *Assessment of applicant sales potential*

I'll take a brief moment to describe an online solution ePredix is providing for a Fortune 500 financial services company. Job classifications include primarily entry-level customer service workers.

The process begins with application or job requirement questions which include items such as call center and computer experience, willingness to take a drug test and undergo a background check, name, social, contact information, etc. Based on job analysis and validation studies applicants are then assessed for dependability, interpersonal relations, ability to gather and process information to solve client problems and where necessary to demonstrate a potential for sales. The final step in the selection process is the client onsite interview. Interviewers evaluate candidates on several competencies using a structured interview form. Probe questions are used to determine level of competencies and scores are used to drive a final determination.

This solution was custom-created for this client's particular need. ePredix also provides solutions for supervisory and managerial roles in a range of industries.

B. ePredix's Online Screening and Selection Solution

- *Recruiting applicants*
- *Linking candidates to assessment site*
- *User instructions and responsibilities*
- *Method of data collection*
- *Data formatting and exporting*

ePredix's solution is the first to provide online assessment at the first stage of the Internet recruiting process, as well as at the selection stage. Our solution integrates with a company's existing Internet recruiting process. As soon as an applicant clicks on 'apply now' in an online job advertisement - either on the company's own website or on a job board - they are seamlessly channeled through the screening stage of the ePredix solution which has been custom-created for that specific job and company. Here, the applicant is given instructions and a statement of user responsibilities. Next the applicant completes a set of application questions as well as behavioral and skill assessments that will predict their potential performance in the specific job. The applicant can complete this first stage in around 20 minutes, while applicant's results are scored and reported in real time. The company then sees a rank-ordered list of qualified applicants.

Unsuitable applicants are automatically notified by email, while suitable applicants are invited to the selection stage of the process, which is carried out, again online, in a controlled environment. Finally, all applicant data is warehoused and available for the company to review and use online.

Finally, ePredix provides a fully integrated online recruitment, screening, selection, data warehousing and reporting solution. And its primary purpose is to match high quality candidates to jobs in the most timely and cost-effective way.

C. Positioning Companies for the future

- *Targeted assessments for specific competencies*
- *Valid and reliable short-version tests*
- *Higher quality employees*
- *Unified system of applicant evaluation*
- *Local validation of tests or assessments*
- *Standardized report of applicant results*
- *Centralized data collection*
- *Allows data-mining and statistical reporting*
- *Process efficiencies, platform flexibility*

Human resources recruitment and selection is all about matching quality candidates to jobs. Today, companies are realizing the potential of the Internet to recruit job seekers. Tomorrow's reality will be the power of Internet to successfully combine recruiting with selection into a 24/7, cost effective model for screening and selecting applicants.

The benefits of an Internet-based recruiting and selection system are many. High quality assessments at the screening stage take the guesswork out of selection. ePredix validation results show us how to select high quality employees who tend to be more satisfied and stable at overall accuracy rate of 80%. The benefit for a company is a higher caliber workforce. And proven fairness and compliance with EEO regulations offer protection to the employer.

Overall, the Internet is an excellent recruitment tool. The future lies in using the Internet not only to source applicants but to sort and qualify the highest-potential candidates for each advertised job. And the heart of this will be an integrated online screening and selection solution.