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Managing Sustainable Selection Programs

JERARD F. KEHOE, STEFAN T. MOL, AND NEIL R. ANDERSON

The objective of this chapter is to describe the major features of selection programs that contribute to their sustainable success. This chapter focuses on four primary drivers of sustainability: (a) the organizational purposes for selection, (b) HR strategy, (c) governance, and (d) process management. The chapter will not include the psychometric technology of selection practices that affect the value of selection decisions as this content is treated elsewhere in this volume (e.g., Aiken & Hanges, Chapter 17, this volume; Putka, Chapter 1, this volume). Further, the section on process management only addresses the role of process metrics. Other, more detailed treatments of selection process management are available elsewhere, especially Tippins (2002, 2012). This chapter is the result of collaboration between psychologists with U.S.- and European-centric professional experience. The intent is not so much to ensure comprehensive coverage of cultural or national differences between sustainable selection programs as much as it is to better ensure that this chapter is relevant to modestly diverse cultural and national perspectives and contexts.

Several recent chapters (Kehoe, Brown, & Hoffman, 2012; Roe, 2005; Tippins, 2002; Tippins, Solberg, & Singla, Chapter 16, this volume; and Tippins, 2012) and one article (Klehe, 2004) have addressed the design and implementation of selection programs. This chapter's focus on the organizational context for selection programs complements these earlier works. Tippins (2002) and Roe (2005) focused primarily on the procedural elements of the selection process. In contrast, Tippins (2002, 2012) and Tippins et al. (Chapter 16, this volume) focused more on the necessary elements of a fully functioning selection program such as the management of test materials, test administration processes, test preparation strategies, and test use rules. Kehoe et al. (2012) focused primarily on management practices for selection programs. Finally, Klehe (2004) focused on the institutional pressures that may help or hinder the adoption of selection procedures that are recommended by academics.

Finally, it should be noted that this chapter complements Chapter 5, this volume, which also addresses the organizational context for selection. In contrast to Chapter 5, this chapter treats the organizational context as an independent variable, if you will, that influences the features of selection programs necessary to be sustainable. In Chapter 5, Ployhart and Weekley focus on the organization as the dependent variable by considering the impact of selection as a human resources management (HRM) strategy on the organization.

ORGANIZATION CONTEXT FOR SELECTION

The central point of this chapter is that the four layers of organization context and structure directly influence the sustainability of selection programs. At the most general level, *organization*

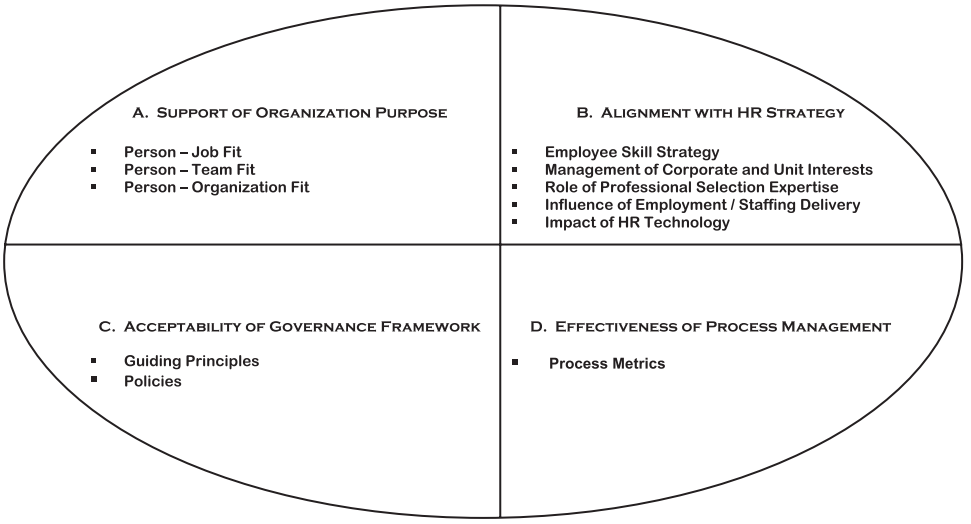

FIGURE 9.1 The Four-Part Model of Organizational Factors Influencing the Sustainability of Selection Programs

purposes create the environment in which the most fundamental decisions about sourcing employees are made. Second, the *HR strategy* is likely to provide essential direction in establishing the goals and objectives of a selection program and the manner in which it is integrated with other HR programs and business processes. Third, *governance* establishes the authorities, accountabilities, boundary conditions, and roles that enable the selection program to function effectively and efficiently within the context of other HR processes. Finally, *selection process management* is the most specific form of structure within which selection programs operate. The elements of process management are highly specific to the functioning of a selection program. They can be common across all units and jobs or they can vary across units and jobs. Figure 9.1 provides a visual depiction of these sustainability considerations as well as the specific points underlying each one that are addressed in this chapter.

Before describing the four layers of organizational context that affect sustainability, we offer our perspective about the meaning of selection system sustainability.

DEFINING SELECTION SYSTEM SUSTAINABILITY

This chapter applies an institutional perspective (DiMaggio & Powell, 1991; Scott, 1995) to the definition of selection system sustainability by means of our focus on organization purpose, HR strategy, governance, and process management. Thus, rather than defining selection system sustainability in terms of economically rational decision making, which is epitomized in much of the academic literature pertaining to personnel selection, selection system sustainability is defined here in terms of a normative rationality that is contingent upon individual-level factors (e.g., managers' norms, habits, and unconscious conformity to organizational traditions), the organizational level (e.g., corporate culture, shared belief systems, and political processes), and the societal level (e.g., legislation and professional standards) (Oliver, 1997). In our view, a selection system is sustainable to the extent that its purpose, strategy, governance, and management are consistent with these touchstones. A vital implication of our perspective is that although an organization may have designed a sophisticated selection procedure that displays high validity, reliability, and fairness to begin with, paying insufficient attention to sustainability issues will inevitably result in disuse or, more subtly, a gradual (or even rapid) decline in the psychometric performance of the system over time.

ORGANIZATION PURPOSES

Traditionally, the efficacy of personnel selection has been evaluated primarily in terms of the fit between the selected person and their immediate job role (i.e., person-job fit; Chatman, 1991; Ostroff & Rothausen, 1996). As organizations have become more delayered, flexible, and team-based in their structures, the imperative to evaluate personnel selection from additional, more superordinate levels of fit has gained momentum among researchers and personnel practitioners who are active in employee selection. Principally this has meant that issues of person-team fit (P-T fit) and person-organization fit (P-O fit) have been added to the selection agenda over recent years, and the need to consider any selection decision from all three levels of analysis—person-job fit (P-J fit), P-T fit, and P-O fit—has been increasingly recognized (e.g., Ployhart & Schneider, 2005). In effect, this has resulted in the criterion space under consideration in selection being substantially extended to include other levels of fit. Yet this expansion of the criterion space has only been rather recent, and the research base upon which I-O psychologists can make grounded recommendations to organizations to best manage multilevel selection systems remains underdeveloped. To illustrate this point, two quotes will suffice.

