

myself in other people's positions" may better navigate the challenges of overseas assignments. Personnel Decisions International developed a personality test to assess whether employees will be successful in overseas assignments. The company reports a positive relationship between scores on the test and success in overseas assignments. Another tool to predict success in overseas assignments is simulations or interviews designed to simulate conditions overseas or typical challenges that arise.⁴⁶ As one can see, bringing these methods together may make the assessment process for global assignments closely resemble an assessment center.

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Interview Simulations

An interview simulation mimics the oral communication required on the job. It is sometimes used in an assessment center, but less frequently than in-basket exercises, leaderless group discussions, and case analysis. It is also used as a predictor separate from the assessment center. There are several different forms of interview simulations.⁴⁷

Role-Play

With a role-play, the job candidate is placed in a simulated situation where he or she must interact with a person at work, such as the boss, a subordinate, or a customer. The interviewer or another individual plays one role, and the job candidate plays the role of the person in the position applied for. So, for example, in selecting someone to be promoted to a supervisory level, the job candidate may be asked to role-play dealing with a difficult employee.

Fact Finding

In a fact-finding interview, the job candidate is presented with a case or problem with incomplete information. The candidate's job is to solicit from the interviewer or a resource person the additional facts needed to resolve the case. A candidate for the position of EEO manager, for example, might be presented with a case where adverse impact is suggested. The candidate would be evaluated by the interviewer according to the data he or she solicits to confirm or disconfirm adverse impact.

Oral Presentations

In many jobs, presentations need to be made to customers, clients, or even boards of directors. To select someone to perform this role, an oral presentation can be required. This approach would be useful, for example, for seeing what sort of "sales pitch" a consultant might make or for seeing how an executive would present his or her proposed strategic plan to a board of directors.

Given the importance of interpersonal skills in many jobs, it is unfortunate that not many organizations use interview simulations. This is especially true with internal selection, where the organization knows whether the person has the right credentials (e.g., company experiences, education, and training) but may not know whether the person has the right interpersonal chemistry to fit in with the work group. Interview simulations allow for a systematic assessment of this chemistry rather than relying on the instinct of the interviewer. To be effective, these interviews need to be structured and evaluated according to observable behaviors identified in the job analysis as necessary for successful performance.

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Promotion Panels and Review Boards

In the public sector, it is a common practice to use a panel or board of people to review the qualifications of candidates. Frequently, both internal and external candidates are assessed. The panel or board typically consists of job experts, HR professionals, and representatives from constituencies in the community that the board represents. Having a board to hire public servants, such as school superintendents or fire and police officials, offers two advantages. First, as with assessment centers, there are multiple assessors with which to ensure a complete and accurate assessment of the candidate's qualifications. Second, by participating in the selection process, constituents are likely to be more committed to the decision reached. This buy-in is particularly important for community representatives with whom the job candidate will interact. It is hoped that by having a say in the process, they will be less likely to voice objections once the candidate is hired.

Choice of Substantive Assessment Methods

Along with research on initial assessment methods, research has also been conducted on substantive assessment methods. The reviews of this research are summarized in Exhibit 10.8. The same criteria are applied to evaluating the effectiveness of these predictors as were used to evaluate the effectiveness of initial assessment methods.

An examination of Exhibit 10.8 indicates that there is no single best method of narrowing down the candidate list to finalists. What is suggested, however, is that some predictors are more likely to be effective than others. In particular, job knowledge tests, promotability ratings, and assessment centers have strong records in terms of reliability and validity in choosing candidates. A very promising development for internal selection is the use of job knowledge tests. The validity of these tests appears to be substantial, but unfortunately, few organizations use them for internal selection purposes.

EXHIBIT 10.8 Evaluation of Substantive Assessment Methods

Predictor	Use	Cost	Reliability	Validity	Utility	Applicant Reactions	Adverse Impact
Seniority	High	Low	High	Low	?	?	High
Experience	High	Low	High	Moderate	High	Positive	Mixed
Job knowledge tests	Low	Moderate	High	High	?	?	?
Performance appraisal	Moderate	Moderate	?	Moderate	?	?	?
Promotability ratings	Low	Low	High	High	?	?	?
Assessment center	Low	High	High	High	High	?	?
In-basket exercise	Low	Moderate	Moderate	Moderate	High	Mixed	Mixed
Leaderless group discussion	Low	Low	Moderate	Moderate	?	?	?
Case analysis	Low	Low	?	Moderate	?	?	?
Global assignments	High	Moderate	?	?	?	?	?
Interview simulations	Low	Low	?	?	?	?	?
Panels and review boards	Low	?	?	?	?	?	?

DISCRETIONARY ASSESSMENT METHODS

Discretionary methods are used to narrow down the list of finalists to those who will receive job offers. Sometimes all finalists will receive offers, but other times there may not be enough positions to fill for each finalist to receive an offer. As with external selection, discretionary assessments are sometimes made on the basis of organizational citizenship behavior and staffing philosophy regarding EEO/AA.

