

INCREASING PROFITS BY ASSESSING EMPLOYEE WORK STYLES

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Article to be Published

In

Employee Relations Today

*Manuscript in Preparation
February 14, 2005*

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One of the most consistent challenges for organizations is hiring the right person for the right job. For the last century, the field of industrial/organizational psychology has studied how organizations can improve their success rates in selecting and promoting workers. For high-level management positions, for example, organizations often employ psychologists to conduct advanced, in-depth assessments that involve a combination of standardized personality and cognitive-ability tests, interviews, and work simulations.

The advent of Internet technologies has allowed the field of industrial/organizational psychology to automate many of the data-collection and assimilation tasks traditionally done by psychologists. Industrial/organizational psychology consulting firms are beginning to develop sophisticated programs that replicate the logic, experience, and report-writing skills of seasoned coaches and psychologists. This article describes specific assessment tools that can help HR not only select new candidates but also match current employees with the right positions within the organization to help ensure success for both employees and their employer.

WORK SIMULATIONS TO MEASURE WORK STYLES

Organizational psychologists agree work simulations are an effective method to gather data about employees' work styles and their likelihood to successfully perform jobs. A work simulation requires the job applicant to role-play the part of an employee. The job applicant is asked to complete various work tasks as part of the work simulation. The applicant is evaluated and scored by comparing his or her behaviors during the work simulation with behaviors exhibited by high-performing job incumbents.

Psychologists use rigorous qualitative and statistical methods to ensure that work simulations accurately reflect the true demands of a job. They also ensure that the simulations can be scored accurately and consistently. The simulations vary in terms of realism because of the complexity and cost of re-creating work environments. For example, creating a work simulation for the task of piloting a submarine is more complex than creating one for the task of giving a PowerPoint sales presentation.

Individual assessments in general, and work simulations in particular, provide great value to organizations by helping them select better job candidates. However, they can be costly and time-consuming. The field of industrial/organizational psychology has consistently sought to develop more efficient methods for understanding job applicants' work styles. Work styles can be measured accurately and efficiently by using a valid, reliable online questionnaire. One example of such an online questionnaire is the PsyMax Solutions Work Style Assessment (WSA) inventory. The WSA inventory measures 15 distinct work styles. It consists of 200 questions and takes approximately 30 to 45 minutes to complete. Organizations can send job candidates and employees an e-mail invitation to complete the WSA inventory. As soon as candidates complete the inventory, the organizations can download customized selection, interviewing, development, coaching, and career reports to use as part of their human resource processes.

The WSA inventory is accessed by logging on to the online PsyMax Solutions Product Suite. The Product Suite is a Web site that allows authorized individuals from an organization to (1) invite job applicants or employees to complete the WSA; (2) purchase reports, or (3) view reports. Each client organization has its own customized version of the Product Suite, which it accesses by logging on to a unique URL (e.g., <http://samplecompany.psymaxsolutions.com>). Typically, an HR professional is the overall administrator of the site. The following is an example of how the Product Suite could be used to its fullest advantage.

EXAMPLE

Lilly is a new sales manager at ABC, Inc. She had been the best salesperson in her region for five years. She was just promoted and needs to hire her replacement. Unfortunately, Lilly has been given no training on how to coach her employees or how to hire someone.

Jake applies for Lilly's old job. Harry, an ABC HR manager, logs into the PsyMax Solutions Product Suite and sends Jake an invitation to take the WSA inventory. Harry receives an e-mail notification immediately after Jake completes the inventory. Harry logs into the Product Suite and views Jake's results online. Harry then e-mails a copy of the hiring report and an interview guide to Lilly.

Lilly reads Jake's hiring report and learns that Jake has several areas of strength but also a few developmental needs. The interview guide is customized based on Jake's inventory results. Lilly uses the interview guide to learn more about whether Jake will be successful in the position. Based on the hiring report and the interview, Lilly decides to hire Jake.

On Jake's first day on the job, Lilly gives him a work style development report based on his inventory results that she downloaded from the PsyMax Solutions Product Suite. The report contains specific on-the-job tips, developmental suggestions, and educational resources. Lilly also downloads a work style coaching report that contains specific information about Jake's work style assets and liabilities. The coaching report provides Lilly with guidance on how to optimally coach Jake to achieve maximum results based on his work styles.

The PsyMax Solutions Product Suite can also be used for career exploration or transition. Assume that Kimberly has been a business analyst for five years. She has been wondering whether she should apply for a job transfer to a different department to broaden her skill set; however, she is not sure what type of work would satisfy her. Her HR contact, Heather, could send her an invitation to complete the WSA inventory. Heather could then download a PsyMax Solutions career report based on Kimberly's work style results. The report would describe the types of jobs that Kimberly would most likely enjoy and in which she would most likely succeed.

BUILDING A SUCCESS PROFILE

The WSA inventory measures 15 work styles. Different work styles are required to succeed in different jobs. In some jobs, employees must be exceptionally goal-oriented to succeed. In other jobs, the incumbents may need to be especially creative to be successful. Federal and professional guidelines suggest that organizations should carefully analyze which work styles are most important for a job before using an assessment.

The job analysis should result in a success profile. A success profile is the subset of the 15 work styles that are most important to successfully performing the job. Organizations should include the most critical work styles in their success profiles and pay most attention to these work styles during hiring, interviewing, development, and coaching. Industrial/organizational psychologists employ several methods to develop a success profile:

1. Facilitate a focus-group workshop with subject-matter experts (SMEs) to determine which work styles are most important for a given job.
2. Conduct a questionnaire-based job analysis. Multiple SMEs will complete a survey regarding which work behaviors are most critical for performing the job.
3. Observe the job and make inferences about which work styles are most critical.