> The critical challenge is to expand our conceptual horizon beyond the level of person-job fit and to incorporate multiple and interactive levels of analysis into selection decision-making.
>
> (Herriot & Anderson, 1997, p. 26)

> Reflecting on nearly a century of personnel selection research, it is quite troubling to us that we have no solid answers . . . and approaches to answering the questions that remain outside of traditional personnel selection research. We may be able to show how hiring better people contributes to better individual job performance, but we have hardly examined whether this contributes to better unit-level performance.
>
> (Ployhart & Schneider, 2005, p. 496)

This relative paucity of research into selecting for P-T and P-O fit compared against the mass of studies into aspects of P-J fit of course leads to problems in making sound recommendations for the management of selection systems at different levels of analysis (e.g., Anderson, Lievens, van Dam, & Ryan, 2004; Ployhart, 2007; Schneider, Smith, & Sipe, 2000). Despite this discrepancy in research coverage, the area of multilevel selection has recently become far more active, and several authors internationally have contributed theoretical models (e.g., Ployhart & Schneider, 2002; Ployhart, 2004; Stevens & Campion, 1994), empirical studies have been published (e.g., LePine, Hollenbeck, Ilgen, & Hedlund, 1997; Morgeson, Reider, & Campion, 2005), and even validated measures of P-T fit have appeared in publication (e.g., Burch & Anderson, 2004; Mumford, Van Iddekinge, Morgeson, & Campion, 2008). In short, there has been a far more speculative approach than clear signs of having arrived in terms of the focus being put upon the generation of theoretical models and conceptual think-piece papers rather than the publication of robust empirical studies into multilevel selection effects.

Despite these shortcomings, several important implications for the management of selection systems can be gleaned from the recent literature. In perhaps the most detailed and directly relevant contribution to the validation of multilevel selection decisions, Ployhart and Schneider (2005) proposed a 10-stage model for the conduct of any such validation study. The stages are summarized as follows:

1. *Articulate theory*: Operationalize hypotheses of within- and across-level relationships between predictor constructs.
2. *Articulate relationships* between theory and measurement issues, especially with regard to data aggregation.
3. *Articulate predictors:* Define predictor methods and specify their predominant level/levels of analysis.
4. *Specify within-level relationships*: Operationalize direction and strength of knowledge, skills, abilities, and other characteristics (KSAO)-criterion relationships within level (i.e., P-J, P-T, and P-O).
5. *Specify cross-level relationships*: Operationalize contextual effects, cross-level effects, and multiple-level effects.
6. *Sample units*: Sample a sufficient number of units to test for within- and cross-level relationships.

7. *Use appropriate measures* for each level of analysis.
8. *Test aggregation inferences*: Test for unit-level variance and reliability of aggregation procedures.
9. *Analyze data* using appropriate procedures.
10. *Interpret results* giving consideration to within- and cross-level findings.

This procedure for validation of multilevel selection procedures is comprehensive, but it is apparent that only the most statistically versed of HR practitioners supported by an I-O psychologist able to undertake the relevant analyses could complete such a procedure. Rather, it is far more conceivable in practice that selectors will approach such decisions in a notably ad hoc manner, will give weights to different within- and cross-level variables on the basis of some notional "rules of thumb" known only to themselves, and will be prone to a gamut of errors brought on by information overload, imperfect information processing, and satisfaction in their decision-making strategies. Indeed, this is what we would expect from, say, the vast literature now accumulated in interviewer and assessor decision making under conditions of information overload.

Yet, Ployhart and Schneider's (2005) model for validation, and thus sustainability management, is highly valuable in pointing up the complexities of the task facing any practitioner or researcher. Other authors have highlighted other issues of concern, including the likelihood that maximizing fit at one level of analysis can lead to declines in fit at other levels of analysis. For instance, Anderson et al. (2004) proposed three types of effects in cross-level selection decision making: (1) complementary, (2) neutral, and (3) contradictory fit. That is, KSAOs being sought by an organization at the level of P-J fit can either be complementary to P-T and P-O fit, neutral in their overlaps, or more problematically, contradictory in their effects. For example, high extraversion needed for P-J fit can be complementary for team-level issues of fit, whereas high rule independence needed for innovation potential in a research and development (R&D) scientist may militate against P-O climate fit in an organization that possesses a strong climate in which conformity is valued (e.g., Potocnik, Anderson, & Latorre, 2015).

The subdomain of multilevel fit in selection promises to generate novel but far more complex models of decision making to support organizational efforts to optimize P-J, P-T, and P-O fit. However, this field remains at an embryonic stage of development, with mostly theoretical and model-building contributions published to date. Applied research in field study settings is badly needed to begin to extend and clarify our understanding of these complexities and how best to advise organizations to deal with the many issues, challenges, and controversies thrown up by multilevel fit in employee selection.

HR STRATEGY

HR strategy can vary significantly across organizations. For example, very small or highly entrepreneurial organizations may have no formalized HR strategy, whereas large organizations are likely to have an HR strategy that is professionally developed and more or less integrated into the business strategy. Our experience with medium and large organizations points to the importance of five key HR strategies in determining characteristics of successful and sustainable selection programs. The first, and perhaps most important, is the organization's employee skill strategy. The skill strategy often defines how the organization balances the internal development of employee skills (building) with the external acquisition of employee skills (buying).

The second HR strategy is more relevant for larger organizations. How are the interests of units and the organization as a whole managed? This is a critical consideration, particularly for regulated HR processes such as employee selection. These first two questions are general and have implications for many HR programs. The third strategy is specific to the HR function responsible for the development and validation of selection procedures and processes. Is this function positioned within the HR strategy as an expert role that has no ownership of any elements of the HR strategy, as might be found in a Center of Excellence (COE) or in an internal consultant role? Or, is this function positioned as an owner of the HR strategy for personnel

selection? The fourth strategy is about the relationship between the responsibility for designing and developing selection procedures and processes and the responsibility for delivering or managing employment and staffing functions that implement the selection procedures. Finally, we acknowledge the importance of the HR technology. This issue is not addressed here but is addressed in detail in Chapter 39, this volume.

Employee Skill Strategy

The organization's approach to employee training and development has a significant impact on the selection program. Generally, to the extent that the organization emphasizes training and development as the source of employee skills, either (or both) of two things may be true of the selection program. One possibility is that the focus of the selection procedure places more emphasis on less "developable" attributes such as general mental ability and general dispositional attributes such as conscientiousness, leadership, motivation, and integrity. This shift is likely to be accompanied by a reduced emphasis on the assessment of job-specific skills such as job knowledge, work simulations, and high-fidelity situational judgment tests (SJTs).

A more sophisticated version of this shift occurs when the selection procedures are tailored to prerequisites of the specific training and development objectives. For example, the job analysis effort preceding the development of the selection measures may identify the knowledge, skill, and ability prerequisites of the organization's training and development content. In turn, selection procedures may be designed to target those prerequisites.

Where the HR strategy focuses on "buying" rather than "building" skills, the selection program is frequently a major mechanism by which this HR strategy is implemented. In this case, the selection program is likely to emphasize the knowledge, skills, abilities, and other characteristics necessary to perform the job at some adequate level of proficiency with minimal additional training and development.

Of course, this feature of an organization's HR strategy is usually dynamic and depends on the particular job family, as well as frequently changing budgets and business plans, and the particular personnel decision(s) (e.g., hiring, promoting, moving) for which the selection program is being used. Certainly, knowledge-based jobs requiring advanced degrees (e.g., high-tech research positions) are virtually always supported by a "buy" strategy even in the same organization that may adopt a "build" strategy for other jobs (e.g., a customer service job requiring knowledge of specific product features). Similarly, internal progression programs that define the bases for promotion within an organization may constitute a build strategy by relying on specific proficiencies demonstrated in feeder jobs. At the same time, entry into the feeder jobs may reflect a buy strategy.

