

From Psychometrics to Social Justice in Employee Selection

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Some Definitions

- ❑ Selection system
- ❑ Selection procedures
- ❑ Distributive justice
- ❑ Procedural justice

Selection System

- ▣ Any aspect of the organization that directly or indirectly influences a potential applicant's decision to seek or not seek employment, including but not limited to: recruitment or advertisement of positions, procedures to select or screen applicants, policies and procedures for offering employment and its benefits, the conditions of the work environment and the organization's reputation.

Selection Procedures

SIOP (2004) *Principles for the Validation and Use of Personnel Selection Procedures* (4th Ed)

- Selection procedures refer to any procedure used singly or in combination to make a personnel decision including, but not limited to, paper-and pencil tests, computer-administered tests, performance tests, work samples, inventories (e.g., personality, interest), projective techniques, polygraph examinations, individual assessments, assessment center evaluations, biographical data forms or scored application blanks, interviews, educational requirements, experience requirements, reference checks, background investigations, physical requirements (e.g., height or weight), physical ability tests, appraisals of job performance, computer-based test interpretations, and estimates of advancement potential. These selection procedures include methods of measurement that can be used to assess a variety of individual characteristics that underlie personnel decision making.

Distributive Justice

- Rules for allocating resources
 - **Equity** – resources are distributed to employees with respect to their ***abilities*** or ***contributions***
 - **Equality** – resources are distributed so each person gets the ***same outcome***, regardless of their contributions
 - **Need** – resources are distributed to the person who needs them more

Procedural Justice

- What are some things that lead to a procedure being seen as fair?
 - 'Voice' – getting a say in things
 - Consistency
 - Bias Suppression
 - Accuracy
 - Correctability
 - Ethicality

Legal Background

Where psychometrics and social
justice first met

Dynamic Tension

□ Free Enterprise

- Organizations have the right (and often legal mandate) to pursue high performance.
 - Employment decisions

□ Rule of Law

- The government has the right (and obligation) enact laws and to ensure that citizens are treated according to law
 - Employment & labor laws

□ Social Justice

- Individuals have the right to pursue their individual economic interests and to be treated in a just manner
 - Work enables adults to participate in the mainstream of social & economic life

US Constitution

□ Amendment V

- No person shall be held to answer for a capital, or otherwise infamous crime, unless on a presentment or indictment of a grand jury, except in cases arising in the land or naval forces, or in the militia, when in actual service in time of war or public danger; nor shall any person be subject for the same offense to be twice put in jeopardy of life or limb; nor shall be compelled in any criminal case to be a witness against himself, **nor be deprived of life, liberty, or property, without due process of law**; nor shall private property be taken for public use, without just compensation.

□ Amendment XIV

- Section 1. All persons born or naturalized in the United States, and subject to the jurisdiction thereof, are citizens of the United States and of the state wherein they reside. No state shall make or enforce any law which shall abridge the privileges or immunities of citizens of the United States; nor shall any state deprive any person of life, liberty, or property, without due process of law; **nor deny to any person within its jurisdiction the equal protection of the laws.**

Civil Rights Act (1964) - Title VII

□ Who is Covered

- Private employers with at least 15 employees
- Federal, state, and local governments
- Employment agencies
- Unions
- Americans working abroad for American companies

□ Who is Exempt

- Bona fide tax exempt private clubs
- Indian tribes
- Individuals denied employment due to national security concerns
- Publicly elected officials and their personal staff

Affirmative Action - As 1st Used by President Kennedy

- ❑ take affirmative action to ensure that applicants are employed, and that employees are treated during employment, without regard to their race, creed, color, or national origin.....
- ❑ The contractor will, in all solicitations or advertisements for employees placed by or on behalf of the contractor, state that all qualified applicants will receive consideration for employment without regard to race, creed, color, or national origin.
 - Executive Order 10925, 3 CFR 1959-1963 Comp., p. 448, 450

