

example, if members of a group or panel interview independently rate a set of job applicants on a 1–5 scale, it is logical to ask how much they agreed with one another.

A simple way to determine this is to calculate the percentage of agreement among the raters. An example of this is shown in Exhibit 7.8.

There is no commonly accepted minimum level of interrater agreement that must be met in order to consider the raters sufficiently reliable. Normally, a fairly high level should be set—75% or higher. The more important the end use of the ratings, the greater the agreement required should be. Critical uses, such as hiring decisions, demand very high levels of reliability, well in excess of 75% agreement.

Interrater Agreement Versus Coefficient Alpha. It is important to note that reliability (as assessed by coefficient alpha) and interrater agreement can be quite different. Specifically, one can have a high coefficient alpha but low agreement, and vice versa. To understand this, consider the data shown in Exhibit 7.9, which, like Exhibit 7.8, has three raters. However, instead of rating five different applicants, the three raters are rating one applicant on five different skills. Here, there are five items (skills), and the average correlation among those five items (e.g., the correlation between ratings on skill A and skill B; the correlation between ratings on skill A and skill C) is 1.0. This is the case because the ratings are proportionally consistent (although rater 1's ratings are always lower than rater 2's, they differ by the same magnitude each time). Consequently, coefficient alpha is 1.0. However, the raters do not agree at all on how much skill the applicant possesses. Rater 1's average across the five skills is 1.6, rater 2's average is 3.6, and rater 3's average is 4.6.

Now consider Exhibit 7.10. The raters exhibit perfect agreement in their assessment of the candidate. However, coefficient alpha is 0 (technically, it is undefined).

EXHIBIT 7.8 Calculation of Percentage Agreement Among Raters

Person (ratee)	Rater 1	Rater 2	Rater 3
A	5	5	2
B	3	3	5
C	5	4	4
D	1	1	5
E	2	2	4

% Agreement	$\frac{\text{\# agreements}}{\text{\# agreements} + \text{\# disagreements}} \times 100$
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% Agreement

Rater 1 and Rater 2 = $4/5 = 80\%$

Rater 1 and Rater 3 = $0/5 = 0\%$

Rater 2 and Rater 3 = $1/5 = 20\%$