This complexity also extends to two more recent HR strategies—workforce management and the use of contract workers. First, an increasing emphasis on workforce management requires that information about employees' current skills be used to make selection decisions about moving employees to other jobs. In this situation, selection programs may need to focus on two considerations: the relevance of current skills to future work and the relevance of current performance to future performance in new jobs. In this scenario, the distinction between skills and performance can be important for a workforce management selection program. This distinction hinges on the assumption that skills and performance are assessed differently. In our experience, workforce management strategies that focus on the movement of employees between jobs vary in the extent to which they rely on records of past and present performance, and assessments of future-oriented skills, despite the axiom that past behavior is the best predictor of future behavior (Guion, 1998; Nickolau, Anderson, & Salgado, 2012). Where the movement under consideration is between two similar jobs, the selection emphasis is often on recent performance in the current job. Recent performance is usually assessed by referring to administrative records of recent job performance such as appraisal ratings, salary and bonus awards, progressive work assignments, and the like. This approach is particularly evident within the realm of expatriate management, in which selection decisions are typically based on the expatriate's technical

expertise and domestic track record as opposed to language skills, international adaptability, and other selection context predictors (Bonache, Brewster, & Suutari, 2001; Cerdin & Brewster, 2014; Harris & Brewster, 1999; Mendenhall & Oddou, 1985). This may in part be due to the fact that the expatriate position for which the candidate is being sought is highly similar to the domestic position this candidate is vacating. In contrast, where the movement is between dissimilar jobs, the selection focus is more likely to be on skills that are assessed independently of administrative assessments of performance. Such skill assessments may include ad hoc supervisor's ratings of defined skill levels, skill tests, and ad hoc interviews.

A second emerging HR strategy can be even more problematic for selection programs. Many organizations contract with external organizations to provide workers who perform work in the client organization. If the client organization does not require contract employees to complete its own selection process (e.g., to avoid co-employment liabilities), then it almost certainly faces a future dilemma. The dilemma arises when, as is often the case, the client organization eventually wants to hire a contract employee who has performed successfully. In this case, there is the very real and predictable likelihood that some significant percentage of successful contract employees will fail to satisfy the client organization's selection criteria despite their demonstrated job success, especially if the contract employee was performing precisely the same job for which they are applying to be hired. This conflict between job success and selection failure can cause serious harm to the credibility and defensibility of the selection program, although it may be entirely consistent with the level of validity and the de facto selection rate. To avoid this conflict, owners of sustainable selection programs will pursue a strategy that either requires all contract employees to satisfy the selection criteria prior to being assigned to work in the client organization or establishes some form of selection policy (see the Selection Policy section) that allows recent success in the same job to be a surrogate for satisfying that job's selection criteria. This latter approach relies on credible and accurate job performance measures and may create an additional legal risk for the existing selection criteria if this alternative way of entering the job leads to less adverse impact than produced by the standard selection system.

This prospect of having two ways of satisfying selection standards for a job may also manifest where a vacancy may be filled either by external applicants or by incumbent employees as part of internal progression programs. For example, the movement of employees from entry-level technical positions to higher-level technical positions may be governed by a progression program that specifies requirements for progression from one level to the next. In such programs, progression requirements are selection criteria, and the employee-applicant often has some degree of control over the process of satisfying such requirements. Internal progression requirements often consist of various standards, including demonstrated skills, training certifications, and/or current job performance. In contrast, external hiring into the same job may consist of a different profile of selection criteria such as educational degrees, years of experience, interviews, and qualification test results. It is not uncommon for internal progression requirements to be different from external hiring criteria for the same position simply because more local information is known about incumbent employees than about external applicants.

Where such differences occur, it is crucial to give careful consideration to the equivalence of the two paths to the target position. In many cases, it is very difficult, if not impossible, to define equivalence psychometrically. There may be few, if any, people who have scores on both sets of selection criteria. The selection criteria in the two paths may be qualitatively different. For example, internal progression may rely heavily on administrative documentation of local workplace behavior such as performance and training achievement, whereas external hiring is likely to rely on indicators such as degrees, test scores, and interview results. One possible empirical definition of equivalence is that job hires coming from the two paths tend to perform equally well; that is, they have the same expected performance level. Other definitions of equivalence may be rational, rather than empirical. One rational definition is that receiving managers agree that the two sets of standards are equivalent. However established, it is important that the organization establishes the equivalence of the two paths for the two sets of selection criteria to be simultaneously sustained.

Managing Corporate and Unit Interests

One of the most significant HR strategy factors for the success of selection programs in medium to large organizations is the manner in which the sometimes conflicting corporate and unit interests are managed. To be sure, whatever balance might be achieved between these two interests, it is likely to be dynamic and will change with business conditions. In our experience, three dimensions capture the majority of these issues: funding source, approval roles, and the myriad facets of location differences.

Funding

The manner in which funding for selection programs derives from corporate budgets and/or unit budgets has a large impact on the organizational pressures acting on the selection program. Where funding is mostly or entirely from corporate budgets and is, as such, relatively distant from the means by which units fund the corporation, it is likely that corporate interests in defensibility, fit with HR strategy, and perceived fairness and equivalence across units will be more salient in the design and management of selection programs. Where unit-based funding is substantial or, often, even contingent on unit-level satisfaction with selection programs, the pressures for unit-specific design and management are likely to be much greater. Our view is that the latter condition is more difficult to manage for selection program managers because it can create pressures that are more likely to conflict with the professional values of consistency, validity across broad job families, and job focus. In general, corporate interests tend to have a convergent influence supportive of a single, whole, integrative selection program, whereas unit interests tend to have a divergent influence that leads to differentiated and multiple selection practices across units. Divergence of interests is more likely to create fundamental conflicts with the professional and legal standards for selection programs, especially where different units have similar jobs.

Approval Roles

Two types of approvals are covered here: (1) the approval to implement or change a selection program and (2) the approval to waive or exempt individuals from the requirements of a selection program. Where these two approval roles reside in a corporate organization, the interests of the corporation are likely to be more influential than if either or both approval roles reside in the affected units. In many ways, the impact of approval roles is the same as the impact of funding source. The organizational entity that funds and approves has more influence. However, we have seen combinations of funding and approval roles that have surprising and complex effects on selection programs. Indeed, selection programs may be most sustainable where funding is corporate but approval is local (the reverse combination of local funding with corporate approval is unlikely to occur in our experience except in organizations with highly centralized authorities). The impact of approval roles on sustainability is that, at its core, the authority to approve the implementation of, changes to, or exceptions to a selection program is tantamount to approval authority over the content of the selection program.

It may be difficult to reach agreement to organizationally separate funding and approval roles, but, when separated, they create a form of checks and balances that may sustain a selection program across a wider range of circumstances than if both were housed in the same level of the organization. Corporate funding and local approval, even if they are often in tension with one another, give both organizational levels a significant operational stake in, and influence over, the selection program that is commensurate with their necessary interests in the program.

The value we place on balancing these interests is rooted in the perspective that the effectiveness of a selection program (of great local interest) and its defensibility or compliance (of great corporate interest) are both critical considerations and both require attention to be optimized.

An alternative perspective we have observed in some organizations is that a selection program's defensibility can be difficult to assess and is assured only by persistent and rigorous attention, whereas the effectiveness of a selection program can be satisfied more easily by the involvement of professional-level selection expertise. In effect, this perspective holds that effectiveness can be attained by the expertise of the designer but that defensibility requires continuous attention to and alignment among all processes that constitute a selection system. This latter perspective is less likely to seek a balance between effectiveness and defensibility and is more likely to place great weight on defensibility.