In practice, job applicants and employees will complete the entire WSA inventory, and their results on all 15 work styles will be displayed. However, the subset of six to nine work styles that were identified as most critical and included in the success profile should be given extra consideration. The PsyMax Solutions reports use a special target symbol to highlight which work styles have been selected for the success profile.

Exhibit 1 provides examples of the work styles that might be included in the success profiles of three different job families. The success profiles could have been derived using any of the above job analysis methods.

In the example, the success profiles indicate that sales employees need to be goal oriented, engineers need to be analytical, and human resources personnel need to be supportive. The hiring managers and HR personnel using the work-style reports should give additional consideration to individuals' scores on success profile work styles. This does not mean that work styles not included in the success profile are *not* important. It just means that the work styles in the success profile are *most* important.

The success profile for a job or job family may be different from organization to organization or even within an organization. For example, the success profile for a sales person for an emerging, technology-based telecommunications company might be different from the success profile for a sales person in a mature, manufacturing-based organization. In addition, organizations may seek to hire people with different work styles into the same job. An organization may be seeking two new sales people, but have different requirements for each because the organization is seeking to diversify its sales approach. The organization may wish to hire a person with a very persuasive work style for one vacancy, and another with a more collaborative work style for the other opening.

The PsyMax Solutions selection reports also include a “degree-of-fit” score. The degree-of-fit score is an indicator of how well the individual scored on the work styles included in the success profile. The degree-of-fit score is the single best number to represent how likely the individual is to succeed in a job that requires the work styles included in the success profile. The degree-of-fit score allows employers to rank-order candidates on the basis of objective, job-relevant data.

CASE STUDY

Borders Group is an organization that uses work style assessment. Borders Group has over 32,000 employees and operates over 12,000 Borders and Waldenbooks stores around the world. The organization, headquartered in Ann Arbor, Michigan, is a publicly held Fortune 500 company with annual sales of \$3.7 billion.

Since 2002, Borders has used the work-style assessment inventory as a predictive tool to assist in the selection of its store and district managers. As a first step, Borders worked with psychologists at PsyMax Solutions to develop a success profile of the most critical work styles for performing these jobs. They continue to use the WSA inventory work style and degree-of-fit scores as part of the hiring process.

A recent independent study published by Cornell University documented that the WSA inventory has had a significant effect on store profits at Borders. The District Managers' WSA inventory scores over the last two years were analyzed. There was a significant relationship between District Managers' work styles, as measured by the WSA inventory, and annual district profitability. District Managers who scored better on the WSA had increased annual profits of \$11 million (Fields, G. & DeVares, J., March, 2004. One talent or many? Million dollar variables and statistically insignificant indexes. Cornell University - Department of Labor Economics).

Dan Smith, Borders' senior vice president of human resources, said, "Borders' success is determined by the management team at each location, and PsyMax helps us to identify the candidates with the characteristics that we know drive sales most." Borders concluded that using the assessment tools to help select managers is well worth the cost, and it will continue utilizing them. Borders also plans to conduct training programs for store managers and district managers to help them develop the specific work styles that drive profitability.

SUMMARY

Organizations have historically turned to experienced psychologists to help them assess and develop higher-level job applicants and employees. Now, advances in technology have allowed organizations to use affordable Internet-based platforms that can produce high-quality assessment and development reports. The lower price point for these platforms makes it feasible to use work style assessment for jobs throughout an organization. Finally, the demonstrated link between work style assessment and corporate profitability makes the decision even more powerful.

AUTHOR BIO

William Shepherd, Ph.D., is an industrial/organizational psychologist and president and chief operating officer of PsyMax Solutions, a Cleveland-based HR assessment and development company. Dr. Shepherd's previous posts include work in the Employee Capability & Competency Design group at GTE, and in the Global Selection Solutions Practice area of Personnel Decisions International. Most recently, Dr. Shepherd was the Director of Solution Design for ePredix, providing human capital measurement tools that drive organizational profitability.

Shepherd's applied work has included developing competency models, assessments, interview systems, and development tools for organizations to use in sourcing, hiring, developing, and promoting workers. He has led strategic staffing audits of organizations to evaluate and benchmark their staffing and retention methods against best practices. His work also has included the development, administration, interpretation, and action planning of organizational culture surveys.

Dr. Shepherd has presented his research at academic conferences of the American Psychological Association, the Society for Industrial/Organizational Psychology, and the Human Capital Metrics Consortium. In addition, he has published in *Personnel Psychology* and the *International Human Resources Information Management Journal*. He is also a contributing author to the *Successful Manager's Handbook*. His recent presentations have focused on the emerging trends and implication of the Internet-based assessment. He may be contacted via e-mail at wshepherd@psymaxsolutions.com.

Exhibit 1

Dimension	Work Style	Sales	Engineering	HR
Achieving Results	Goal-Oriented	<input checked="" type="checkbox"/>		
	Organized		<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
	Influential	<input checked="" type="checkbox"/>		
	Straightforward			<input checked="" type="checkbox"/>
Dealing With People	Supportive			<input checked="" type="checkbox"/>
	Collaborative		<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
	Sociable	<input checked="" type="checkbox"/>		<input checked="" type="checkbox"/>
	Persuasive	<input checked="" type="checkbox"/>		
Solving Problems	Analytical		<input checked="" type="checkbox"/>	
	Creative		<input checked="" type="checkbox"/>	
	Decisive			<input checked="" type="checkbox"/>
Managing Self	Tough Minded	<input checked="" type="checkbox"/>		
	Controlled		<input checked="" type="checkbox"/>	
	Confident	<input checked="" type="checkbox"/>		
	Independent		<input checked="" type="checkbox"/>	