Personnel assessment is a systematic approach to gathering information about individuals. This information is used to make employment or career-related decisions about applicants and employees.

Assessment is conducted for some specific purpose. For example, you, as an employer, may conduct personnel assessment to select employees for a job. Career counselors may conduct personnel assessment to provide career guidance to clients.

**Chapter Highlights**

1. Personnel assessment tools: tests and procedures
2. Relationship between the personnel assessment process and tests and procedures
3. What do tests measure?
4. Why do organizations conduct assessment?
5. Some situations in which an organization may benefit from testing
6. Importance of using tests in a purposeful manner
7. Limitations of personnel tests and procedures—fallibility of test scores.

**Principles of Assessment Discussed**

Use assessment tools in a **purposeful manner**. Use the whole-person approach to assessment.

**1. Personnel assessment tools: tests and procedures**

Any test or procedure used to measure an individual's employment or career-related qualifications and interests can be considered a personnel assessment tool. There are many types of personnel assessment tools. These include traditional knowledge and ability tests, inventories, subjective procedures, and projective instruments. In this guide, the term **test** will be used as a generic term to refer to any instrument or procedure that samples behavior or performance.

Personnel assessment tools differ in
• **Purpose**, e.g., selection, placement, promotion, career counseling, or training
• **What they are designed to measure**, e.g., abilities, skills, work styles, work values, or vocational interests
• **What they are designed to predict**, e.g., job performance, managerial potential, career success, job satisfaction, or tenure
• **Format**, e.g., paper-and-pencil, work-sample, or computer simulation
• **Level of standardization, objectivity, and quantifiability**

Assessment tools and procedures vary greatly on these factors. For example, there are subjective evaluations of resumes, highly structured achievement tests, interviews having varying degrees of structure, and personality inventories with no specific right or wrong answers.

All assessment tools used to make employment decisions, regardless of their format, level of standardization, or objectivity, are subject to professional and legal standards. For example, both the evaluation of a resume and the use of a highly standardized achievement test must comply with applicable laws. Assessment tools used solely for career exploration or counseling are usually not held to the same legal standards.

2. **Relationship between the personnel assessment process and tests and procedures**

A personnel test or a procedure provides only part of the picture about a person. On the other hand, the personnel assessment process combines and evaluates all the information gathered about a person to make career or employment-related decisions. Figure 1 on page 1-3 highlights the relationship between assessment tools and the personnel assessment process.

3. **What do tests measure?**

People differ on many psychological and physical characteristics. These characteristics are called **constructs**. For example, people skillful in verbal and mathematical reasoning are considered high on **mental ability**. Those who have little physical stamina and strength are labeled low on **endurance** and **physical strength**. The terms **mental ability**,
**endurance** and **physical strength** are constructs. **Constructs** are used to identify personal characteristics and to sort people in terms of how much they possess of such characteristics.

Constructs cannot be seen or heard, but we can observe their effects on other variables. For example, we don't observe physical strength but we can observe people with great strength lifting heavy objects and people with limited strength attempting, but failing, to lift these objects. Such differences in characteristics among people have important implications in the employment context. Employees and applicants vary widely in their knowledge, skills, abilities, interests, work styles, and other characteristics. These differences systematically affect the way people perform or behave on the job.

These differences in characteristics are not necessarily apparent by simply observing the employee or job applicant. Employment tests can be used to gather accurate information about job-relevant characteristics. This information helps assess the fit or match between

<table>
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<tr>
<th>Tests, inventories, and procedures</th>
<th>assessment tools that may be used to measure an individual's abilities, values, and personality traits. They are components of the assessment process.</th>
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<tbody>
<tr>
<td>observations</td>
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<td>resume evaluations</td>
<td>personality inventories</td>
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<td>application blanks/questionnaires</td>
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**Assessment process**

Systematic approach to combining and evaluating all the information gained from testing and using it to make career or employment-related decisions.

**Figure 1. Relationship between assessment tools and the assessment process.**
people and jobs. To give an example, an applicant’s score on a mechanical test reflects his or her mechanical ability as measured by the test. This score can be used to predict how well that applicant is likely to perform in a job that requires mechanical ability, as demonstrated through a professionally conducted job analysis. Tests can be used in this way to identify potentially good workers.