Uniform Guidelines on Personnel Selection

- **Section 60-3, Uniform Guidelines on Employee Selection Procedure (1978); 43 FR 38295 (August 25, 1978).**
 - “These guidelines incorporate a single set of principles which are designed to assist employers, labor organizations, employment agencies, and licensing and certification boards to comply with requirements of Federal law prohibiting employment practices which discriminate on grounds of race, color, religion, sex, and national origin. They are designed to provide a framework for determining the proper use of tests and other selection procedures. These guidelines do not require a user to conduct validity studies of selection procedures where no adverse impact results. However, all users are encouraged to use selection procedures which are valid, especially users operating under merit principles.”
 - “Generally, a selection procedure is considered related to the criterion, for the purposes of these guidelines, when the relationship between performance on the procedure and performance on the criterion measure is statistically significant at the 0.05 level of significance,”

Basis for Employment Claims

□ Legal

- Disparate treatment
 - Intentional
- Disparate impact
 - Not necessarily intentional

□ EEOC Actions

- Issues
 - Validity
 - Hiring rates

□ Personal

- Unfair treatment
 - Distributive
 - Procedural
- Disrespect
 - Fear & intimidation
 - Insult & degradation

□ Civil Actions

- Issues
 - Perceived fairness, equity
 - Emotional response

Problem Scope – EEOC Complaints

Year	Complaints	% Unwarranted	Monetary Benefits
2002	84,442	79.9	\$257.7
2001	80,840	77.9	\$247.8
2000	79,896	78.8	\$245.7
1999	77,444	83.6	\$210.5
1998	79,591	87.6	\$169.2
1997	80,680	89.0	\$176.7
1996	77,990	90.9	\$145.2
1995	87,259	87.9	\$136.0
1994	91,189	84.4	\$146.3

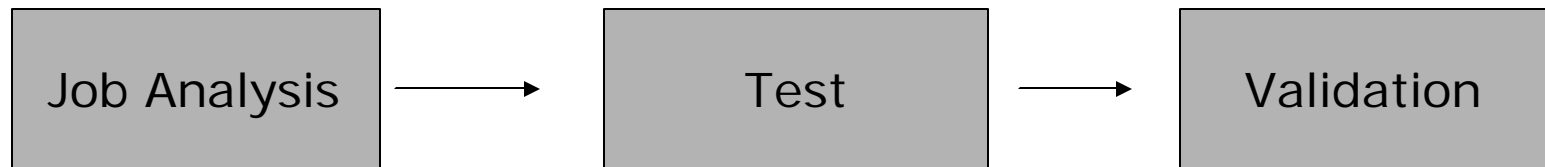
Selection



...as we know it

Selection Procedure – Traditional Model

- Any test or combination of tests used to select employees
 - Application form
 - Assessment device(s)

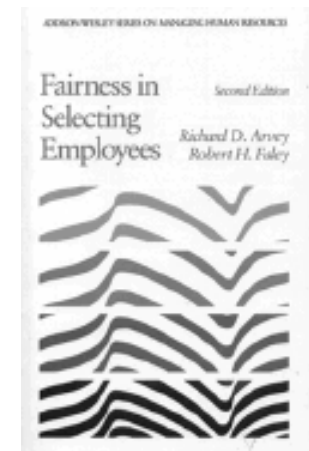


Selection Procedure – Expanded Model

- Any interface a potential, current, or past applicant has with the organization
 - Advertising
 - Recruiting
 - Applying
 - Testing
 - Interacting
 - Offering

Traditional “Fairness”

- Consistent with EEO Guidelines
 - Disparate Treatment
 - Disparate Impact
- Distributive Justice



Disparate Treatment Still Happens

□ WSJ 1/20/05

■ Marubeni America Corp.

□ NY subsidiary of Japanese trading company

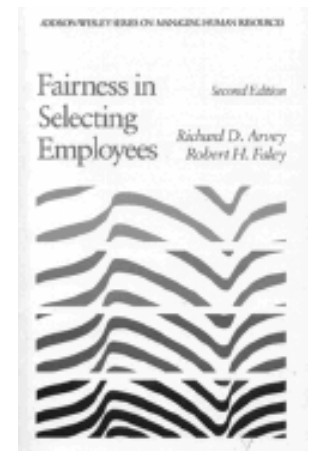
- In 2002, the suit says, Mr. Long received an e-mail from Yuji Takikawa, a vice president of the U.S. company's textile unit, requesting help hiring a salesperson. He wanted a person "who has aggressiveness [sic], high IQ," Mr. Takikawa said in the e-mail, which was reviewed by The Wall Street Journal. "***We prefer male and 25-30years [sic] old, Asian like Chinese, Japanese, of course American or others is fine. As you know, in case of American guy, once reach high income, all of a sudden stop working. This is my feeling.***"

