

2.7: Cases and Problems

Chapter Summary

- The *selection process* refers to the steps involved in choosing someone who has the right qualifications to fill a current or future job opening.
- There are five main steps in the selection process. First, criteria should be developed to determine how the person will be chosen. Second, a review of the applications and résumés is conducted, often via a computer program that can find keywords. Next, interview the employee. The last steps involve administering tests, such as a personality test or drug test, and making the offer to the right candidate.
- The first step in selection is to review résumés. Even before you do this, though, it is important to develop criteria against which each candidate will be measured. Criteria can come from the job description as well as the job qualifications.
- Other tools, such as cognitive ability tests, credit checks, or personality tests, can be used to determine qualifications. When developing your criteria for interviewing, determine the level the applicant needs to meet to meet the minimum criteria—for example, a minimum score for a personality test.
- We should be concerned with validity and reliability of measurement tools. *Validity* refers to how valid the test is—that is, how well a test measures a candidate’s abilities to do a job. *Reliability* refers to which selection techniques yield similar data or results over time. It is important to choose the right measurement tool used to determine whether the candidate meets the criteria.
- Use of criteria before the interview process starts is also important to make sure *disparate impact* or *disparate treatment* do not occur in the interview process.
- When hiring, there is the option of internal and external candidates. Each has its own set of advantages and disadvantages. Internal candidates may be able to “hit the ground running” but external candidates may come in with new perspectives. Even if an internal candidate seems to be the best hire, it is best to still perform the process of posting the job and interviewing, since other less vocal employees might be qualified internal candidates as well. In other words, don’t assume one person is the obvious choice for the promotion.
- Traditional, telephone, panel, informational, meal, group, and video are types of interviews. A combination of several of these may be used to determine the best candidate for the job. A *structured interview* format means the questions are determined ahead of time, and *unstructured* means the questions are based on the individual applicant. The advantage of a structured interview is that all candidates are rated on the same criteria. Before interviewing occurs, criteria and questions for a structured interview should be developed.
- Interview questions can revolve around *situational questions* or *behavioral questions*. Situational questions focus on asking someone what they would do in a given situation, while behavioral questions ask candidates what they would have done in certain situations.
- Interview questions about national origin, marital status, age, religion, and disabilities are illegal. To avoid any legal issues, it is important for interviewers to be trained on which questions cannot be asked. The *halo effect*, which assumes that one desirable trait means all traits are desirable, should also be avoided.
- The process involved in interviewing a person includes the following steps: recruit new candidates; establish criteria for which candidates will be rated; develop interview questions based on the analysis; set a time line for interviewing and decision making; connect schedules with others involved in the interview process; set up interviews with candidates and set up any testing procedures; interview the candidates and perform any necessary testing; and once all results are back, meet with the hiring team to discuss each candidate and make a decision based on the established criteria. Finally, put together an offer for the candidate.
- Developing a rapport, being honest, and managing the interview process are tips to having a successful interview.
- Once the interview process is complete, some companies use other means of measuring candidates. For example, work samples are an excellent way of seeing how someone might perform at your company.
- An *aptitude test* or *achievement test* can be given. An aptitude test measures how well someone might be able to do something, while an achievement test measures what the candidate already knows. Tests that measure cognitive ability and personality are examples.
- Some organizations also perform drug tests and physical tests. A physical test might consist of being able to lift a certain amount of weight, if required for the job. Honesty tests are also given, which measure the honesty level of the candidate. However, these tests may not be reliable, since someone can guess the “right” answer.

- Facebook, Twitter, and other social networking websites are used to gather information about a candidate. Calling references is another option.
- Every person interviewing the candidate should have a selection model; this method utilizes a *statistical approach* as opposed to a *clinical approach*. The selection table lists the criteria on the left and asks interviewers to provide a rating for each. This method can allow for a more consistent way of measuring candidates.
- The job of the HR professional isn't finished once the selection is made. The next step is to make the offer. This step is important, because if it isn't done properly, you could lose the candidate or have ill feelings at the onset of the employment relationship.
- Once you have made the decision to hire someone, make the offer to the candidate right away. Normally this is done through a phone call and a follow-up e-mail, outlining the details of the offer.
- It is not unusual for someone to negotiate salary or benefits. Know how far you can negotiate, and also be aware of how your current employees will be affected if you offer this person a higher salary.
- If you are having trouble coming to an agreement, be creative in what you can offer; for example, offer flextime instead of higher pay.

Chapter Case

The Four-Fifths Rule

The four-fifths rule is a way of measuring adverse impact in selection processes of organizations. It works like this: assume your organization requires a cognitive test for employment. You set a test score of 70 as the required pass rate for the candidate to be considered for an interview. Based on our numbers, if 50 percent of men passed this test with a score of 70, then four-fifths or 80 percent of women should also be able to pass the test. You might calculate it like this:

Gender	Total who scored 70 or above	Total who took the test	Percent
Male	52	62	83.8 or 84% passed
Female	36	58	62.07 or 62%

If you divide the total of who scored above 70 by the total number who took the test, it shows the percentage of 84 percent passed the test. If you divide the number of women who passed by the total number of women who took the test, you come up with 62 percent. Then divide 62 percent by 84 percent ($62/84 = 73.8\%$). The resulting 74 percent means that it is below the 80 percent or the four-fifths rule, and this test could be considered to have disparate impact.

$52/62 = 84\%$ of men who took the test passed the test

$36/58 = 62\%$ of women who took the test passed the test

$62/84 = 73.8\%$, less than 80%, which could show disparate impact

This is only an indicator as to how the selection process works for the organization, and other factors, such as sample size, can impact the reliability of this test. Using the tables below, please calculate possible disparate impact and then answer the questions that follow.

National Origin	Passing Test Score	Total Number Taking the Test	Percent
Caucasians	56	89	
Minority groups	48	62	

Age	Passing Test Score	Total Number Taking the Test	Percent
People under 40	28	52	
People over 40	23	61	

Gender	Passing Test Score	Total Number Taking the Test	Percent
Male	71	82	

Gender	Passing Test Score	Total Number Taking the Test	Percent
Female	64	85	

1. Please calculate the above numbers using the four-fifths rule. Based on your calculation:

1. Which group or groups might be affected negatively by this test?
2. What would be your considerations before changing any selection tools based on this data?
3. How might you change your selection process to ensure disparate impact isn't occurring at your organization?

? Team Activity

1. In a team of two, take the Big Five personality test online (<http://www.outofservice.com/bigfive/>) and compare scores.
2. Assume you are hiring a retail salesperson and plan to administer the same Big Five personality test you took above. In your team, develop minimum percentile scores for each of the five areas that would be acceptable for your new hire.

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