

want weekly or even daily updates of their websites. The other innovation Stanley brought to BSS is special security encryption software protocols that make the BSS server space nearly impossible for hackers to access. This flexibility is particularly attractive to organizations that need to manage large, security-protected databases with multiple points of access. Stanley has even been contacted by the government, which is interested in using BSS's systems for some of its classified intelligence.

Due to its niche, BSS has experienced rapid growth. In the past year, BSS hired 12 programmers and 2 marketers, as well as a general manager, an HR manager, and other support personnel. Before starting BSS, Stanley was a manager with a large pharmaceutical firm. Because of his industry connections, most of BSS's business has been with drug and chemical companies.

Yesterday, Stanley received a phone call from Lee Rogers, head of biotechnology for Mercelle-Poulet, one of BSS's largest customers. Lee is an old friend, and he was one of BSS's first customers. Lee had called to express concern about BSS's security. One area of Mercelle-Poulet's biotech division is responsible for research and development on vaccines for various bioterrorist weapons such as anthrax and the plague. Because the research and development on these vaccines require the company to develop cultures of the biological weapons themselves, Lee has used BSS to house information for this area. A great deal of sensitive information is housed on BSS's servers, including in some cases the formulas used in developing the cultures.

Despite the sensitivity of the information on BSS's servers, given BSS's advanced software, Stanley was very surprised to hear Lee's concern about security. "It's not your software that worries me," Lee commented, "it's the people running it." Lee explained that last week a Mercelle-Poulet researcher was arrested for attempting to sell certain cultures to an overseas client. This individual had been dismissed from a previous pharmaceutical company for unethical behavior, but this information did not surface during the individual's background check. This incident not only caused Lee to reexamine Mercelle-Poulet's background checks, but also made him think of BSS, as certain BSS employees have access to Mercelle-Poulet's information.

Instantly after hearing Lee's concern, Stanley realized he had a problem. Like many small employers, BSS did not do thorough background checks on its employees. It assumed that the information provided on the application was accurate and generally only called the applicant's previous employer (often with ineffective results). Stanley realized he needed to do more, not only to keep Lee's business but to protect his company and customers.

1. What sort of background testing should BSS conduct on its applicants?
2. Is there any information BSS should avoid obtaining for legal or EEO reasons?

Developi



- 3. How can BSS know that its background testing programs are effective?
- 4. In the past, BSS has used the following initial assessment methods: application blank, interviews with Stanley and other BSS managers, and a follow-up with the applicant's former employer. Beyond changes to its background testing program, would you suggest any other alterations to BSS's initial assessment process?

Developing a Lawful Application Blank

Consolidated Trucking Corporation, Inc. (CTCI) is a rapidly growing short-haul (local) firm within the greater Columbus, Ohio, area. It has grown primarily through the acquisitions of numerous small, family-owned trucking companies. Currently it has a fleet of 150 trucks and over 250 full-time drivers. Most of the drivers were hired initially by the firms that CTCI acquired, and they accepted generous offers to become members of the CTCI team. CTCI's expansion plans are very ambitious, but they will be fulfilled primarily from internal growth rather than additional acquisitions. Consequently, CTCI is now faced with the need to develop an external staffing system that will be geared up to hire 75 new truckers within the next two years.

Terry Tailgater is a former truck driver for CTCI who was promoted to truck maintenance supervisor, a position he has held for the past five years. Once CTCI's internal expansion plans were finalized, the firm's HR director (and sole member of the HR department), Harold Hornblower, decided he needed a new person to handle staffing and employment law duties. Harold promoted Terry Tailgater to the job of staffing manager. One of Terry's major assignments was to develop a new staffing system for truck drivers.

One of the first projects Terry undertook was to develop a new, standardized application blank for the job of truck driver. To do this, Terry looked at the many different application blanks the current drivers had completed for their former companies. (These records were given to CTCI at the time of acquisition.) The application blanks showed that a large amount of information was requested and that the specific information sought varied among the application forms. Terry scanned the various forms and made a list of all the questions the forms contained. He then decided to evaluate each question in terms of its probable lawfulness under federal and state (Ohio) laws. Terry wanted to identify and use only lawful questions on the new form he is developing.

On the next page is the list of questions Terry developed, along with columns labeled "probably lawful" and "probably unlawful." Assume that you are Terry and are deciding on the lawfulness of each question. Place a check mark in the appropriate column for each question and prepare a justification for its mark as "probably lawful" or "probably unlawful."

