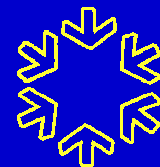




How Robust Is Talent?

Warren Bobrow, Ph.D.
The Context Group
warrenb@contextgroup.com



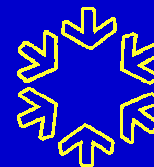
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What We Know About Selection

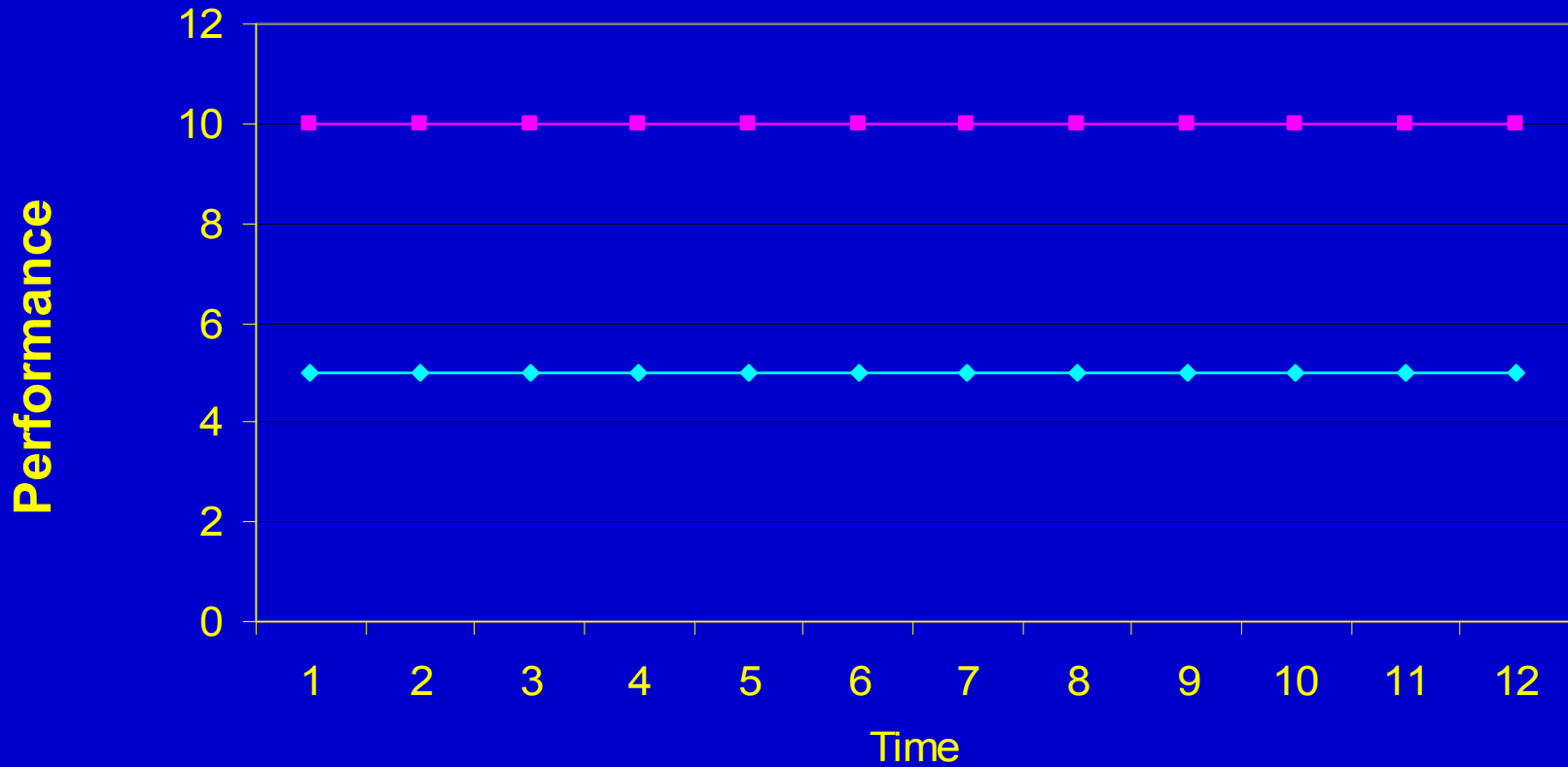
- Identifies people with the KSAPs to do a job well.
- Presumption that the job and performance metrics are relatively stable.
- Depending on the cut-score, we presume that new hires are more effective than incumbents and rejected applicants.



