

- Hey, and welcome to PCTY Talks. I'm your host, Shari Simpson. During our time together, we'll stay close to the news and info you need to succeed as an HR pro. And together we'll explore topics around HR thought leadership, compliance, and real-life HR situations we face every day. Joining me today on the podcast is Fred Rafilson. He is the chief I/O psychologist at Talview. And man, I just spend a couple minutes with him before we get on the mic and you've got a great personality. I'm so excited to have this conversation with you.

- Well, thanks Shari, it's great to meet you too.

- So we are here at HR Tech and there is just amazing things happening in the HR space, but really wanna talk to you about kind of performance and the interview process and evaluating candidates. You know, there's this eight-old adage that past performance predicts future performance. Do you think that still rings true or is it more about right person, wrong role, those kinds of things?

- So that's a great question and you're asking an I/O psychologist exactly the right thing. And I do believe that past performance predicts future performance. It's something that we know. And it's the reason that we look at references. You know, we look at your past work behavior, there's a reason for that. However, it's very important that we look at skills that we look at, you know, behavioral tendencies, attitude, motivation. So all of the screening that we can do up front is gonna tell us if a person is fit for a particular role. So, you know, we look at a role, we look at what are the knowledge, skills, abilities and other characteristics that are required to be successful on the job. And then we assess the person, whether that be through psychometric tests or skills tests, and of course the most common assessment of all, the interview. So all of those things are important. So my answer is yes, past performance predicts future performance and yes, we need to continue to do those other assessments there, just as important as ever.

- What do you think some of the key factors are when you are analyzing that candidate's performance to determine how they're gonna perform in your organization?

- I think the key is, number one, and it's a mistake people make, is knowing what's important for success on the job. I think people tend to assess for things that they think are important. You know, I'm looking for culture fit, or I'm looking for someone who's like this or like that. Well, you know what, it might not have anything to do with the job, so let's be really specific. Let's find out what's necessary to be successful and let's assess for that. I think that's the number one key.

- How have you combated those questions around culture fit? And specifically, I'm thinking back in my career where, you know, we've

had managers like, yeah, I wanna hire somebody that like I can go grab a beer with or I can go, you know, golf with or whatever the thing is, right? 'Cause you do wanna make sure that they're the right fit. Is there a cultural component or is there a way to make sure that the things you value in the job are actually linked to your culture so that you can evaluate that during the interview process?

- Yes, I mean, that's a great question. And I think sometimes people confuse culture fit with necessary personality traits or behavioral traits. So teamwork orientation might be necessary to be successful in a job. That's a behavioral trait. And, you know, that's something that sort of spans a continuum. Some people are team-oriented, some are very independent, they don't work well in a team. It's not really about culture, it's about what's necessary for doing that job. So I would argue a couple of things based on your question, it's all about research. There's really two areas of research that I would kind of cite. One is the research to show exactly that screening for trying to match cultural fit doesn't work. We've seen it over and over again. It just doesn't predict job success. So yeah, love to have a beer with you, but are you gonna be a good employee? There's no correlation whatsoever. And two, the other research on screening for job-related characteristics of course shows that there's very high validity, there's high correlations between those characteristics and work performance if indeed those components, those constructs are required to be successful on the job. So hopefully that answers that question.

- Yeah, it does. I think you've made such a good point is like you gotta get away from that language. And I like how you phrase it about really honing in on a cultural thing that is important to the success of the job. Like being able to work as a team and collaborate and those kinds of things. 'Cause you can interview for that. You mentioned pre-hire assessments, I've taken some really great ones, I've taken some really bad ones. How do us as HR professionals make sure that we are using the right assessments, using them in the right way and not using them in a way that excludes people that could be really good performers for us?

- Taking a few notes here, but that's a great question, okay? And you happen to have the right guy here 'cause I'm a testing guy. I've been in testing longer than I care to tell you. And how do you evaluate? And you're right, there are so many mom and pop testing companies out there. There are large testing companies or large companies that have, you know, acquired vendors that are doing all kinds of cool gamified tests and all kinds of things. Hey, this is completely different and it's gonna predict success on your job. And, you know, then there are the more well-established testing vendors. It's such a gamut. How do you as an HR person know, right? That's not what you're trained in. You're not an I/O psychologist, you don't know psychometrics and you don't wanna know psychometrics, right? So how do you do it? Well, unfortunately you do have to do some research and I think you need to

go to those test vendors and say, there's really three things that you're looking for in those assessments. And you want to ask them to show you there's validity, reliability, and fairness. And what those are, those are psychometric terms. Validity means, does it indeed predict job success? And there's a few different ways we can look at that. And I'm not gonna go into all that, but it's essentially, does it work? Does it do what it's intended to do? If you get a passing score on that test, are you more likely to be successful on the job than someone who doesn't get a passing score on the test? Super makes sense. Two is reliability, and that is how accurate is that test score? If you take that test today and, you know, you go somewhere else and maybe a month later and you take that same test, you should score approximately the same. And, you know, that's kind of an oversimplified way of saying it, but what it really amounts to is, and you can think about it, we all look like, look at say math ability. You know, we all have sort of a true level of math ability in our head somewhere, and that's what we would call a true score. When you take a test, you get what's known as an observed score. So the question is how closely does that observed score match your true score? And when you have a group of people, the ratio between those observed scores and those true scores, that's reliability. So I just gave you the technical definition, that's psychometrics 301 really. And you can use that at dinner parties when you've got I/O psychologists around or HR people. But it's a cool thing. Everyone thinks it's just, hey, if I take the test now and I take it in a week while I get the same score, that's how it operationalizes. But what it's really measuring is how well do those tests, those observed scores, how well do they measure your actual true ability or true personality level? So it makes a lot of sense. And the third is fairness. So if a test is fair or unbiased, it should work the same way for everyone regardless of their gender orientation, regardless of their demographic, regardless of their location, regardless of their disability, it should function the same way. And by functioning the same way, technically what I'm referring to is a person with a particular score on that test should be likely to perform the job at a certain level. So regardless of who you are, if you score in that range, you should be expected to perform the same way. And we can measure that by doing those things, we run correlations and we look at what we call regression lines, meaning we look at the line that shows as test scores increase, how does performance increase? We can lay those lines on top of each other for different ethnicities, different genders. Those lines should be essentially the same. If they're not, there's a problem and we need to figure out why.