Location Differences: Expatriate Selection

There is, perhaps, no better manifestation of the potential for location differences to impact selection strategy than expatriate selection. Conflict between corporate and unit interests is likely to be particularly salient in multinational companies (MNCs), in which personnel decision making is further complicated by determining whether expatriates—who can be either parent country nationals (PCNs), third country nationals (TCNs), or host country nationals (HCNs)—should be employed. Welch (1994), in her framework of determinants of international HR management approaches and activities, has conceived MNC personnel selection to be contingent upon (a) contextual variables relating to the particular host country environment (i.e., the legal system and cultural distance), (b) firm-specific variables (e.g., stage in internationalization, type of industry), and (c) situation variables (staff availability, location of assignment, need for control, and locus of decision). Dowling and Welch (2004) further added (d) the particular approach to staffing (ethnocentric, polycentric, regiocentric, or geocentric) that the MNC embraces to this list of antecedents of MNC selection practices. Within the ethnocentric approach, strategic decisions pertaining to selection are made at headquarters, and subsidiaries, which are managed mostly by PCNs, have little or no autonomy in decision making. The polycentric approach is characterized by more decision-making autonomy on the part of subsidiary organizations, which are usually also managed by HCNs. Within the geocentric approach, applicants are drawn from an international pool of executives, and PCNs, HCNs, and TCNs may be selected into any job in any country depending on their ability (Colakoglu, Tarique, & Caligiuri, 2009). Finally, the regiocentric approach is similar to the geocentric approach but different in that decision making is deferred to regional headquarters.

Although it is beyond the scope of this chapter to consider MNC staffing in detail (see Chapter 36, this volume, for further discussion), the point being made here is that the particular organizational environment created by these antecedents may compromise selection system sustainability. For instance, MNCs with a geocentric staffing policy may be forced to revise their selection systems in light of host country legal regulations and immigration policies enforced to promote the hiring of HCNs. Similarly, MNCs that seek to exert control over their overseas subsidiary operations through ethnocentric staffing policies may find that the HCN employees within the subsidiary perceive they are being unfairly treated in comparison to expatriate PCNs. Finally, MNCs favoring a geocentric staffing policy may find this selection system unsustainable because of the huge costs involved in the training and relocation of its HCN, PCN, and TCN staff. In addition to the above considerations, Harzing (2001) has provided evidence that the likelihood of finding a PCN in a top management position in foreign subsidiaries is contingent on such diverse antecedents as host country political risk and education level, subsidiary age and performance, and industry.

In addition to the above issues, the expatriate selection system sustainability may be further complicated because of the fact that expatriates are incumbents in a myriad of different occupations and countries. The term *expatriate* may thus be legitimately used to describe a French banker in Hong Kong and an American geologist working for an oil company in Saudi Arabia. Any standardization vis-à-vis expatriate selection decision making is therefore likely to imply the comparison of apples and oranges. This being the case, Mol (2007) has called for an abandonment of research into expatriate selection as such. A multinational bank might be better off selecting expatriate bankers on the basis of the selection system in place for the selection

of domestic bankers rather than trying to develop a selection system that is tailored specifically to expatriate bankers in Hong Kong. Alternatively, a resolution to the issue of selecting against a heterogeneous criterion space may be found in the notion of synthetic validity (Scherbaum, 2005; Steel, Huffcutt, & Kammeyer-Mueller, 2006).

Role of Professional Selection Expertise

A third HR strategy consideration is the organizational role of the expert selection professional(s) who designs, develops, and validates selection programs. There can be several dimensions to the scope of this expert role (e.g., inside or outside, broad or narrow, and large or small). We view the expert-owner dimension as the one having the most significant strategic impact on the sustainability of selection programs.

This dimension refers to the extent to which the selection support role, which is virtually always scaffolded by professional expertise in some fashion, is accompanied by strategy ownership responsibilities. These strategic ownership responsibilities might include any of the following: (a) ownership of the budget for selection design, development, and validation work; (b) ownership of approval authorities; (c) ownership of selection data governance and systems; (d) authority over use of assessment results; (e) ownership of compliance responsibilities beyond validation, such as monitoring, reporting, and responding to enforcement agencies; (f) ownership of employment delivery functions that manage employment and selection processes; and (g) ownership of the agenda for the development, adaptation, and maintenance of existing and new selection programs.

The fundamental issue is the extent to which the organization's strategic direction for selection programs is owned by the experts who also design and develop those programs. Of course, there can be many combinations of specific roles relating to this issue, and these can be placed along a continuum from expert-only at one end to expert-owner at the other end. Here we describe the ways the expert-only and the expert-owner ends of the spectrum can be manifest.

Expert-Only Strategy

In the expert-only strategy, the selection professionals who design, develop, and validate selection procedures do not own the strategic direction of the organization's selection programs. Although they may create selection procedures, they do not determine which organizational needs will be addressed by selection solutions; they do not determine what selection strategies will be applied across units; they do not have authority over tradeoffs between cost and value of selection procedures; and so on. This expert-only strategy can manifest in various ways. A recent organizational strategy is to house selection experts in HR organizations sometimes called Centers of Expertise/Excellence (COEs). These COEs are positioned as technical resources to the business, which may be accessed by business units as needed—often in the non-expert judgment of the business units—to develop HR solutions to business problems. Similarly, selection experts who are described as internal consultants often serve in roles very similar to COEs. COEs are almost certainly an indication of an expert-only approach. Another clear sign of an expert-only approach is the situation in which selection experts are funded only on a project-specific basis. This can be the case whether selection experts are located in corporate or unit organizations. A third sign of an expert-only approach is that the selection experts do not report to an HR department. Being housed outside of HR almost always means that selection budget funding is closely tied to specific projects rather than an overall strategic purpose for selection. A variation of the COE approach is one where the selection design role is outsourced or contracted to an external organization to provide design services back to the client organization. In this case, the role and scope of the selection designer's work is specified by a services contract. The selection expert's strategic influence or authority can be significantly reduced where this contract is overseen and approved by non-selection experts.

The expert-only approach is likely to have several typical consequences for selection programs. First, it will be difficult to develop a long-term plan for the gradual restructuring or introduction of a comprehensive selection strategy. Second, virtually all authority over the administration of the selection program and over initial decisions on standards and policies is likely to reside in the funding organization or, possibly, in the organization responsible for the administration of the selection procedures. Third, the development of selection programs that apply in some consistent fashion across different organizational units will be difficult. The scope of selection design work is more likely to have a local focus on particular jobs within particular units. Fourth, local business leaders may provide stronger support to locally focused selection programs than corporately focused programs if they see the programs as more directly tailored to their specific needs.

Expert-Owner Strategy

Selection experts who also own selection strategy identify strategic directions by analyzing organizational needs both within and across units to identify selection solutions that have the greatest long-term benefits. A critical strategic activity for selection owners is long-term planning. Strategic planning can take many forms but almost always includes collaborative planning with HR leaders across units of the organization. Such planning would typically focus on common interests across units as well as unique interests of specific units. As mentioned earlier, particular challenges may be faced in this regard by expert-owners in MNCs in which subsidiary local idiosyncrasies (such as the host country legal context and the local labor market) may prevent the establishment of a selection strategy that cuts across the various units of the organization. Here, MNCs will clearly need to be sensitive to local needs rather than merely attempting to impose a standardized procedure upon multiple units (cf. Harzing, 2001). Indeed, we would argue that this tension between standardization versus country specificity will require active management.