Two areas of discretionary assessment differ from external selection and need to be considered in deciding job offers. First, previous finalists who do not receive job offers do not simply disappear. They may remain with the organization in hopes of securing an offer the next time the position is open. At the margin, this may be a factor in decision making because being bypassed a second time may create a disgruntled employee. As a result, a previous finalist may be given an offer over a first-time finalist, all other things being equal.

Second, multiple assessors are generally used with internal selection. That is, not only can the hiring manager's opinion be used to select who will receive a job offer but so can the opinions of others (e.g., previous manager, top management) who are knowledgeable about the candidate's profile and the requirements of the current position. As a result, in deciding which candidates will receive job offers, evaluations by people other than the hiring manager may be accorded substantial weight in the decision-making process.

LEGAL ISSUES

From a legal perspective, methods and processes of internal selection are to be viewed in the same way as those of external selection. The laws and regulations do not distinguish between internal and external selection. Consequently, most of the legal influences on internal selection have already been treated in Chapters 8 and 9. There are, however, some brief comments to be made about the internal selection legal influences of the Uniform Guidelines on Employee Selection Procedures (UGESP) and the glass ceiling.

Uniform Guidelines on Employee Selection Procedures

The UGESP define a "selection procedure" in such a way that virtually any selection method, be it used in an external or internal context, is covered by the requirements of the UGESP. Moreover, the UGESP apply to any "employment decision," which explicitly includes promotion decisions.

When there is adverse impact in promotions, the organization is given the option of justifying it through the conduct of validation studies. These are primarily criterion-related or content validity studies. Ideally, criterion-related studies with predictive validation designs will be used, as has been partially done in the

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case of assessment centers. Unfortunately, this places substantial administrative and research demands on the organization that are often difficult to fulfill. Consequently, content validation appears to be a better bet for validation purposes.

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Many of the methods of assessment used in internal selection attempt to gauge KSAOs and behaviors directly associated with a current job that are felt to be related to success in higher-level jobs. Examples include seniority, performance appraisals, and promotability ratings. These are based on current as well as past job content. Validation of these methods, if legally necessary, likely occurs along content validation lines. Therefore, the organization should pay particular and close attention to the validation and documentation requirements for content validation in the UGESP.

The Glass Ceiling

In Chapter 6, the nature of the glass ceiling was discussed, as well as staffing steps to remove it from organizational promotion systems. Most of that discussion centered on internal recruitment and supporting activities that could be undertaken. Surprisingly, selection methods used for promotion assessment are rarely mentioned in literature on the glass ceiling.

This is a major oversight. Whereas the internal recruitment practices recommended may enhance the identification and attraction of minority and women candidates for promotion, effectively matching them to their new jobs requires applying internal selection processes and methods. The policy of the Equal Employment Opportunity Commission (EEOC) on nondiscriminatory promotions is (1) the KSAOs to be assessed must be job related and consistent with business necessity, and (2) there must be uniform and consistently applied standards across all promotion candidates.⁴⁸ How might the organization operate its internal selection system to comply with EEOC policy?

The first possibility is for greater use of selection plans. As discussed in Chapter 8, these plans lay out the KSAOs required for a job, which KSAOs are necessary to bring to the job (as opposed to being acquired on the job), and, of those necessary, the most appropriate method of assessment for each. Such a plan forces an organization to conduct job analysis, construct career ladders or KSAO lattices, and consider alternatives to many of the traditional methods of assessment used in promotion systems.

A second suggestion is for the organization to back away from use of the traditional methods of assessment as much as possible, in ways that are consistent with the selection plan. This means a move away from casual, subjective methods such as supervisory recommendation, typical promotability ratings, quick reviews of personnel files, and informal recommendations. In their place should be more formal, standardized, and job-related assessment methods. Examples here include assessment centers, promotion review boards or panels, and interview simulations.

A final suggestion is for the organization to pay close attention to the types of KSAOs necessary for advancement, and undertake programs to impart these KSAOs to aspiring employees. These developmental actions might include key job and committee assignments, participation in conferences and other networking opportunities, mentoring and coaching programs, and skill acquisition in formal training programs. Internal selection methods would then be used to assess proficiency on these newly acquired KSAOs, in accordance with the selection plan.⁴⁹

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SUMMARY

The selection of internal candidates follows a process very similar to the selection of external candidates. The logic of prediction is applied, and a selection plan is developed and implemented.

One important area where internal and external selection methods differ is in the nature of the predictor. Predictors used for internal selection tend to have greater depth and more relevance and are better suited for verification. As a result, the types of predictors used for internal selection decisions are different from those used for external selection decisions.

