Rethinking Assessment Centers: Multiple Variations to Meet Multiple Needs

Presented by:
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My Goal is to Help You...

• To get the most out of the International Congress.
• To understand the diversity in uses of assessment centers.
• To see how the method has changed over the years.
• To learn about some new technology.
• To identify research needs.
Presentation Plan

1. First-level management assessment
2. New employee selection assessment
3. Senior management assessment
4. Training assessment centers (aka developmental assessment centers, DACs)

A. History
B. Current status including trends in use
C. New ideas and technology
First Level Management Assessment

• Selection/Promotion
• Diagnosis of development needs
• Both (dual purpose)
History
First Level Management Assessment

1958....................  AT&T
                  Standard Oil of Ohio (BP), Caterpillar
1970....................  DDI (Shell Oil, Ford)
1970 - 2000...........  Worldwide adoption by business, and government (e.g., police, fire, and school management) in United States
1973....................  International Congress on the Assessment Center Method
1975....................  International Congress Guidelines
1976....................  Byham makes speech about Assessment Centers in Singapore
Early Model Assessment of First Level Managers

- Simulations, interviews, management games (few tests)
- Two-and-a-half days of assessment
- Six assessors for 12 participants, independent assessor observations
- Mid-management assessors (four-and-a-half days for each assessment center one or two times a year)
- Assessors trained for one week
## Early Model for First Level Management Assessment Has Mostly Disappeared

<table>
<thead>
<tr>
<th><strong>CAUSE</strong></th>
<th><strong>EFFECT</strong></th>
</tr>
</thead>
<tbody>
<tr>
<td>Downsizing of middle management</td>
<td>✓ Use HR department staff</td>
</tr>
<tr>
<td>Time and cost pressure</td>
<td>✓ Outsourcing assessors (still run by organization)</td>
</tr>
<tr>
<td></td>
<td>✓ Outsourcing total assessment center, organizations feel assessment center administration not a key competency</td>
</tr>
<tr>
<td></td>
<td>✓ Fewer assessors involved</td>
</tr>
<tr>
<td></td>
<td>✓ One day or less assessment center</td>
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<tr>
<td></td>
<td>✓ No interview, more tests, simulations delivered by computer</td>
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<tr>
<td></td>
<td>✓ Video capturing of behavior (assessors not at AC)</td>
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<tr>
<td></td>
<td>✓ Phone assessments</td>
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<tr>
<td></td>
<td>✓ Multiple choice exercises, e.g., in-basket or situation judgments</td>
</tr>
<tr>
<td></td>
<td>✓ Less time or no data integration</td>
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</tbody>
</table>

Good things, but all don’t work. Big opportunity for innovation and research.
Research Questions

• Make assessors more effective (more accurate ratings in less time).
• Increase assessor reliability – consistent over time.
• Assessors vs. multiple choice?
• Can diagnostic insights be increased?
• Human vs. computer data integration
• How short can an assessment center be and still produce meaningful results?
• How to increase development actions after feedback.
A Research Example: Manager Ready℠

- A 3.5 hour computer-based assessment center that improves selection/promotion decisions and greatly enriches the diagnosis of development needs
Manager Ready™

- 906 data points
- Unique way of capturing responses using highly trained specialized assessors (not multiple-choice)
- Algorithms parse data into competencies, key actions, and situational insights
- Algorithm combines data into overall decisions
Biggest Difference – Depth of Development Insights

148 Individual Behaviors Rated by Assessors for Each Participant

155 Actions (Decisions) Rated by Computer
Broke Some Competencies into Parts for Better Development Insights

For Example:

- Coaching
  - Coaching for Success
  - Coaching for Improvement

- Decision Making
  - Problem Analysis
  - Judgment
Evaluate Thirty-Three Key Actions

For Example:

<table>
<thead>
<tr>
<th>Key Actions</th>
<th>Measured Across Multiple Competencies</th>
</tr>
</thead>
<tbody>
<tr>
<td>Maintain or enhance self-esteem</td>
<td>Coaching for Success</td>
</tr>
<tr>
<td>Listen and respond with empathy</td>
<td>Coaching for Improvement</td>
</tr>
<tr>
<td></td>
<td>Managing Relationships</td>
</tr>
<tr>
<td></td>
<td>Guiding Interactions</td>
</tr>
<tr>
<td></td>
<td>Delegation &amp; Empowerment</td>
</tr>
<tr>
<td></td>
<td>Gaining Commitment</td>
</tr>
</tbody>
</table>
Examples:

- Good judgment when dealing with numbers/Poor judgment when dealing with people
- Good communication upward/not downward
Validation – Ratings by Immediate Manager

- 163 Supervisors
  - 143 U.S.
  - 20 Singapore
The odds are almost four times (3.6) higher that top rated MR participants will excel in job performance compared to low performers.
The odds are almost six times (5.7) higher that MR participants who were top rated in leadership skills will excel in job leadership compared to low performers.
## Criterion Validity for Overall Assessment Ratings

<table>
<thead>
<tr>
<th>Study</th>
<th>Validity</th>
</tr>
</thead>
<tbody>
<tr>
<td>Meta-Analysis (2003)</td>
<td>.36</td>
</tr>
<tr>
<td>Meta-Analysis (1987)</td>
<td>.37</td>
</tr>
<tr>
<td>AT&amp;T (multiple)</td>
<td>.37 (median)</td>
</tr>
<tr>
<td>Manager Ready</td>
<td>.43 (76th percentile of 2003 Meta-Analysis)</td>
</tr>
</tbody>
</table>