Strategy ownership can manifest in various ways. Owners are more likely to have responsibility for neighboring functions such as employment policy, employee research, training of employment administrative staff, and regulatory compliance that depend on or influence the selection strategy. Strategy owners may have stronger and longer relationships than expert-only managers with corporate and unit HR leaders because their roles are more comparable and interrelated. At the same time, expert-owners may not have strong relationships with unit business leaders where funding is less likely to be directly tied to business unit sources. This can be an important consideration for selection strategy owners. Certainly, there is considerable value in well-developed relationships with HR leaders and with the business leaders they support. Typically, these relationships are not managed independently. One approach is for the expert-owner's primary unit relationship to be with the unit's HR leader who, in turn, guides the expert-owner's relationship with unit business leaders.

Strategy ownership has other implications for selection programs. They are more likely to be both coherently integrated across units of the organization and supported by a common set of policies and practices. Strategic selection programs are more likely to be integrated with other HR strategies/programs such as training and development, workforce management, compliance support functions, and organization-wide HR information systems. The selection development function is more likely to have policy authority regarding business managers' roles in selection decision making, even if managers' roles vary from unit to unit. One of the most tangible possible indicators of strategy ownership would be that selection developers would have created an approved selection strategy document used to communicate and plan with units and other HR functions and to develop selection budgets.

Overall, strategy ownership can be used to build in several features of selection programs that promote sustainability. A cautionary note is that strategic ownership tends to align itself with corporate interests that are longer term and cross-unit. It is critical that the strategic role not inadvertently lead to weaker relationships with local units where the actual selection decisions are made.

Alignment of Selection Development and Selection Delivery

A key dynamic for sustainable selection programs is the relationship between the science-based, professional selection development function and the operational, transaction management function that administers, scores, and uses selection procedures to make selection decisions. In many organizational arrangements, the development of selection procedures is an organizationally separate function from the delivery of those same procedures. Even if the development and delivery functions have a collaborative working relationship, their budgets may be developed and managed separately.

The primary issue is that these two HR functions are likely to have somewhat different priorities and success criteria. In our experience, the priorities and success criteria for selection developers tend to center on issues of validity such as job relevance, assessment content, impact on business needs, and legal defensibility. Their science-based education, professional standards, and organizational expectations point them in these directions, especially where selection developers' budgets do not pay for the employment operations.

In contrast, employment operations that deliver selection procedures are often faced with very different expectations and measures of success. Performance typically is measured in units of cycle time, cost per hire, average time to fill a vacancy, and hiring manager satisfaction. Because selection delivery is viewed most often as transaction management, its success is often measured in terms of transaction characteristics. Delivery functions may even have service agreements with units that specify target values for speed and cost metrics. This is now typical in the case of outsourced employment delivery services.

Frequently there is a natural tension between the quality of selection programs and the speed and cost of delivering them. Worsening employment market conditions may drive per-hire speed down and cost up. Changes in business conditions may alter the urgency with which vacant positions must be filled. Managers' satisfaction with new hires may drop due to changing job requirements or conditions. Any number of variable factors such as these can create circumstances in which there is pressure to rebalance the existing combination of quality, speed, and cost. This is a dynamic tension, and how that tension is managed can have a significant impact on the sustainability of selection programs. The first step toward effectively managing this tension is to determine who "owns" the conflicting interests. In most cases, the answer is that the employing unit is the ultimate owner of the interests in both selection quality and selection process management. Of course, other stakeholders such as corporate HR leaders, employment lawyers, and compliance leaders may have an interest as well.

The second step is to determine how the owner's interests are assessed. What is the current cost per hire and how and why has it changed? What are the current turnover rates, what employee behaviors do managers value, what are the new-hire failure rates, what are the sales success rates, and so on? Frequently, by virtue of their focus on process management, delivery functions have established performance metrics that continuously track speed and cost metrics and factors that cause them to change. In sharp contrast, developers of selection programs often do not track quality indicators such as turnover, performance levels, and success factors on a continuous basis. One reason is that employee quality and behavior data are often difficult to obtain, and developers typically spend the effort to gather them only in the context of ad hoc validation studies. Another, perhaps more fundamental, reason is that the quality of selection programs is not viewed in most cases as highly variable across short (months) or even moderate (few years) time intervals. A third, more subtle reason may be that selection developers are generally conservative about the "validator's risk" (M. Tenopyr, personal communication, August 27, 1988). The validator's risk is the gamble selection developers take with local validation studies that any particular study may not support a conclusion of validity. In countries where the regulation of employment selection procedures hinges on validation evidence, selection developers view validation evidence in a legal context in addition to the organization context. The validator's risk combined with the legal context often results in developers being conservative about the conduct of local validity studies. Especially for existing operational selection procedures, it is unusual for developers to have a continuous validation process in place. Once an initial validity rationale supports the implementation of a selection procedure, ongoing local validation efforts

represent, to some extent, ongoing legal risk. A major exception to this is when the developer is a large consulting house with a selection process or procedure implemented in many client organizations. In this case, the developer may have virtually continuous validation efforts underway within and across client organizations. This ongoing, large-scale validation strategy tends to minimize the validator's risk, maximize defensibility, respond to local client desires for impact measures, and provide external marketing documentation.

The net result of these factors is that delivery functions are more likely than development functions to have recent and continuous assessments of process metrics of interest to the owner. Independent of any other considerations, the ready availability of speed and cost metrics compared to quality metrics can cause speed and cost metrics to be given more weight in the process of rebalancing quality with speed and cost.

Given the availability of information about quality, speed, and cost, the third step is to determine the decision process(es) by which the current pressure to rebalance interests is resolved. One efficient approach to these decisions is to distinguish between two types of decision process. Type 1 is an administrative process designed to handle routine minor or temporary fluctuations without directly involving the ultimate owner of the competing interests. Policies and practices can be established with the unit leader's concurrence to resolve such pressures. For example, temporary business conditions that increase the urgency with which a vacant position must be filled might be routinely addressed by an administrative approval process for authorizing a temporary change in the selection standards. The key features of this first stage are that it is an established process the unit has endorsed and that the developer and/or deliverer manage the process on behalf of the unit's interests.

Type 2 is reserved for situations in which the pressure to rebalance is greater in scope, more important, less routine, and/or has longer-term implications. The key difference from Type 1 is that, for Type 2, the unit owner is directly involved in the rebalancing decision. In Type 2, the roles of the developer and deliverer are to provide information and recommendations to the business owner/decision maker about the competing factors and to describe the methods and implications of changes to those factors as well as constraints on what is possible.

The underlying principle of this approach is that, above some threshold of importance, the accountability for balancing competing interests of quality, speed, and cost lies with the ultimate owner of the selection outcomes. One of the greatest risks to a selection program's sustainability is the disengagement of the ultimate organization owner from key decisions that impact the value and speed/cost of the selection program for the owner. An important secondary benefit of an owner-based decision process for rebalancing competing interests is that it occasionally re-engages the owner with the accumulated information and decisions that give direction to selection programs and that ultimately impact the owner's success.

SELECTION SYSTEM GOVERNANCE

Some amount of governance is inevitable for any organization process that affects the outcomes of the people in the organization. At a minimum, governance of selection processes serves to promote efficiency, fairness, accountability, and compliance with legal regulations and corporate mandates. Beyond that, governance can enable more strategic objectives such as promoting employee effectiveness and contributions to the organization, facilitating the integration of multiple related processes and organizational units, and sustaining an effective organization culture.