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## DISCUSSION QUESTIONS

1. Describe the similarities and differences between personality tests and integrity tests. When is each warranted in the selection process?
2. How would you advise an organization considering adopting a cognitive ability test for selection?
3. Describe the structured interview. What are the characteristics of structured interviews that improve on the shortcomings of unstructured interviews?
4. What are the most common discretionary and contingent assessment methods? What are the similarities and differences between the use of these two methods?
5. What is the best way to collect and use drug-testing data in selection decisions?
6. How should organizations apply the general principles of the UGESP to practical selection decisions?

## ETHICAL ISSUES

1. Do you think it's unethical for employers to select applicants on the basis of measures such as "Dislike loud music" and "Enjoy wild flights of fancy" even if the scales that such items measure have been shown to predict job performance? Explain.
2. Cognitive ability tests are one of the best predictors of job performance, yet they have substantial adverse impact against minorities. Do you think it's fair to use such tests? Why or why not?

## APPLICATIONS

### Assessment Methods for the Job of Human Resources Director

Nairduwel, Inoalot, and Imslo (NII) is a law firm specializing in business law. Among other areas, it deals in equal employment opportunity law, business litigation, and workplace torts. The firm has more than 50 partners and approximately 120 employees. It does business in three states and has law offices in two major metropolitan areas. The firm has no federal contracts.

NII plans to expand into two additional states with two major metropolitan areas. One of the primary challenges accompanying this ambitious expansion plan is how to staff, train, and compensate the individuals who will fill the positions in

the new offices. Accordingly, the firm wishes to hire an HR director to oversee the recruitment, selection, training, performance appraisal, and compensation activities accompanying the business expansion, as well as supervise the HR activities in the existing NII offices. The newly created job description for the HR director is listed in the accompanying exhibit.

The firm wishes to design and then use a selection system for assessing applicants that will achieve two objectives: (1) create a valid and useful system that will do a good job of matching applicant KSAOs to job requirements, and (2) be in compliance with all relevant federal and state employment laws.

The firm is considering numerous selection techniques for possible use. For each method listed below, decide whether you would or would not use it in the selection process and state why.

1. A job knowledge test specifically designed for HR professionals that focuses on an applicant's general knowledge of HR management
2. A medical examination and drug test at the beginning of the selection process in order to determine if applicants are able to cope with the high level of stress and frequent travel requirements of the job and are drug-free
3. A paper-and-pencil integrity test
4. A structured behavioral interview that would be specially designed for use in filling only this job
5. A general cognitive ability test
6. Personal Characteristics Inventory
7. A set of interview questions that the firm typically uses for filling any position:
  - a. Tell me about a problem you solved on a previous job.
  - b. Do you have any physical impairments that would make it difficult for you to travel on business?
  - c. Have you ever been tested for AIDS?
  - d. Are you currently unemployed, and if so, why?
  - e. This position requires fresh ideas and energy. Do you think you have those qualities?
  - f. What is your definition of success?
  - g. What kind of sports do you like?
  - h. How well do you work under pressure? Give me some examples.



**Exhibit****Job Description for Human Resources Director****JOB SUMMARY**

Performs responsible administrative work managing personnel activities. Work involves responsibility for the planning and administration of HRM programs, including recruitment, selection, evaluation, appointment, promotion, compensation, and recommended change of status of employees, and a system of communication for disseminating information to workers. Works under general supervision, exercising initiative and independent judgment in the performance of assigned tasks.

**TASKS**

1. Participates in overall planning and policy making to provide effective and uniform personnel services.
2. Communicates policy through organization levels by bulletin, meetings, and personal contact.
3. Supervises recruitment and screening of job applicants to fill vacancies. Supervises interviewing of applicants, evaluation of qualifications, and classification of applications.
4. Supervises administration of tests to applicants.
5. Confers with supervisors on personnel matters, including placement problems, retention or release of probationary employees, transfers, demotions, and dismissals of permanent employees.
6. Initiates personnel training activities and coordinates these activities with work of officials and supervisors.
7. Establishes effective service rating system and trains unit supervisors in making employee evaluations.
8. Supervises maintenance of employee personnel files.
9. Supervises a group of employees directly and through subordinates.
10. Performs related work as assigned.

**JOB SPECIFICATIONS**

1. *Experience and Training*  
Should have considerable experience in area of HRM administration. Six years minimum.
2. *Education*  
Graduation from a four-year college or university, with major work in human resources, business administration, or industrial psychology. Master's degree in one of these areas is preferable.