Disparate Impact Still Happens

- U.S. District Court, Northern District of California. Consent Decree, Case Nos. 03-2817 SI, 04-4730, & 04-4731, Nov. 16, 2004
 - Abercrombie & Fitch accused of "... enforcing a nationwide corporate policy of preferring white employees for sales positions, desirable job assignments and favorable work schedules throughout its stores in the United States."
 - Both sides agreed to a settlement; no admission of fault or wrongdoing by A&F

Traditional “Fairness”

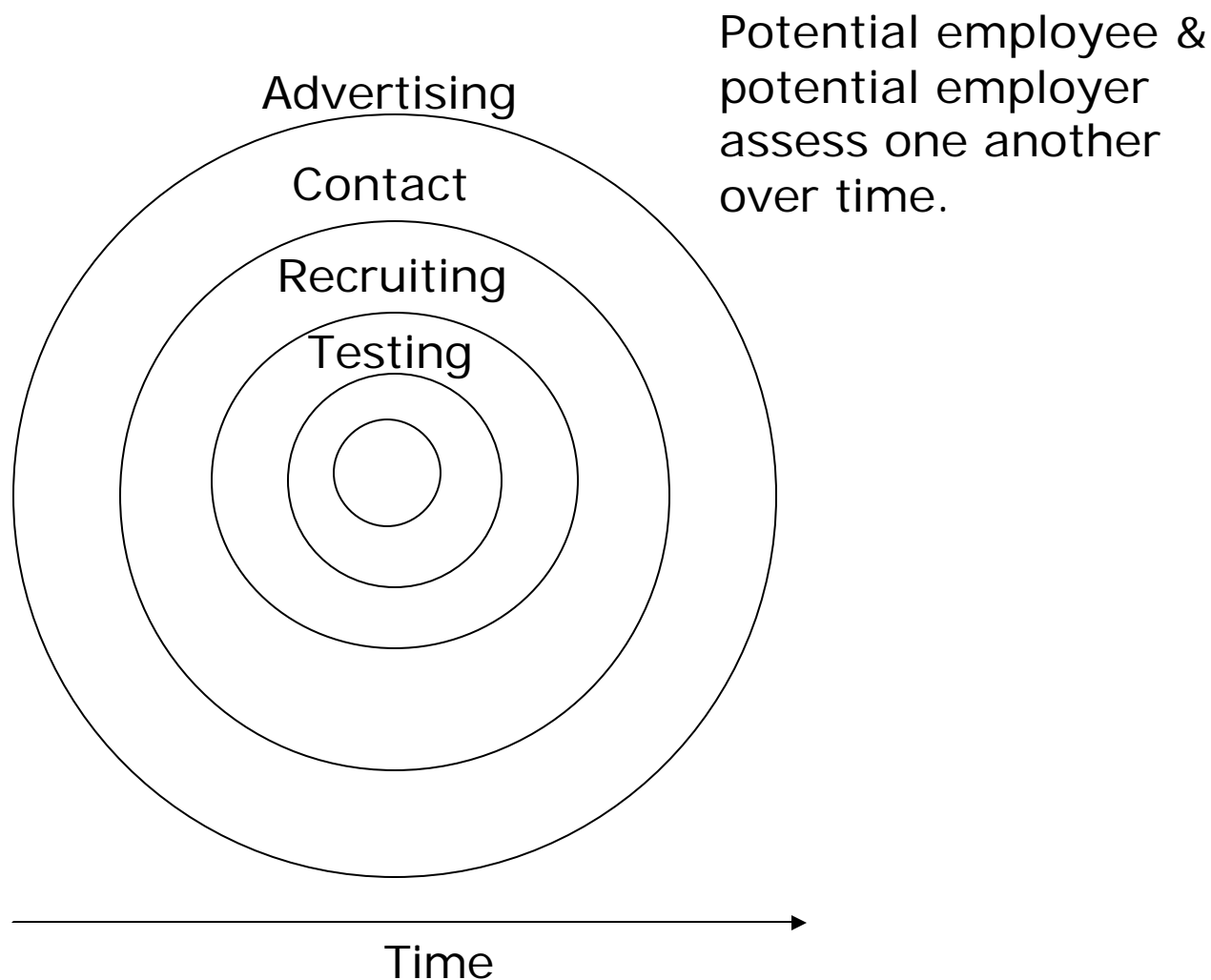
- Not arbitrary or capricious
 - Reliability
 - Validity
- Procedural justice



