

Increasing Fairness, Objectivity and Legal Defensibility using Psychometrics





INTRODUCTION

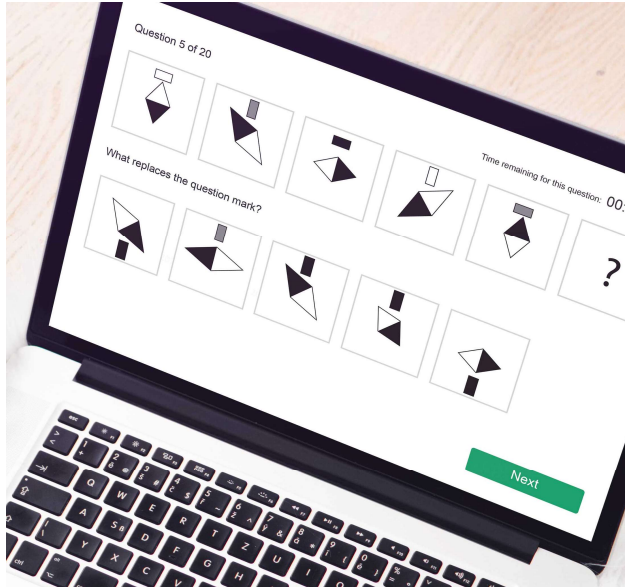
Creating fair and defensible selection processes is a key objective of any employing organisation, but is very hard to achieve in practise.

Organisations typically rely on highly subjective candidate screening tools such as unstructured interviews, and the greater the subjectivity, the higher the potential for unconscious biases. Moreover, the more subjective the selection tool, the less defensible the tool in a legal context. For example, how would you justify the selection decisions made through your interviews if challenged? How would you quantify the fairness of your interviews, and to what statistical standards should they be held against?

Online psychometric assessments however, undergo rigorous quality control procedures, ensuring both validity and fairness through objectivity.

Predictive validity, accuracy, and fairness across legally protected groups is quantified, requiring compliance with accepted statistical standards set by the professional bodies in psychology. When challenged, presenting such evidence ensures psychometric assessments are highly defensible, standing up to the highest levels of scrutiny.

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ABOUT TEST PARTNERSHIP

Test Partnership is a London-based psychometric test publisher, specialising in online assessments for recruitment and selection.

Unlike other psychometric test publishers who focus solely on enterprise clients, we welcome small-medium sized enterprises and mid-market companies with open arms.

By removing the unnecessary barriers which discourage smaller organisations from adopting psychometrics, we make psychometric testing accessible to everyone, no matter what size.

As a result, our client list comprises organisations of all kinds, ranging from large-cap multinational corporations to micro-employers with fewer than 10 employees.

FAIRNESS AND DIVERSITY

WHY OBJECTIVITY IN EMPLOYEE SELECTION MATTERS

Subjective employee selection tools, such as unstructured interviews, are often little more than random guessing when it comes to quality-of-hire. Selection decisions are often made solely on whether the interviewer thinks the candidate “fits” into the organisation, rather than an objective standard of quality. Would a different interviewer feel the same way about the candidate? Does subjective opinion on “fit” correspond to real word performance in the role?

Where possible, employing organisations should seek to maximise the objectivity of their selection processes. Unlike subjective selection tools, objective selection tools aim to reliably measure individuals on specific characteristics, independent of the assessors taking those measurements. In the case of online psychometric assessments, it does not matter who administers the assessment, as the assessments are themselves standardised. This standardisation ensures that candidate performance is not contingent on the assessor, and that fixed candidate quality standards can be set and maintained.

Whereas with unstructured interviews, different interviewers may give wildly different opinions on candidate quality, leading to significant inefficiencies.

Objective employee selection tools also have the advantage of being easily recorded, stored, and analysed, providing a wealth of data to support the validity of a selection process.

With online assessments, accuracy can be easily quantified, justifying specific selection decisions within reasonable standards of error.

This depth of data is simply unavailable to subjective employee selection tools, reducing the level of confidence employing organisations should place in them.

Standardisation ensures that candidate performance is not contingent on the assessor, and that fixed candidate quality standards can be set and maintained.

WHY FAIRNESS IN EMPLOYEE SELECTION MATTERS

Although fairness seems like an obvious objective of any employee selection process, how many organisations empirically evaluate the fairness of their selection processes? And those that do, how many rely on discredited techniques like the four-fifths rule?

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To further complicate matters, organisations typically look solely at selection decisions when evaluating fairness, rather than the specific selection tools used.