Governance of selection processes can be narrow or broad. Narrow governance often focuses on legal/regulatory compliance and may take the form of oversight by an employment attorney or HR policies defining and limiting the use of assessment results. Broader governance can address a much wider range of issues such as the fit between selection practices and an organization's culture, rules relating to the use of test scores (Tippins, 2002), the role of local managers and HR staff in supporting or participating in selection processes, metrics for managing selection, and corporate and local authority over the selection processes.

In general, two layers of governance are common: guiding principles and policy requirements. Guiding principles inform various decisions about the purpose, development, and use of

selection programs. They provide overarching direction that help align key decisions/actions. Policies dictate the behavior of people and processes. They can be more or less specific but usually provide explicit rules. Both are critical in creating and sustaining selection programs.

Guiding Principles

Guiding principles often express the implications of an organization's cultural values for selection programs. They may not be selection-specific in organizations that have defined and communicated explicit cultural values that are general in nature (e.g., integrity, respect for others, customer focus, teamwork, safety), which may be seen as sufficient to provide overall guidance to all HR practices, including selection programs. Also, selection programs often have a considerable amount of process-specific governance in the form of policies, systems requirements, and well-defined practices, given the virtually universal fairness and legal contexts. Even if guiding principles have a strong influence on the development of such policies and practices, once those policies and practices are implemented, behavior in the selection processes may be constrained to the point that guiding principles may have little operational value.

The following list briefly describes examples of guiding principles we have observed in large organizations:

1. *People are accountable for selection decisions*: This principle fixes the accountability for selection decisions on the people who make hiring decisions, rather than on rules or algorithms that might be built into decision support tools. An implication of this principle is that selection programs should be designed to inform and guide decision makers, not replace them.
2. *Choose the best*: This principle establishes a deliberately high standard for who is selected.
3. *Equal access/opportunity*: Many organizations will espouse a guiding value relating to some shared meaning of fairness in the selection process. In cultures that place high value on performance-based results, this principle is unlikely to refer to equal outcomes and is more likely to refer to some other equity principle such as equal access or equal opportunity.
4. *Compliance with government regulations*: An operating principle endorsing compliance with prevailing laws may seem unnecessary given that legal obligations stand on their own as requirements for selection programs. Nevertheless, organizations that choose to endorse such a principle may do so to set an important tone for all participants in its selection programs. Communicating about the importance of compliance can have a chilling effect on risky behavior.
5. *Selection processes are not surrogates for poor performance management*: This principle addresses the appropriateness of possible uses of assessment results. Our experience has been that, occasionally, the ready availability of skill/ability/knowledge scores from selection processes leads managers to consider ways in which such scores could be used to facilitate other personnel decisions. This principle would discourage the use of selection-based skill/ability/knowledge scores as surrogates for corrupted performance evaluations.
6. *Selection assessments benefit the individual as well as the organization:* Organizations that embrace an explicit commitment to act in the interests of employees and, even, external applicants may endorse some form of principle that selection assessment results should benefit the people who are assessed. This can be a strong principle that leads to assessment feedback, assessment preparation information, and assessment-based development feedback that might not be provided otherwise.

In summary, guiding principles are intended to provide values-based guidance to the development and ongoing administration of selection programs as well as to the individuals who make selection decisions. Also, where organizations may require more flexibility in the way in which selection processes are used, a reduced emphasis on constraining policies and a greater emphasis on guiding principles may facilitate the needed flexibility.

Selection Policy

In contrast to guiding principles, selection policies are prescriptive. They define authority and roles, establish rules and requirements, and set limits and boundary conditions. Because policies

have a direct and explicit impact on the behavior of virtually all participants in the selection process, they often are seen as the "face" of the selection program. They are some of the most tangible aspects of a selection program. Selection policies also are perhaps the best indication of the ownership of the selection program. Because policy establishes authority, policy ownership is the clearest indicator of selection program ownership.

It is likely that selection programs are among the most policy-driven of all HR programs and practices. There are three primary causes. First, in many countries, national and/or local laws regulate employment selection. Second, employment selection is a high-stakes process. Employment decisions have important consequences for people on both sides of the decision. People care a lot about employment decisions, and their interests may sometimes conflict. Policies are often used to balance these sometimes conflicting interests. Third, employment selection is about a scarce, but valuable, resource. A qualified person selected into one job by one unit is no longer available to be selected by other units for other jobs. Many organizations have found that policy is required to govern managers' access to candidates and candidates' access to jobs.

A starting point for this discussion of selection policy is that it is based on at least two layers of authority. One layer is the meta-authority to establish the policy; the other layer is the operational authority(ies) established by the policy. For example, a policy issued by the meta-authority, say, for example, the Senior Vice President of Human Resources, may grant business unit leaders the operational authority to implement and change selection processes within their organizations. It is important for successful programs that it be clear where the meta-authority lies, that is, who the policy maker is who may grant operational authorities to others.

A Taxonomy of Selection Policy

Perhaps the best way to describe selection policies is to provide a broad taxonomy with instructive examples in the major cells. A reasonably representative taxonomy of policy content is one that organizes selection policies into four interrelated categories: (1) selection data and results, (2) uses of selection results, (3) access to selection processes, and (4) legal compliance.

Policy About Selection Data and Results

This category of policy governs the creation, storage, and access to the formal information used to make selection decisions. The information ranges from resume information (e.g., degrees, previous work history, and demographic information), user-posted online information, to formal assessment scores and results (e.g., score results from tests, interviews, inventories, and past accomplishments). Policies govern who may create the data, the rules by which the data are generated, the place and method by which the data are stored, and access to the data once stored. Policies about who may create or generate the data usually take the form of role definitions and training requirements for the people who administer and score tests, interviews, and other formal assessments as well as the people and/or system processes that search resumes and codify information into more manageable formats.

An increasingly important subset of policy regarding selection data and results governs access to these data. The question is, who may have access to a candidate's selection data? In our experience, this policy consideration varies greatly across different types and sizes of organizations. In many small organizations, formal selection data might be found in HR managers' files or in local hiring managers' files where access is governed informally only by local policies, if any, regarding access to managers' files. In some large organizations where privacy concerns and the legal salience of such data are important, explicit policies may specifically restrict access to selection data on a need-to-know basis. In many organizations, access to selection data is treated with the same protections as are provided for compensation data but with somewhat lesser protections than are provided for employee's medical records.

Data access and use can be a source of great complication and liability for multinational organizations. Many countries and professional associations have differing requirements governing psychologists'/organizations' use of employee/applicant data. For example, the UK's Data Protection Act requires that test takers have access to their own test results; the Dutch Association of Psychologists code of ethics requires applicants' formal consent for the testing organization to provide assessment results; a significant consideration in the U.S. is the extent to which, and the circumstances under which, privacy and confidentiality protections under the Health Insurance Portability and Accountability Act (HIPAA; 1996) apply to selection data. Of course, employers and applicants have an obligation to comply with country-specific laws/regulations. A complexity here is where multinational companies are recruiting and selecting among applicants who originate from different countries, and where the selection procedure is based in another country. Here, organizations are well-advised to take on-board specialized legal advice in order to ensure compliance with various employment law requirements as they differ among the various countries involved. More detailed information about international legal considerations is provided in this Handbook in Shen et al. (Chapter 29, this volume) and Tison et al. (Chapter 30, this volume).