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Selection Hypothesis



◆ Baseline ■ New Hires



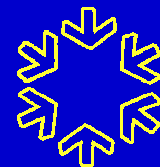
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What We Know About Organizational Change

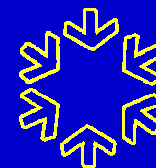
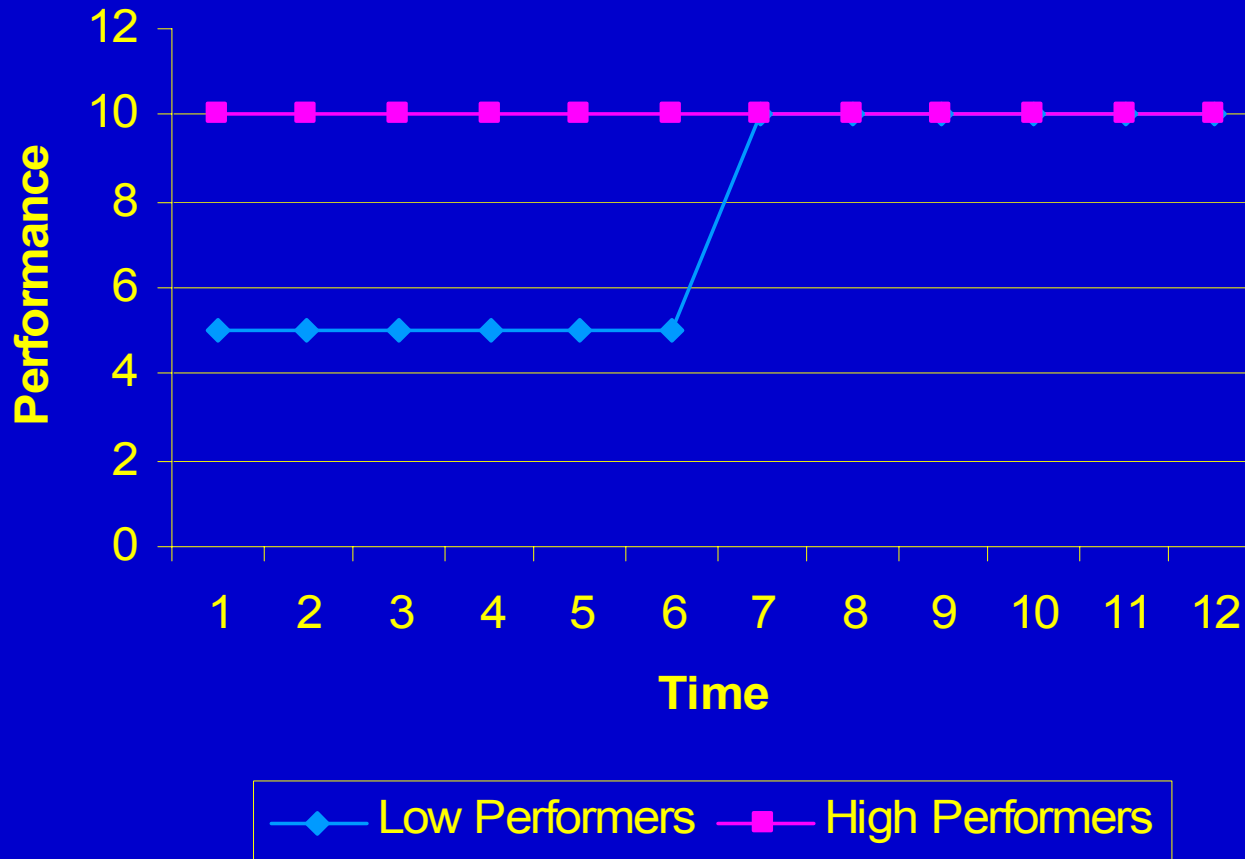
- Addresses issues at a group, rather than individual, level.
- Presumed to impact all employees.
- Generally thought to bring everyone up to the same performance level.



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Organizational Intervention Hypothesis



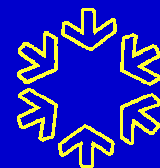
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Questions In This Study

- What's the Long-Term Impact of Implementing a Validated Selection System?
- Do Organizational Changes Mitigate the Effects of Validation Selection Systems?