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With interviews, proving fairness is extremely difficult, and could only reasonably be attempted if hundreds of interviewees are assessed, providing a sufficient sample for statistical analysis. High quality online assessments however, are thoroughly investigated during the R&D process by trialling the assessment on thousands of participants before entering the market. This ensures that the level of fairness regarding specific protected groups is both ensured, recorded, and shared with users of the assessments.

For more powerful psychometric assessments, such as those offered by Test Partnership, more in-depth analyses are conducted, investigating the fairness of every single question, not just the assessment itself. Complex Item Response Theory (IRT) analyses known as Differential Item Functioning (DIF) investigate how questions “behave” across different groups, investigating potential biases at the question level. Questions displaying biases against protected groups are removed before entering the final item bank, protecting individuals from compromised questions. Potential users of online assessments are advised to question vendors regarding their depth of data during R&D, along with how far they go to ensure fairness.

PERCEIVED CANDIDATE FAIRNESS IN ASSESSMENT

Increasingly, employing organisations are recognising the importance of candidate experience. Today, employers are competing to recruit candidates just as much as candidates are competing for employment. This makes candidate attraction more important than ever before, with the onus on the employer to provide an excellent candidate experience.

Among the most important elements underlying a great candidate experience is the perceived fairness of the process, the extent in which the candidate feels fairly treated.

Interviews (particularly unstructured interviews), represent one of the most subjective and bias prone selection tools used today. Even to those conducting the interview, the basis of selection decisions using interviews is difficult to understand, and even more difficult to articulate. Interviewers may feel that the candidate simply wouldn't "fit" into the organisation, based on their subjective perceptions from talking to a stranger for 20 minutes. Other interviewers may claim that the candidate "isn't suited to the role", without elaborating on what that means or why they feel that way.

Justifiably, many candidates will feel unfairly treated, especially if you are screening out many candidates via interview.

Taken to its logical extreme, candidates may contest the results of the interview, either informally or through official channels. Aside from the legal implications of being perceived as unfair, the potential for reputational damage can be significant.

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Similarly, should the employer get publicly shamed for unfair selection processes, the damage to the brand could be irreparable.

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Psychometric assessments however, are not affected by subjective judgements from assessors. Instead, scores are generated solely based on the candidate's provided responses and are not influenced by the subjective biases of those administering the assessments. This is especially valuable in high volume recruitment, where most candidates will be de-selected.

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While also being more objective, de-selection via online assessment can seem far less personal than being deselected based on an interview.

De-selection based on interview often gives candidates the impression that the interviewer didn't like them as people, which can be difficult not to take personally. This can be particularly troubling for candidates who initially thought the interview was going well, causing them to question their own likeability. De-selection through psychometrics however, is less personal, and is not a reflection of how likable you are a person.

LEGAL DEFENSIBILITY IN ONLINE ASSESSMENTS

The worst possible scenario from a selection and assessment perspective, is the threat of litigation by candidates from legally protected groups. If a candidate is unfairly treated based on their membership to a legally protected group, i.e. ethnicity, age, gender, sexuality etc, the employer is acting unlawfully. Candidates then have the right to contest the selection process on legal grounds, and if found in favour, entitled to significant damages from the employing organisation. Overall, the threat of legal action and its associated costs should in theory compel employers to maximise the overall fairness and defensibility of their selection process.

However, many employers still rely on unstructured interviews to form selection decisions.

Unfortunately, interviews (particularly unstructured interviews) can be exceedingly difficult to defend due to their inherent subjectivity. Although the interviewer may claim they de-selected a candidate due to poor “fit” with the organisation, how would the interviewer prove it wasn’t because of the candidate’s race? Indeed, how do interviewers prove that their perceptions of “fit” aren’t merely unconscious biases against members of ethnicities, genders or sexualities? These positions are incredibly difficult to defend, and many accused organisations would have no idea how to protect themselves legally and reputationally from these accusations.

Psychometric assessments however, have various statistical and legal standards regarding fairness across protected groups. Adverse impact analysis is used to quantify the average difference in score between groups i.e. males vs females, white candidates v BME candidates etc, and report the findings of this research. With reputable psychometric test publishers, not only should this research have been conducted, but its findings should be readily available to clients, helping them defend their selection processes from accusations of unfair treatment.

For example, if a candidate from a particular ethnicity claims unfair treatment based on psychometric test performance, but research clearly shows no significant adverse impact against that ethnicity, the candidate has little recourse. Because psychometric assessments are standardised products, which undergo rigorous research and development before launch, they are far easier to defend from employment litigation than interviews.