Notwithstanding legal, regulatory, and professional requirements, some organizations may choose to establish a selection data ownership policy that explicitly establishes ownership of selection data. Unless compelled by law/regulation, it is unlikely that an organization would regard the applicant as the "owner" of her selection data for various reasons. However, the organization may establish access rules that protect the interests of applicants to be assured that their selection assessment results are used appropriately and consistent with the information provided to the applicants.

Use of Selection Data

The broadest category of selection policy addresses policies relating to the use of selection data and results. These policies cover a broad range of topics, including initial approval to implement the selection process, decisions about specific standards or qualification requirements, and questions of alternative ways of satisfying selection standards.

Within this category of selection data uses, a major subcategory consists of the authority(ies) for the decisions that establish the standards for selection decisions. The standards are the rules by which the selection results may be used to inform, influence, or dictate selection decisions. For example, cut scores that determine whether a candidate is qualified or not are standards. Strong selection programs formalize these standards so that they may be authorized and implemented. Typically, the authority to authorize standards is the same as the authority to waive a standard in a particular case or exempt a candidate from having to meet a standard. However, additional policies may be established to provide for a more administratively feasible process of evaluating and authorizing ad hoc waivers and exemptions. If high-ranking managers or executives own implementation approval authority, it may be administratively helpful not to involve these time-pressured executives in all ad hoc requests for waivers or exemptions. In this case, policies may be established that authorize representatives of the executive to evaluate and decide routine waiver or exemption requests. The policies may even provide guidelines to be considered by the authorizer.

In contrast to policies authorizing ad hoc waiver and exemption decisions, routine exemptions are usually handled as part of the full set of rules governing the selection program. Routine exemptions refer to known, anticipated conditions under which a candidate is not required to satisfy an ordinary selection requirement. Three types of standard exemptions are common. First, so-called grandfathering exemptions refer to conditions in which a candidate for a particular job has already performed that same job at some satisfactory level of proficiency for a period of time. Grandfathering rules would exempt such candidates if they satisfy the specific conditions laid out by the rules. The most common example of grandfathering applies to incumbents in a job when new or revised selection standards are applied to that job.

A second type of standard exemption relies on an equivalency between two different sets of selection standards. For example, a work simulation assessing telephone-based customer

handling skills in a sales context may be regarded as assessing the same skills, perhaps at a higher level, as a similar work simulation designed in a service context. An equivalency policy means that candidates who satisfy a particular standard on one selection procedure are treated as having satisfied a particular standard on another selection procedure. The third common example of a standard exemption relies less on an equivalency rationale than on a substitution rationale. For example, a candidate who has demonstrated certain work experience, training, degrees, or other education/training experience may be exempt from having to meet a test standard designed to predict those very accomplishments. In effect, the candidate has accomplished the criterion result the test was designed to predict.

Selection programs are less prone to incremental erosion of confidence and credibility to the extent that systematic rationales for exemptions can be anticipated and accounted for in the original application rules and taken out of the hands of local, ad hoc decision makers.

A final example is provided of a policy designed to establish authority for an ad hoc decision about the use of selection standards. This example is different from the examples above, which rely on some form of equivalence or substitution rationale. In effect, those rationales are all grounded in the construct-level relevance of one set of standards to another set of standards. In contrast, this example is grounded in what might be called a pragmatic business necessity rationale. The typical situation is one in which there is a regular, "normal" set of selection standards for a particular job. For the sake of this example, assume this normal set of standards is typically satisfied by 20% of the applicants. In all likelihood, this set of standards was chosen, in part, because the selection ratio yielded by these standards enabled the hiring organization to meet its normal hiring needs at an acceptable level of quality, cost, and speed, but business circumstances are always changing. From time to time, the hiring organization may have an urgent need to substantially increase its hiring rate. For example, in The Netherlands mandatory military service was lifted in the 1990s, resulting in thousands of unfilled vacancies. In this case, there can be a compelling rationale based on business necessity to temporarily or permanently reduce the selection standards to achieve the increased hire rate necessary to meet the business need. A policy can be developed to address this special case that allows standards to be temporarily lowered and may even specify certain conditions that must be satisfied to ensure the need is substantial. At root, this authority, like the others described above, owns the responsibility to evaluate the ad hoc tradeoff between the benefits of a faster, easier, less onerous, and possibly fairer-seeming selection process with the potential loss in expected performance among those selected. Regardless of how the policy assigns authority, it is important for these exemption processes to rely on input from the affected business managers about the impact of the tradeoff on their business.

Access to the Selection Process

A third category of policy considerations addresses candidates' access to the selection process. Where selection processes are in place, they serve as one of the gateways to desired jobs. Candidates who do not have access to the selection process are effectively excluded from the sought jobs. A typical selection program will have rules or practices defining how candidates have access to the selection process. These might be as simple as scheduling requirements or as complex as having to satisfy a series of prescreening steps, each requiring time and effort.

Some of the most common policy considerations for managing access include retest requirements, the ability to complete the assessment processes, physical accessibility, basic qualifications, restrictions placed on incumbents regarding frequency of internal movement, where and when the assessment processes may be completed, what organization resources (e.g., proctors and appropriate space) are required to administer assessment processes, and the number of available vacancies needing to be filled.

There are often competing interests with respect to applicants' access to selection processes. Policies that restrict access often have the direct or indirect effect of increasing the yield rate among the applicants who do have access under those policies. For example, typical retest policies limit applicants' opportunities to retake selection tests they have previously "failed." Given

that retest policies, by their nature, limit the access of people who do relatively poorly on tests, they are likely to increase the overall yield rate of the selection process. Also, an independent effect of retesting on cognitive tests is that the inherent practice effect of the previous attempt generally increases scores by approximately one-fourth of a standard deviation (Hausknecht, Halpert, Di Paolo, & Moriarty Gerrard; 2007), thus increasing the pass rate among the applicants who retake tests. However, evidence from Lievens, Reeve, and Heggestad (2007) indicated that this score increase introduces measurement and predictive bias that harm criterion validity. Similarly, policies that exclude candidates who do not meet basic qualifications such as education and work experience are, in many cases, more likely to block lower-qualified applicants, thus increasing the overall yield rate. These types of access policies that increase the yield rate will, all else being the same, reduce cost per hire and, possibly, reduce the cycle times for employment processes.

On the other hand, policies that facilitate the access of larger numbers of applicants better ensure that enough qualified candidates are available at any point in time. Also, they accommodate the desires of candidates who seek jobs in the organization, thus potentially improving the candidates' goodwill toward the organization. Also, increased access may reduce recruiting expenses, all else being equal.

Legal Compliance

Certain selection policies are directed primarily at the organization's legal compliance responsibilities. The policies in this category are those that establish authority for monitoring selection results for evidence of prohibited discrimination or use of results, for owning modifications to selection procedures to improve compliance, for the decisions about whether any modifications to selection procedures should be made, for protecting applicants' private information, and for responding to enforcement agencies' requests for compliance information.

This category of policies also relates to the question of the "official" database of selection results for applicants and employees. Selection data are often formally and informally located in various files, both paper and electronic. Certain selection data, such as hiring manager interview ratings and protocols, are often kept in local HR files or even in hiring manager files. In contrast, other selection data, such as formal assessment results, demographic data, and resume information, are often maintained in corporate or unit HR information system databases. Compliance support policy should specify what the "official" selection database is, how selection data get into that database, how they are organized there, and who is responsible for putting them there.