Limits of Traditional Approach

- Psychometric
 - Validity
 - Hard to beat $r = .50$
 - Explains 25% of variance in job performance – at best
 - Reliability
 - Often less than optimal
- Economic
 - Cost effective?
 - Futility of utility
- Social
 - Overemphasis on legal compliance
 - Acceptable to stakeholders?
 - Public personnel issue?

Selection Procedure – Lens Model



What is Your Selection System Like?

Examples?
Volunteers?

Organizational Justice



Rides into town

Organizational Justice

- ❑ Emerging perspective in I/O Psychology
- ❑ Initially pay equity (Equity Theory)
 - Employees compute a ratio of how much they contribute to the organization and how much they get back from the company
 - Employees choose a coworker and computes their ratio
 - Employees then compare ratios, and react on the basis of this comparison. Unbalanced ratios create 'equity distress,' which lead to a variety of responses including changes in work effort or quality
- ❑ Extended to other issues
- ❑ Application to selection
 - Justice = Fairness

Types of Justice Perceptions

- **Distributive Justice:** perceptions of the fairness of a particular *outcome*
- **Procedural Justice:** perceptions of whether the *process* used to make the decision was fair
- **Interactional Justice:** perceptions of whether organizational agents implement procedures fairly, by treating people respectfully and explaining decisions adequately

Interactional Justice

- **Interpersonal component** – treating people with dignity and respect; refraining from improper remarks or comments
- **Informational component** – providing adequate explanations for decisions

When Worlds Collide



Psychometrics & Social Justice

A Clash of 2 Paradigms

□ Prediction Paradigm

- Psychometrics
- Technical
- Structural
- Organization perspective
- "What"
- Instrumental
- Fairness = prediction w/in EEO guidelines