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The Validation Studies

- Telephone Contact Center
 - Tech Support
 - Inbound Sales (registrations, upgrades, etc.)
- Conducted a Job Analysis
- Concurrent Validation
 - Criterion
 - Conversion Percentage for Sales (number of calls turned into sales)
 - First Call Resolution (FCR) for Tech Support



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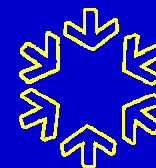
Validated Predictors

o Sales

- Web-Delivered
 - Extrinsic Motivation
 - Competitiveness
- Simulation
 - Problem Resolution
 - Understanding Customers

o Tech Support

- Web-Delivered
 - Numeric/Verbal Reasoning
 - Optimism
 - Emotional Stability
 - Agreeableness
- Simulation
 - Efficiency
 - Problem Resolution
 - Understanding Customers
 - Call Length



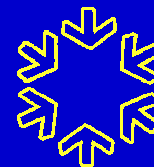
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The Validation Studies

- Gathered Historical Performance Data
 - Monthly Averages On the Same Criteria Used in Validation
 - 12 months for Sales
 - 24 months for Tech Support

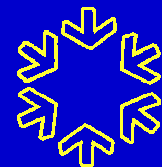
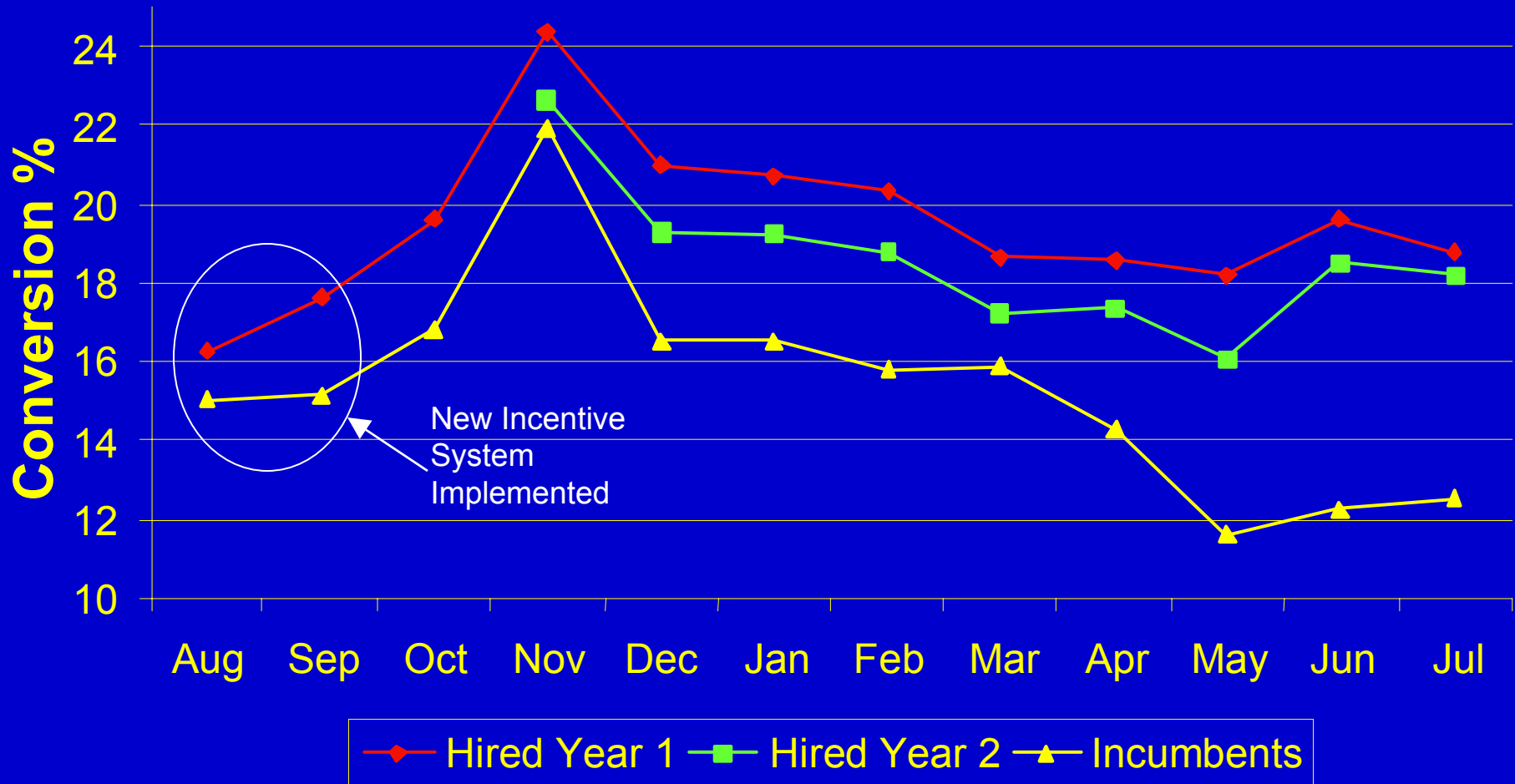