An additional consideration regarding compliance policy is that the compliance issues associated specifically with selection processes are often part of a larger employment and recruiting context. Enforcement agencies may be as interested in recruiting and sourcing methods, resume searching and screening, and an organization's internal staffing system procedures as they are in detail about selection procedures, data, and decisions. This broader context of compliance issues often involves other roles and organizations beyond the development, validation, and maintenance of selection programs. In this situation of multiple organizations having a role in employment compliance, selection policy is best integrated with compliance policies of multiple organizations. However this integration takes place, it is advantageous to have a clearly established role with overarching authority over responses to enforcement agencies.

Authority and Accountability Alignment Principle

A final perspective about selection policy is that the sustainability of a selection program relies on policies that align authority with accountability. As noted above, policies often specify who and where the authority is for making decisions about selection programs. One specific example is the policy that determines who authorizes the selection standards for a particular selection procedure. Suppose a new selection procedure is designed to make hiring decisions for a call center where account representatives resolve problems that customers have about their orders,

bills, and payments. The selection procedures consist of a work sample exercise to assess customer handling skills and a cognitive ability test to assess information learning and processing skills. In this example, a policy question is, "Who should have the authority to approve the standards by which these selection procedures are used to make selection decisions?" The standards can take many forms, including pass/fail cut scores, score bands, and methods of combining the work simulation and cognitive test results. The choice of standards will impact the cost and speed of the hiring process, the performance of the new hires, and the degree of impact on protected groups, if any. In determining who should have the authority to approve the final set of standards, the question that should be asked is, "Who has accountability for the outcomes that will be affected by the approved standards?" Commonly, the business leader over the call center operation is likely to have ultimate accountability for the performance of the account representatives. In some organizations, that same business leader might also have ultimate accountability for the supporting employment process and its compliance with prevailing regulations. In this situation, a very strong case can be made that the business leader who is accountable for all of the most important consequences of the selection decisions should have the authority to approve selection standards. This policy would then, presumably, define the role of the designer of the selection system, the manager of the employment process, and the compliance manager as expert resources to the business leader's decision about the standards. This situation is an example of high alignment between authority and accountability.

The point of this subsection is that selection policies contribute to selection system sustainability in various ways, but that a paramount requirement of selection policies is that the authority granted by a policy should be aligned with the accountability for the consequences of the decisions made under the policy. One implication of this alignment principle is that the selection program designer may not have the authority over all selection-relevant policy decisions. In particular, the authority to approve the selection standards that drive key business results is most aligned with the role that "owns" the same business results.

SELECTION PROCESS MANAGEMENT

This chapter has considered several layers of sustainability factors ranging from organizational-level considerations of fit, HR strategy, operating principles, and policies. This sequence has progressed from general to specific where organization purposes and HR strategy provide general direction for selection programs and operating principles and policies specify increasingly specific characteristics of sustainable selection programs. Process specifications and process management are at the most specific end of this continuum. Process is the layer at which the most specific and detailed characteristics of a selection program are defined and managed. It is not the purpose of this chapter to consider all of the possible variations of selection process detail. That variation is as wide as the differences between organizations. Rather, this chapter addresses one specific component of process specification and management that is becoming an increasingly significant factor in the management of selection programs. This component is the role and application of process metrics used in the management of selection programs.

Process Metrics

It is our observation that the growing emphasis in HR management on HR process benchmarking, best practices, plug-in systems, and cross-HR process integration is reaching into the management of selection programs. Clearly, this impetus is coming from trends in the HR management profession and not from any such trends in the personnel selection profession. For selection practitioners, the focus of this trend is significantly different from the selection profession's historically research-oriented focus on validation, tools, constructs, and predicted outcomes. This change emphasizes processes and metrics as the mechanisms for managing HR work. We will briefly discuss here the impact this trend is having on the management of

selection programs and will offer suggestions about strategies for sustaining selection programs in this changing context.

The distinction between the transaction management work of employment process management and the "knowledge management" work of the development and validation of selection programs is important. Like other HR-oriented "knowledge" work (e.g., compensation and labor relations), the development and validation of selection programs has historically been managed as an expertise, not a process. In general, the performance standards for these types of work have been imprecise and general. Typically, the evaluation of a selection developer's "expert" performance in the development of new selection procedures does not rely on quantified metrics describing the development process.

Increasingly, the focus on process management has invited the "customers" of employment processes—hiring managers and business leaders—to require metrics of the employment process as the means by which they evaluate the quality of those services. Common employment process metrics include (a) cycle time measures such as time from requisition to hire and time between employment process events; (b) flow rates through each step in the employment process (e.g., the rate at which people who schedule an employment office interview actually show up, complete the interview, and move on to the next event); and (c) various cost measures such as cost per hire, cost per candidate, or cost per event such as cost per assessment test or per interview. Clearly, these process-oriented metrics are affected by the selection procedures and standards produced by the selection developer, which may be seen as a root cause of satisfactory or unsatisfactory process metrics.

Beyond these most typical metrics, additional metrics may be included to capture information about the quality of the selected employees. The two most frequent examples of quality-of-hire metrics are early survival rates (e.g., 3-, 6-, and 12-month survival) and hiring manager (i.e., customer) ratings of early overall satisfaction with the new hires. However, a fundamental problem is that the process options available to employment process managers may have little effect on quality-of-hire metrics. Indeed, options such as enhanced job preview processes and more targeted recruiting practices, which may offer some improvement in quality-of-hire metrics, may do so at a higher cost.

We suggest an approach here that may be helpful for selection program managers faced with this challenge that employment process metrics are creating new pressure on the sustainability of selection procedures. Essentially, this approach is to reframe the potential value of process metrics, not in terms of research value but in terms of business decision value, and change or supplement the information available to business leaders to help them continuously monitor the benefit of selection procedures and accompanying usage standards. The research perspective tends to view a selection program as a relatively fixed, unchanging manifestation of the basic, stable requirements of job success. The business process perspective views selection programs as organizational processes in the context of real-time business conditions that can change rapidly.

These different perspectives have led to very different approaches to the evaluation of selection procedures and employment processes. Validation has been regarded as an episodic, occasional event that is needed only every several years to confirm that the causal model has not changed (MacIver, Anderson, Costa, & Evers, 2014). Process metrics represent a continual process that enables process managers to optimize processes as needed. Business managers are not trying to confirm scientific conclusions; they are trying to make business decisions with uncertain data to optimize important outcomes.

Our own perspective about these divergent perspectives is that, although selection developers cannot surrender the importance they attach to validation, they would be wise to become more open to the prescientific value of continuously gathered data about worker behavior, such as the quality-of-hire data gathered by employment process managers. For many reasons, these types of data do not have the information value of worker behavior data gathered in research settings, but they do have value for building a more complete understanding of the possible situational dynamics that impact worker behavior and a deeper understanding of the relationship between worker behavior and the business outcomes that are most important to work managers.

CONCLUSIONS

This chapter describes the organizational considerations that directly influence the sustainability of selection programs. The four overarching categories of these organizational considerations are organization purpose, HR strategy, governance, and process management. Beyond the technical considerations of validity, utility, bias, and fairness, we make the case that these organizational considerations are critical in designing and implementing a selection program. To the extent that purpose, strategy, governance, and process are deliberately incorporated into the design of the selection program, the success of that program is better ensured. Inattention to these organizational considerations can undermine the sustainability of a selection program despite its validity.

We also note here that much of this chapter has been written from experience more than research. The sustainability of selection programs warrants more research attention than has been given in the past. Psychometric concerns are critical, but any organization that neglects sustainability does so at its own peril and likely will find, in due course, that the psychometric integrity of its selection procedures is inevitably compromised.

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