Some tests can be used to predict employee and applicant job performance. In testing terms, whatever the test is designed to predict is called the criterion. A criterion can be any measure of work behavior or any outcome that can be used as the standard for successful job performance. Some commonly used criteria are productivity, supervisory ratings of job performance, success in training, tenure, and absenteeism. For example, in measuring job performance, supervisory ratings could be the criterion predicted by a test of mechanical ability. How well a test predicts a criterion is one indication of the usefulness of the test.

4. Why do organizations conduct assessment?

Organizations use assessment tools and procedures to help them perform the following human resource functions:

• **Selection.** Organizations want to be able to identify and hire the best people for the job and the organization in a fair and efficient manner. A properly developed assessment tool may provide a way to select successful sales people, concerned customer service representatives, and effective workers in many other occupations.

• **Placement.** Organizations also want to be able to assign people to the appropriate job level. For example, an organization may have several managerial positions, each having a different level of responsibility. Assessment may provide information that helps organizations achieve the best fit between employees and jobs.

• **Training and development.** Tests are used to find out whether employees have mastered training materials. They can help identify those applicants and employees who might benefit from either remedial or advanced training. Information gained from testing can be used to design or modify training programs. Test results also help individuals identify areas in which self-development activities would be useful.
• **Promotion.** Organizations may use tests to identify employees who possess managerial potential or higher level capabilities, so that these employees can be promoted to assume greater duties and responsibilities.

• **Career exploration and guidance.** Tests are sometimes used to help people make educational and vocational choices. Tests may provide information that helps individuals choose occupations in which they are likely to be successful and satisfied.

• **Program evaluation.** Tests may provide information that the organization can use to determine whether employees are benefiting from training and development programs.

5. Some situations in which an organization may benefit from testing

Some situations include the following:

• Current selection or placement procedures result in poor hiring decisions.
• Employee productivity is low.
• Employee errors have serious financial, health, or safety consequences.
• There is high employee turnover or absenteeism.
• Present assessment procedures do not meet current legal and professional standards.

6. Importance of using tests in a purposeful manner

Assessment instruments, like other tools, can be extremely helpful when used properly, but counter-productive when used inappropriately. Often inappropriate use stems from not having a clear understanding of what you want to measure and why you want to measure it. Having a clear understanding of the purpose of your assessment system is important in selecting the appropriate assessment tools to meet that purpose. This brings us to an important principle of assessment.

**Principle of Assessment**

Use assessment tools in a *purposeful manner*. It is critical to have a clear understanding of what needs to be measured and for what purpose.
Assessment strategies should be developed with a clear understanding of the knowledge, skills, abilities, characteristics, or personal traits you want to measure. It is also essential to have a clear idea of what each assessment tool you are considering using is designed to measure.

7. Limitations of personnel tests and procedures—fallibility of test scores

Professionally developed tests and procedures that are used as part of a planned assessment program may help you select and hire more qualified and productive employees. However, it is essential to understand that all assessment tools are subject to errors, both in measuring a characteristic, such as verbal ability, and in predicting performance criteria, such as success on the job. This is true for all tests and procedures, regardless of how objective or standardized they might be.

- **Do not** expect any test or procedure to measure a personal trait or ability with perfect accuracy for every single person.
- **Do not** expect any test or procedure to be completely accurate in predicting performance.

There will be cases where a test score or procedure will predict someone to be a good worker, who, in fact, is not. There will also be cases where an individual receiving a low score will be rejected, who, in fact, would actually be capable and a good worker. Such errors in the assessment context are called selection errors. Selection errors cannot be completely avoided in any assessment program.

Why do organizations conduct testing despite these errors? The answer is that appropriate use of professionally developed assessment tools on average enables organizations to make more effective employment-related decisions than use of simple observations or random decision making.

Using a single test or procedure will provide you with a limited view of a person's employment or career-related qualifications. Moreover, you may reach a mistaken conclusion by giving too much weight to a single test result. On the other hand, using a variety of assessment tools enables you to get a more complete picture of the individual. The practice of using a variety of tests and procedures to more fully assess
people is referred to as the *whole-person approach* to personnel assessment. This will help reduce the number of selection errors made and will boost the effectiveness of your decision making. This leads to an important principle of assessment.

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<td>Do not rely too much on any one test to make decisions. Use the <em>whole-person approach</em> to assessment.</td>
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