USING ABILITY TESTS TO IMPROVE FAIRNESS AND LEGAL DEFENSIBILITY

Ability tests are among the strongest predictors of future job performance known, making them essential to any effective selection process. Moreover, the use of ability testing has become very mainstream, and thus candidates are likely to readily accept a request to complete one.

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To maximise the perceived fairness and legal defensibility of ability testing, the following should be applied:

Never use ability tests that have not undergone adverse impact research. In the event of unfairness accusations, you will rely on the test publisher to provide evidence of fairness to strengthen your case.

1. Test for specific abilities early:

When testing for specific abilities such as verbal, numerical and inductive reasoning, use these assessments early in the selection process. To maximise perceived fairness, assessment tools should increase in complexity throughout the process i.e. begin with a simple eligibility screen and culminate in an assessment centre. Imagine how you would feel if you had passed a telephone interview, aced your face to face interview, killed it during your presentation exercise, but were then screened out because of a 15-minute numerical reasoning test right before receiving an offer. Naturally, you wouldn't feel great, and candidates won't feel great either. Specific ability tests should therefore be used early, which will be perceived as significantly fairer than using them at the later stages of the recruitment process.

2. Test for high-order abilities mid-stage:

When testing for higher order abilities, such as critical thinking, use these assessments mid-process. Critical thinking represents a more complex cognitive activity than say, verbal reasoning, making it more suitable to mid-low volume recruitment. By the time you have reached the mid-late stage of the recruitment process, candidates assume they already have the basic skills required to perform the role and may take offense to being tested on them. However, candidates will not be offended if you assess them on those higher-order factors, which are more proximally important to performance. Mid-stage candidates are more likely to perceive these complex ability tests as fair, compared to simpler ability tests which belong more to early stage sifting.

3. Ensure that adverse impact research is available:

Never use ability tests that have not undergone adverse impact research. In the event of unfairness accusations, you will rely on the test publisher to provide evidence of fairness to strengthen your case. If the publisher has not completed this research or made it available, the defensibility of your selection process will be limited. Access to this research ensures that if your organisation is taken to an employment tribunal and your selection process is scrutinised, you will already have supporting evidence.

If this evidence is not presented, or even worse, if the available evidence does suggest that your selection tool discriminates unfairly against a legally protected group, it will significantly weaken your case. Instead, only use ability tests if the test publisher is able and willing to provide the findings of adverse impact research.

4. Explain to candidates why you use ability tests: Although ability tests are among the most powerful predictors of future performance, many candidates are not aware of this. To those that are unfamiliar with the research, academic qualifications may be considered sufficient to prove one's ability in maths and English. Cognitive ability tests are far more complex than typical maths and literacy exams, measuring a complex network of essential cognitive functions. These functions are key determiners of employee performance, as they dictate how well employees learn, make decision, apply information and solve meaningful problems. To help improve the perceived fairness of the process, let the candidates know exactly why they are required to complete ability tests, and why that is beneficial to both candidates and employers.

5. Use a range of different ability

tests: To ensure that certain individuals are not unfairly disadvantaged based on their relative cognitive skills, we recommend you use a range of ability tests. For example, two people could be equally "smart", but one may be stronger on verbal reasoning and the other could be stronger on numerical reasoning. If your selection process only contains a numerical reasoning test, the candidate stronger in verbal reasoning will be disadvantaged, whereas only using the verbal reasoning test would disadvantage the candidate stronger in numerical reasoning. Both selection tools tend to be equally predictive of employee performance and using both will improve the predictive validity of the selection process over either test individually. Using both would ensure that neither candidate is disadvantaged, allowing them both to show their strengths.

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USING PERSONALITY QUESTIONNAIRES TO IMPROVE FAIRNESS AND LEGAL DEFENSIBILITY

Personality questionnaires are extremely useful tools when improving the fairness and defensibility of selection processes. This is because they measure key behavioural traits, which differ significantly from the cognitive traits measured by ability tests.

If you screen a candidate out of the process for not being resilient enough but progress another candidate that is equally low in resilience, this outcome cannot be considered fair to the first candidate.

To maximise the fairness and legal defensibility of personality questionnaires, the following should be applied:

1. Combine personality questionnaires with ability tests:

Personality and ability scores tend to show low correlations with one another, meaning they measure very different things.

2. Decide beforehand which traits are important:

Deciding which personality traits are important before starting the selection process is essential. If your selection process is inconsistent, applying different standards to different candidates, it couldn't possibly be considered fair. For example, if you screen a candidate out of the process for not being resilient enough but progress another candidate that is equally low in resilience, this outcome cannot be considered fair to the first candidate. A thorough job analysis should be conducted beforehand, ensuring that organisations know exactly which specific traits they are interested in, and which they are not. But most importantly, ensure that you only make selection decisions using those specific traits, and that a set standard is applied equally to all candidate.