3. Thornton & Byham (1982, Assessment Centers and Managerial Performance)
New Employee Assessment
- Selection
- Placement
Some of Best Examples – Auto Industry
Toyota Motor Manufacturing Kentucky, Inc.
Toyota Competencies

- Ability to Learn
- Work Pace
- Quality Orientation
- Teamwork/Collaboration
- Adaptability
- Motivational Fit
- Gaining Commitment/Leadership

- Work Standards
- Initiative
- Communication
- Manufacturing and Technical Skills
- Problem Assessment
- Problem Solving

“People that have the motivation, skills, and judgment to work in an empowered work place!”
Toyota Selection System

Screen, Tests
One Day Assessment Center
Toyota TS® Interview
Health Check
On-boarding
One Day Assessment Center

- Job samples
- Group discussion
- Targeted Selection® interview
- Highly trained specialized assessors
- Data integration
- Extensive research

Rim Mount Exercise
Auto Companies That Have Used Assessment Centers for Start-Up

GM
Mitsubishi
Volkswagen
DAIMLER
Mercedes-Benz
Ford
NISSAN
TOYOTA
BMW
HONDA
SUBARU
Mahindra
Countries where Assessment Centers have been used to hire autoworkers.

- Australia
- Brazil
- Canada
- China
- France
- Germany
- India
- Indonesia
- Mexico
- Poland
- Thailand
- United Kingdom
- United States
Assessment Centers also Used to Select Workers in...

- Other manufacturing plants
- Call centers
- Big ticket sales situations
- Police and fire departments

Where an empowered workforce is wanted or fairness in selection is an issue!
Cost Pressure on New Employee Selection

**NEED**
- Better screening
- Assessor Expense

**ANSWER**
- More use of testing – better tests
- Elimination of Assessors in job simulations
Research Questions

1. Is the new system with no assessors as valid as the old system with assessors?
2. What other jobs would lend themselves to this idea?
Senior Management Assessment

- Selection/promotion
- Diagnosis of development needs
- Both (Dual purpose)

Applications Booming!
Behavioral

Clinical
Behavioral

Lead Assessor +2 or 3 Assessors

Data Integration Involving All Assessors

Clinical

Lead Assessor Alone or with other Assessors

No Data Integration—It’s All Done by Lead Assessor

SIMILARITIES

Competencies
Simulations
Interviews
Tests
Behavioral

- Individual and Manager Get Reports
- Follow-up Involves Individual and Manager

Clinical

- Individual Only Gets the Report
- Follow-up Contacts Involve Individual

Similarities
- Competencies
- Simulations
- Interviews
- Tests
Research Questions: Reliability

- Independent clinical assessors vs. multiple-person teams of assessors
- Assessor teams around the world (different country standards)
Switch from Country-Centric Advancement to

Global Leadership Effectiveness and Agility
Contemporary Promotion System

USA

China

South Africa

Brazil
Participant A Goes Through an Assessment Center

In-basket Assessor
Manila

Group Exercise Assessor
Detroit

Strategy Exercise Assessor
Bangalore

Presentation Assessor
Pittsburgh

Personality Survey

Data Integration Team
(Who are knowledgeable about the organization)

Report to Management
Mumbai

360°, Interviews, etc.

Feedback Specialist
New York

Feedback Specialist
London

Feedback Specialist
Mumbai

Participant B Goes Through an Assessment Center

Participant C Goes Through an Assessment Center

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Training (Developmental) Assessment Center

- Provide training
- Diagnose development needs
- Stimulate self-reflection
- Immediate gratification for those going through an assessment center
MSC (Japan) Human Assessment Model (1973)

• 2-3 days of assessment
• 18 participants divided into 3 teams
• Team A participates in a simulation, Team B and Team C observe and give feedback—then Teams rotate. Repeat for standard assessment center simulations
• Trained Assessors observe participants in exercises and also their ability to give and receive feedback, write exercise reports, integrate data, write final reports, and give feedback
• Advantages: Self-insights, learning new ways of handling issues, builds confidence (“as good as other people”), try out higher-level job challenges
Training Assessment Centers Used in Germany, Switzerland, Other European Countries

- Limited use for 20 years
- 1.5 to 2 day assessment
- Feedback to participants by assessors after each experience
- Some repeat of exercises
- Little research on long-term behavior change
Current Practice

Early AM
- Participant Orientation
- Intake Battery

AM
- 1st Block Exercises
- Self-Reflection
- Feedback & short term goal setting

PM
- 2nd Block Exercises
- Self-Reflection
- Feedback & medium-term goal setting

Monthly
- Follow-up & integrated goal setting

Yearly
- Reassess
- Follow-up & integrated goal setting

Source: Rupp, 2010
Advantages vs. Risks

**Advantages**
- Self-insight
- Immediate sense of learning
- Job preview
- Start of development planning
- Leave experience with a sense of accomplishment

**Risks**
- Requirement to repeat exercises cuts down the variety of exercises and the number of competencies
- Diagnosis and development recommendations made quickly. Validity?
- No positive model provided
- May minimize impact of feedback report
- Difficult and expensive to staff
Research Questions

1. Do participants take ongoing development actions to the same extent or better than participants in diagnostic assessment centers?

2. Behavior change/Job Performance outcomes of training assessment centers compared to spending the same amount of time in a training program?
Is the Assessment Center Method old fashioned, stuck in a rut, passé, or “so last week”? 
Basic Information You Should Know about Each Presentation

• Purpose of the assessment center?
• Assessors?
• Assessor training? Quality control?
• What and how many simulations?
• Behavioral or clinical orientation?
• Number of people assessed per year?
• Research on methodology or outcome?
Thank you.