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Results--Sales

Aug 2002 Through July 2003

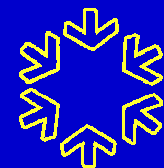
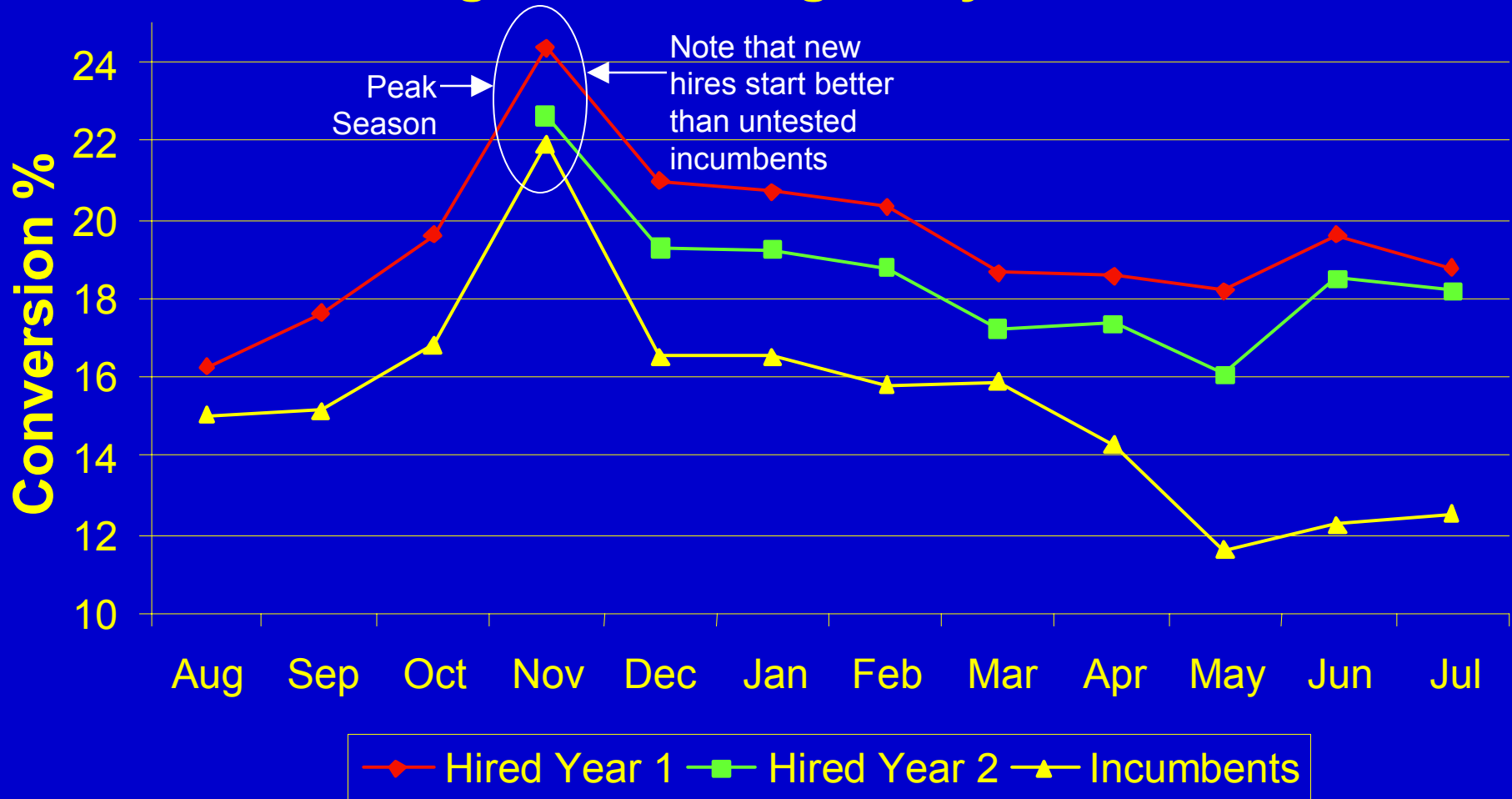


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Results--Sales

Aug 2002 Through July 2003



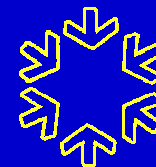
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ROI

- Cost per hire for the selection system is \$250 per person (includes the testing cost of those not hired).
- Average monthly sales difference between those tested and original incumbents is \$5,175/month.
- Doesn't include time saved for managers.