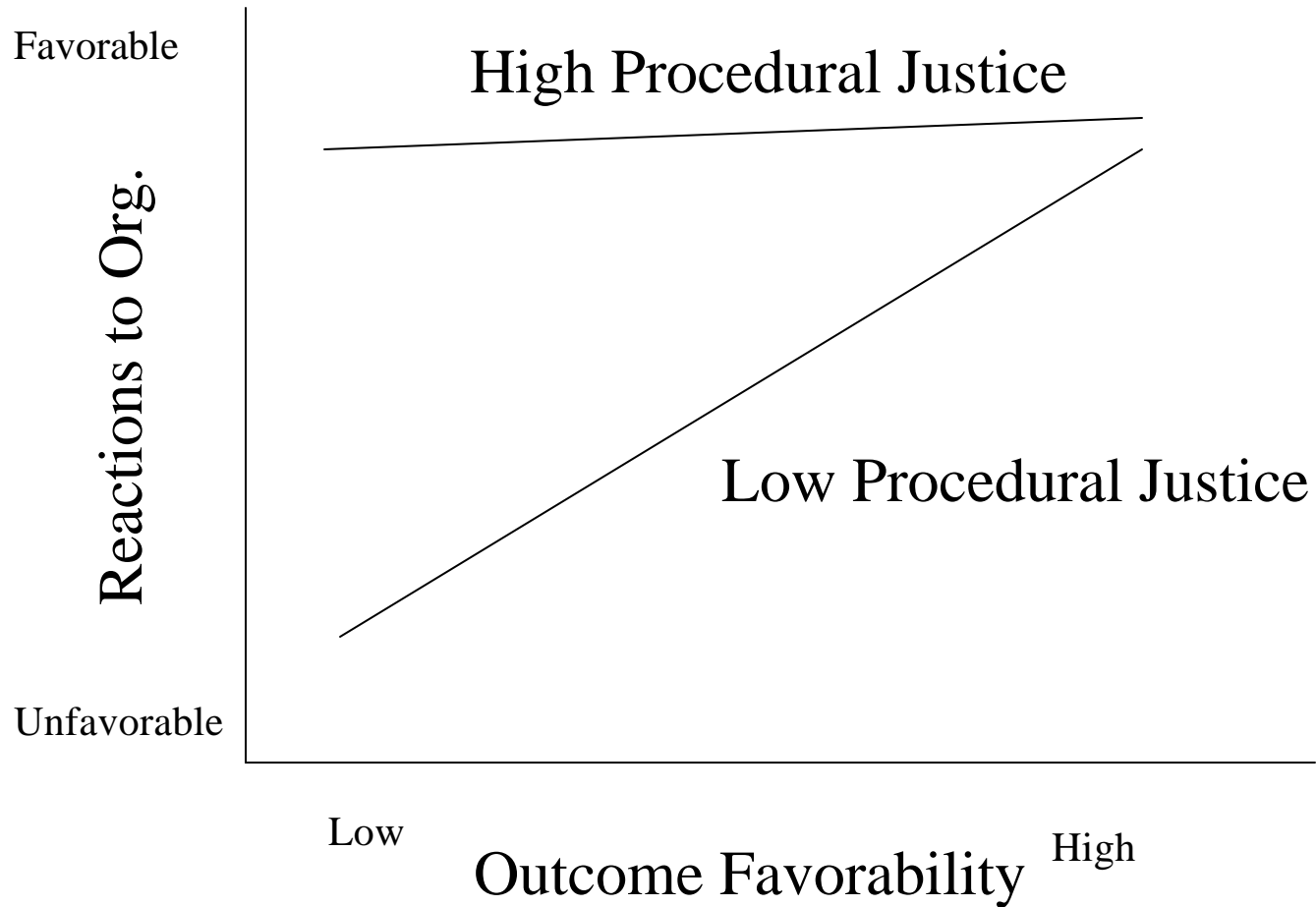
□ Social Justice Paradigm

- Process
- Relational
- Functional
- Individual/applicant perspective
- "How"
- Emotional
- Fairness = equitable treatment

Instrumental vs. Emotional Appeals

- Instrumental appeal
 - Based on outcome
 - Seeks to overturn outcome
 - Defense: traditional psychometrics
- Emotional Appeal
 - Based on process
 - Seeks redress
 - Defense: prevention

When is Procedural Justice Most Important?



Emotional Response to Selection

- Not necessarily rational
- Affective reaction to procedures
- Parallel w/ job satisfaction
 - Management tool & responsibility
 - Little to no *r* w/ performance
 - Some *r* w/ absenteeism, turnover
 - Yet still important
 - Why?

Why is Fairness Important?

..is this more than academic?

Consequences of Unfair/Unjust Selection Procedures

- ❑ Unfavorable views toward organization by both successful & unsuccessful candidates
- ❑ Reduced applicant pool
 - Employee referrals?
- ❑ May dissuade other potential applicants
- ❑ Less likely to reapply if not hired
- ❑ Increased risk of litigation from unsuccessful candidates
- ❑ Decreased probability of job acceptance by successful candidates
- ❑ Decreased OCB
- ❑ Decrements in job performance

Relationships Between Selection Fairness & Some Important Variables

- Personal/demographic characteristics of applicants
 - $r = -.03 - .05$
- Perceived procedure characteristics
 - Job relatedness $r = .61$
 - Face validity $r = .58$
 - Perceived predictive ability $r = .63$
 - Opportunity to perform $r = .56$
 - Transparency $r = .36$

 - Explanation/Accounts $r = .17$
 - Outcome favorability $r = .24$

Relationships Between Selection Fairness & Some Important Outcomes

- Performance on test $r = .21$
- Organizational attractiveness $r = .49$
- Recommendation intentions $r = .52$
- Offer acceptance intentions $r = .33$
- Job performance
 - 1 study - positive

Fairness & Decision Making

- People are not computers
 - Unfortunate legacy of cognitive psychology
- Beyond rational choice theory
 - People make decisions based on emotion
 - “Rationality” is more prescriptive than descriptive
- “Fairness” “equity” appear to be common in decision making
 - Context
 - Heuristics

Any Interesting Applicant Reactions You Have Seen?

Examples?
Volunteers?