Initial assessment methods are used to narrow down the applicant pool to a set of qualified candidates. Approaches used are talent management/succession systems, peer assessments, self-assessments, managerial sponsorship, and informal discussions and recommendations. Of these approaches, none is particularly strong in predicting future performance. Hence, consideration should be given to using multiple predictors to verify the accuracy of any one method. These results also point to the need to use substantive as well as initial assessment methods in making internal selection decisions.

Substantive assessment methods are used to select finalists from the list of candidates. Predictors used to make these decisions are seniority and experience, job knowledge tests, performance appraisals, promotability ratings, assessment centers, interview simulations, and panels and review boards. Of this set of predictors, job knowledge tests, promotability ratings, and assessment centers work well. Organizations need to give greater consideration to the latter three predictors to supplement traditional seniority and experience.

Although very costly, the assessment center seems to be very effective. This is because it is grounded in behavioral science theory and the logic of prediction. In particular, samples of behavior are analyzed, multiple assessors and predictors are used, and predictors are developed on the basis of job analysis.

Due to their physical proximity to the data, internal job applicants potentially have greater access to selection data than external job applicants. As a result, procedures must be implemented to ensure that manual and computer files with sensitive data are kept private and confidential.

Two areas of legal concern for internal selection decisions are the UGESP and the glass ceiling. In terms of the UGESP, particular care must be taken to ensure that internal selection methods are valid if adverse impact is occurring. To minimize

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glass ceiling effects, organizations should make greater use of selection plans and more objective internal assessment methods, as well as help impart the KSAOs necessary for advancement.

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DISCUSSION QUESTIONS

1. Explain how internal selection decisions differ from external selection decisions.
2. What are the differences between peer ratings, peer nominations, and peer rankings?
3. Explain the theory behind assessment centers.
4. Describe the three different types of interview simulations.
5. Evaluate the effectiveness of seniority, assessment centers, and job knowledge as substantive internal selection procedures.
6. What steps should be taken by an organization that is committed to shattering the glass ceiling?

ETHICAL ISSUES

1. Given that seniority is not a particularly valid predictor of job performance, do you think it's unethical for a company to use it as a basis for promotion? Why or why not?
2. Vincent and Peter are sales associates and are up for promotion to sales manager. In the past five years, on a scale of 1–5 (where 1 = poor and 5 = excellent), Vincent's average performance rating was 4.7 and Peter's was 4.2. In an assessment center that was meant to simulate the job of sales manager, on a scale of 1–10 (where 1 = very poor and 10 = outstanding), Vincent's average score was 8.2 and Peter's was 9.2. Other things being equal, who should be promoted? Why?

APPLICATIONS

Changing a Promotion System

Bioglass, Inc. specializes in sales of a wide array of glass products. One area of the company, the commercial sales division (CSD), specializes in selling high-tech mirrors and microscope and photographic lenses. Sales associates in CSD are responsible for selling the glass products to corporate clients. CSD has four levels of sales associates, ranging in pay from \$28,000 to \$76,000 per year. There are also four levels of managerial positions; those positions range in pay from \$76,000 to \$110,000 per year.

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Tom Caldwell has been a very effective sales associate. He has consistently demonstrated good sales techniques in his 17 years with Bioglass and has a large and loyal client base. Over the years, Tom has risen from the lowest level of sales associate to the highest. He has proved himself successful at each stage. An entry-level management position in CSD opened up last year, and Tom was a natural candidate. Although several other candidates were considered, Tom was the clear choice for the position.

However, once in the position, Tom had a great deal of difficulty being a manager. He was not accustomed to delegating and rarely provided feedback or guidance to the people he supervised. Although he set goals for himself, he never set performance goals for his workers. Morale in Tom's group was low, and group performance suffered. The company felt that demoting Tom back to sales would be disastrous for him and present the wrong image to other employees; firing such a loyal employee was considered unacceptable. Therefore, Bioglass decided to keep Tom where he was but not consider him for future promotions. It was also considering enrolling Tom in some expensive managerial development programs to enhance his management skills.

Meanwhile, Tom's replacement, although successful at the lower three levels of sales associate positions, was struggling with the large corporate contracts that the highest-level sales associates must service. Two of Tom's biggest clients had recently left Bioglass for a competitor. CSD was confused about how such a disastrous situation had developed when they seemed to make all the right decisions.

Based on this application and your reading of this chapter, answer the following questions:

1. What is the likely cause of CSD's problems?
2. How might CSD, and Bioglass more generally, make better promotion decisions in the future? Be specific.
3. In general, what role should performance appraisals play in internal selection decisions? Are there some cases in which they are more relevant than others? Explain.

Promotion From Within at Citrus Glen

Mandarine "Mandy" Pamplermousse is vice president of HR for Citrus Glen, a juice producer based in south Florida that supplies orange and grapefruit juice to grocery stores, convenience stores, restaurants, and food processors throughout the United States. Citrus Glen has been growing rapidly over the last few years, leading Mandy to worry about how to hire and promote enough qualified individuals to staff the ever-expanding array of positions within the company.

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