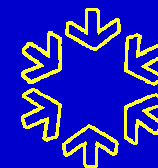
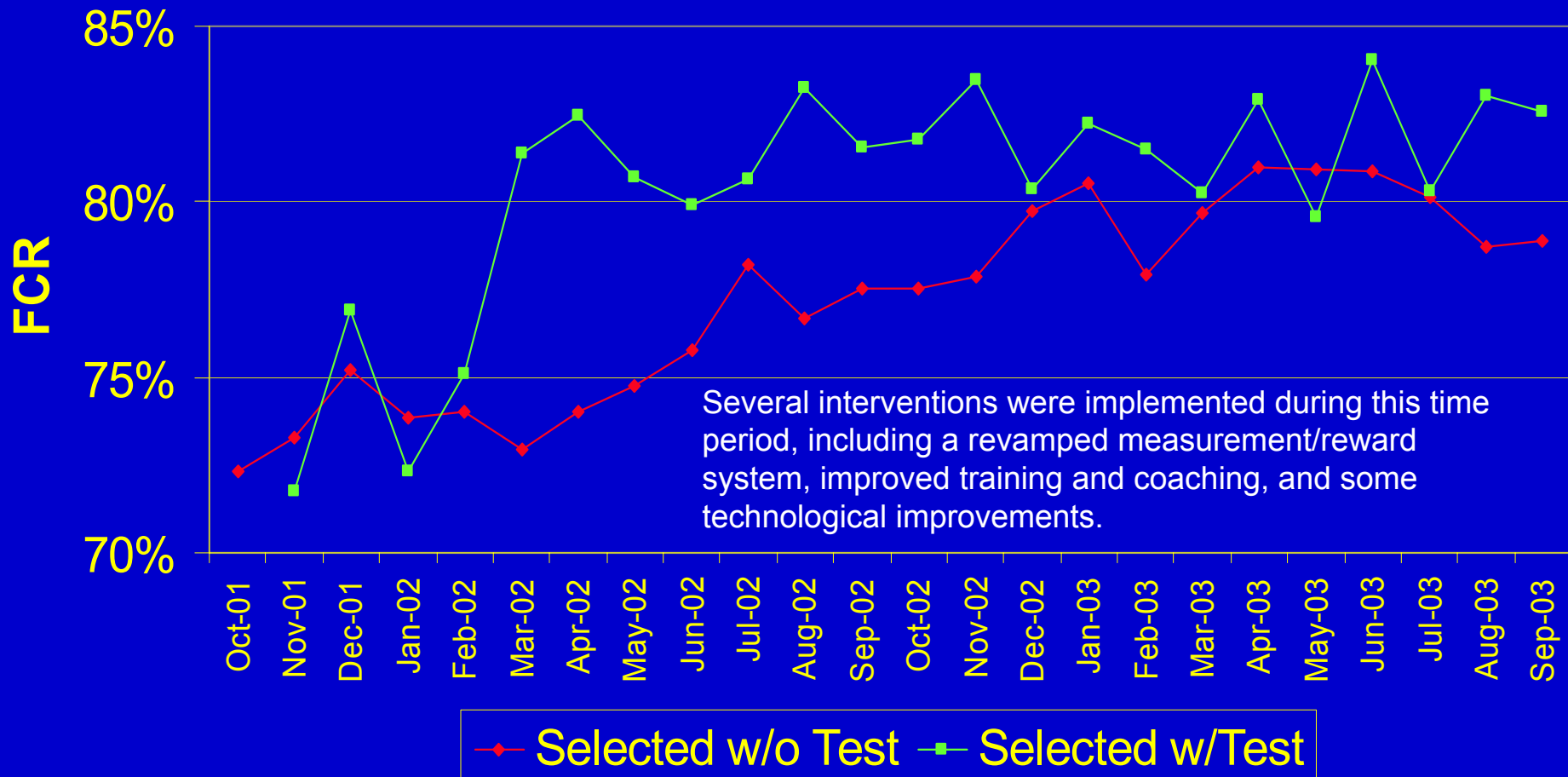


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Results--Tech Support

October 2001 through September 2003



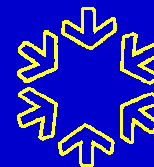
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ROI

- Cost per hire for the selection system is \$250 per person (includes the testing cost of those not hired).
- Cost savings on based on fewer calls handled is \$110/month.
- Doesn't include time saved for managers or the value of better customer service.



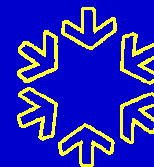
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Conclusions

- There are many factors that influence performance.
- While other organizational initiatives can impact overall group performance, those individuals who have the most talent will continue to be the best performers.
- Training, incentives, or other initiatives do not eliminate differences in talent, even where there is process excellence.
- The value of valid testing is enduring.



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Questions and Comments



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