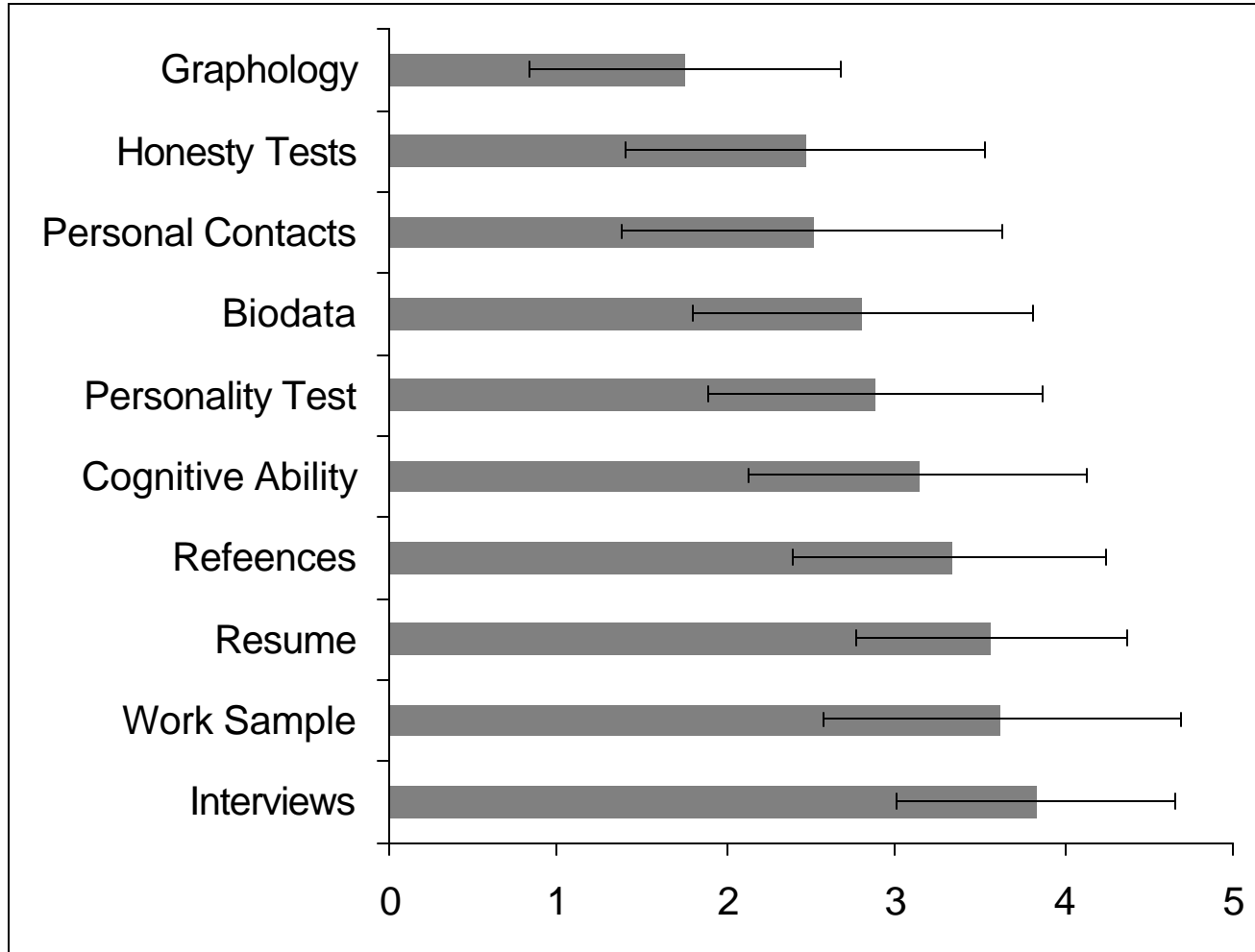
Data on Fairness of Selection Procedures