3. Make decisions with actuarial scores, not wash-up scores:

Selection decisions using personality questionnaires should be based solely on the average scores on the relevant traits. Assessors should not make decisions based on how they "feel" the candidate did on the personality questionnaire, which introduces assessor bias into the process. At best, this removes much of the valuable objectivity gained through using psychometric testing

. At worst, it allows unconscious biases to permeate the selection process, reducing the fairness and defensibility of the selection process. Instead, assessors should simply average each candidate's scores on the relevant traits, using that as an overall determiner of job fit. By using simple average, assessors avoid the potential for unconscious biases to interfere with selection decisions, maintaining objectivity.

4. Only select candidates based on work-relevant traits: Not all personality traits will be predictive of performance in every role. Moreover, in some roles, certain traits will be positively predictive of performance, but negatively predictive in others. When facing employment litigation, your choice of traits which form selection decisions is likely to come under scrutiny. Therefore, when deciding which traits to select candidates against, aim to only include those which are rationally related to performance in that specific role. Not only will this vastly improve the predictive power of your selection process, it improves its defensibility as well. It is therefore vital that you avoid choosing traits which are not directly relevant to the role or would be difficult to defend in an employment tribunal.

USING SITUATIONAL JUDGEMENT TESTS TO IMPROVE FAIRNESS AND LEGAL DEFENSIBILITY

Situational judgement tests (SJTs), like personality questionnaires, have significant potential to improve the fairness and defensibility of selection processes. Moreover, SJTs can be combined with both ability tests and personality questionnaires, further diversifying the selection process. To maximise the fairness and legal defensibility of SJTs, the following should be applied:

1. Do not make selection decisions based on SJT sub scores:

Historically, psychologists and practitioners believed that SJTs could measure pretty much anything, often designing SJTs around an organisations specific competency framework.

Not only does the evidence contradict the existence of specific competencies within SJTs, but small subsets of questions typically show lower levels of reliability than the overall score, reducing validity in the process.

Recent research has shown that SJTs do not and cannot measure specific competencies, and thus any supposed score on a specific trait i.e. organisational ability, interpersonal skills etc, is effectively meaningless. Instead, this research shows that SJTs measure a fairly unidimensional construct, an overall situational judgement factor, rather than a range of specific traits.

Bespoke SJTs can be considerably more face-valid than off-the-shelf SJTs, without becoming more transparent to candidates.

This means that any sub scores derived from an SJT will provide far less utility than the full, overall score. Instead, use SJTs that provide an overall score, which is more reliable, valid and fair.

2. Combine SJTs with ability tests and / or personality questionnaires:

SJTs are among the most flexible selection tools, complimenting both ability tests and personality questionnaires. Due to their ease of use, and the relatively low-stress nature of SJTs, adding them to other online assessments offers many benefits over and above using them in isolation.

Because SJTs are untimed, allowing candidates to take as much or as little time as they need, they can help de-stress candidates after completing ability tests. Similarly, because SJTs tend to appear particularly work-relevant, adding SJTs to personality questionnaires can help improve the face validity of the selection process. Few psychometric tests offer these candidate experience enhancement benefits, making SJTs uniquely positioned to supplement other assessments.

1. Commission bespoke SJTs for specific roles:

Compared to other psychometric assessments, SJTs are highly customisable, providing a realistic job preview. Personality questionnaires are very difficult to customise, as role-specific questionnaires tend to become very transparent and easily gamed. Ability tests, although highly customisable, require large item banks to prevent cheating, making bespoke ability tests disproportionately expensive.

Bespoke SJTs however, can be created with relative ease, without making the assessment easily gamed. Bespoke SJTs can be considerably more face-valid than off-the-shelf SJTs, without becoming more transparent to candidates. Although this option is still only cost effective for larger employers, commissioning a bespoke SJT can greatly improve candidate experience and the perceived fairness of the assessment.



Psychometrics, which quantify and report the fairness across legally protected groups, serve to enhance the defensibility of selection processes.

SUMMARY

Employers have a responsibility to ensure the fairness of their selection processes, minimising the unwanted effects of subjective biases.

Similarly, organisations are well advised to avoid the significant reputational damage which accompanies accusations of unfair treatment, whether actual or perceived.

Psychometrics, which quantify and report the fairness across legally protected groups, serve to enhance the defensibility of selection processes.