Some recent
meta analyses & reviews

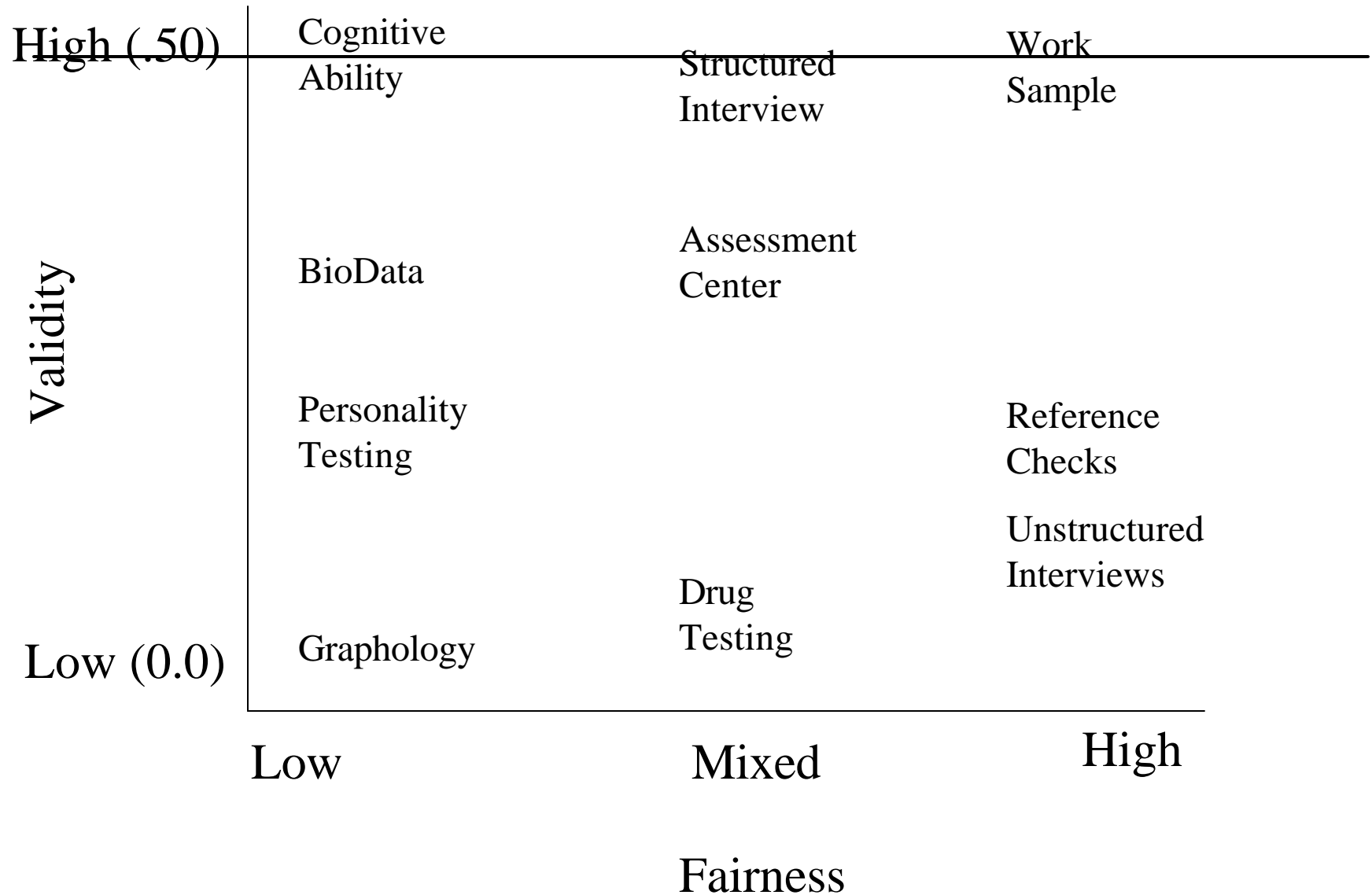
Perceived Fairness of Selection Procedures

<u>Procedure</u>	<u>Perceived Fairness</u>
Work samples	Very fair
Assessment centers	Mixed
Biodata	Unfair
Cognitive Ability	Unfair
Unstructured Interviews	Very fair
Structured Interviews	Less fair
Personality tests	Unfair
Reference checks	Fair
Polygraph, Graphology	Unfair
Drug testing	Mixed-Mostly Unfair

Mean (SD) Favorability Ratings for 10 Selection Procedures



Validity vs. Fairness



How do Your Selection Procedures Stack Up?

Examples?
Volunteers?

Top 10 fairness characteristics of selection procedures

Fairness characteristics of selection procedures 1

- Job relatedness
 - Face validity
 - Must be readily apparent
 - If not, well explained
 - Authentically related to job
 - More favorable applicant reaction
- Face validity = fairness

Fairness characteristics of selection procedures 2

- Opportunity to perform
 - Applicant control over outcome
 - Applicant must have some idea about attributes which are being assessed
 - Applicant has opportunity to
 - Add information
 - Ask questions
- Control = fairness

Fairness characteristics of selection procedures 3

- Reconsideration opportunity
 - Correctable
 - Opportunity for redress in case of error
 - Grievance/appeal procedures evident
- Correction = fairness

Fairness characteristics of selection procedures 4

- Consistency
 - Administration procedures
 - Evaluation procedures
 - No favoritism
- Consistent = fair

Fairness characteristics of selection procedures 5

- Interpersonal treatment
 - Interaction Quality
 - Unfairness = Rude, impolite, disrespectful, not thoughtful
 - 2 way communication
 - Propriety of questions
 - Feedback
 - Information, understanding & justification
 - Applicant is given sufficient info to understand the procedures & their use
 - Honesty
 - Applicants are not given an unrealistically positive view of organization
- Respectful = fair

Fairness characteristics of selection procedures 6

- Knowing what to expect
 - Procedures & processes specified
 - Requirements made plain
 - User friendliness
 - Evaluation methods explained
 - Why
 - How
 - Who
- No surprises = fairness

Fairness characteristics of selection procedures 7

- Ease & equality of access
 - Access is made easy
 - Alternate forms readily available
 - All have equal access to
 - Opportunities
 - Applications
- Appropriate advertising
- No “preselection” by access
- Equal opportunity = fair

Fairness characteristics of selection procedures 8

- Communication
 - Prompt feedback
 - Minimize delays
 - If unavoidable, communicate
 - Hiring with tact
 - Rejection with tact
 - Explicit acknowledgement of other opportunities to apply
 - Opportunities for improvement (if applicable)
- Tactful, prompt communication = fair

Fairness characteristics of selection procedures 9

- Transparency
 - Procedure is not shrouded in mystery
 - Explicit description of methods/procedures/scoring
 - Information on development of selection procedures
 - Easy to understand
- Transparent = fair

Fairness characteristics of selection procedures 10

- Encouraging
 - Select for vs select against
 - Should hire vs should not hire
 - Minimize perceived threats
 - Stereotype
 - Personal
- Positive = fair

Fairness – The Big 10

- ❑ Face valid
- ❑ Controllable
- ❑ Correctable
- ❑ Consistent
- ❑ Respectful
- ❑ Unsurprising
- ❑ Equal opportunity
- ❑ Tactful
- ❑ Transparent
- ❑ Positive

Implications of a Social Justice Perspective

Selection procedures
reconsidered

Fairness Examples - Research

- Drug tests
 - More fair when a strong justification and explicit retesting option is provided
- Explanations & justifications do not increase fairness of personality tests
 - Personality tests seen as more fair when questions are work-related
- Cognitive ability tests
 - Less fair when items are abstract
 - More fair when items are concrete/job related
- Biodata
 - More fair when job-related

Implications – System & Procedure

- Fairness is relative
 - Selection system revisited
 - E.g., personality test seen as more fair when given w/ cognitive ability test than when give w/ unstructured interview
- Fairness is not a substitute for validity
- Work-relatedness is critical
 - Context is king
 - Modifications?
- Consider applicant reaction when choosing selection procedures
- May be able to lean more toward fairness than validity for lower level jobs
- Consider organization from applicant's perspective
 - Focus groups – new hires

Implications - Education & Explanation

- Educating applicants
 - Transparency
 - Explanations
 - Before application
- Explaining procedures
 - What can I expect when?
 - Why are you asking this?
- Equal access
 - How can I prepare?
- Collect data on perceived fairness/justice of selection systems & specific procedures

Implications – Selection Systems

Expanded view of “job performance”

- OCB
- Promotability
- Trading fairness for validity
 - How valid are tests, really?
- Focus on behavior
 - Doing vs knowing
 - Performance vs constructs

How Can We Improve Fairness?



Specific Questions

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