- So I didn't know any of those things you just talked about as an HR professional in the field for over 15 years. So if you're listening, you just gave us a great nugget for us to be able to evaluate how we're thinking about assessments. You know, I didn't add this to list of questions before, but as you were talking, it really made me think about how the military evaluates, recruits as they come in the door,

they take a test, it's called ASVAB, and they're measuring for their teachability, their learnability, their abilities to do the job, not necessarily can they do the job right now. Is that a good example of how we should think about some of these tests or, you know, maybe you have a little bit of background more and how that type of test is used for, you know, potential.

- So Shari, that is such a huge question. Let me start out by saying that the military invented all of this and the ASVAB was really the foundational test that has since turned into pre-employment testing. So as I/O psychologists, we study the ASVAB and what the military did, because it's brilliant and it made a lot of sense, right? I've got thousands of recruits who's gonna peel potatoes, who's gonna crack code, who's gonna work on cars? What do I do? Well, let's see what their skills are, let's see what's necessary for the job and let's match the two. It's not rocket science. It's I/O psychology. So, amazing question you asked, and the answer is, I don't even remember the exact question, but the answer is yes, what they've done is very relevant to what we're doing today. But then you kind of went off a little bit and you started talking about general cognitive ability and trainability and teachability. And the answer there again is yes, what we know from decades of research is that the single biggest predictor of job success is cognitive ability. It's being able to learn what's necessary to perform the job, it's learning ability. The more cognitively complex the job, the more predictive cognitive ability is of success on the job. So if you're gonna be a code breaker or a software engineer, those are highly cognitively complex jobs, you need higher levels of cognitive ability to learn what's necessary to do the job. Lower level jobs that are less cognitively complex, it's not such a big issue. Then sometimes we're looking more at things like motivation and drive and attitude and integrity and those things are all critically important. So again, and I do this a lot, I apologize, I kind of run off the tracks. I don't know if I'm still answering your question, but I do the best I could.

- How have you seen assessments used? And I guess I'm curious about, you know, because you talked about cognitive ability and the differences there, is there anything that we as HR professionals should be concerned about when it comes to, you know, bias or DEI when we think about using these assessments? For example, if you score low on the cognitive ability and it's a cognitively high tasking role, how are we supposed to have that conversation with the candidate? You know, I would hate to be in a room and be like, well, your brain's just not where it needs to be. You know, like how do you bridge that?

- That's a tough question and it's a really good question and something that I've had to deal with, you know, my entire career. And you know, on the other hand, and I think about Talview, where, you know, I'm the chief I/O psychologist. So our whole mission is to create an equal playing field for everyone. And, you know, your

question relates directly to that. So one, I would say that it doesn't matter what demographic group you're in, the things like cognitive ability are normally distributed. So you're gonna get people in every demographic group that are high ability, you're gonna get people that are average, you're gonna get people that are low ability and there's a normal distribution. I'm not going into exactly what that means, but you get the idea. So I don't think you're gonna find that, hey, you know, a person of this particular group is not likely to do well on the job because they don't have high cognitive ability. That's just not the case. So I think it becomes an issue of recruiting, it becomes an issue of, hey, we need to get qualified candidates to apply for these jobs. I can't just like throw out a net and assume that anyone who lands in this net could be a software engineer. It doesn't work that way. You need to have targeted recruiting and that's gonna help those DE&I initiatives. Ask for what you say to candidates. That's another story. But I mean, I think you be upfront, you're honest, you certainly don't say, hey, you're not smart enough because I mean, that's not the case. You just don't have the skills and abilities necessary for that job. But that doesn't mean that you're not gonna be unbelievably successful doing something else.

- Can you change your cognitive ability?

- That's a huge debate. And the answer is really, in my opinion, no, you can change your level of education and your level of knowledge. You can learn, you can continue to train, you can go to school, you can develop skills. Can you change the ability to master things? Unfortunately, I think those types of things like personality traits are pretty well fixed.

- As I think about my talent acquisition partners, and you talked a little bit about, you know, how you think about attracting talent and, you know, we don't wanna be in a situation where we're just posting and praying or casting this huge net. We need to be more cognizant, take a more scalped approach. How do they do that? Being armed with this knowledge is to going into assessing candidates with tests.

- Again, great question, and I'm gonna fall back on my kind of tried and true answer. We need to know what's required for the job. So once we understand that, we do what I would call a job analysis, but there's a million ways to do that. But what is required? What are the skills required? What are the personality traits and the behavioral tendencies, and what kind of motivation and attitudes are required for the job? Once we know that we can start to narrow down on our recruiting efforts. Target the target candidates who are likely to be more skilled and have the right makeup for the job. And then two, I think one of the things that's often overlooked is stressing the importance of the job. And that's gonna improve the candidate experience and it's gonna improve what you're looking at. So, you know, it bothers me when I watched and listened to thousands of

interviews, okay? And I can't tell you how many people have interviewed for a frontline job, whatever it may be, warehouse work or anything. And, you know, it's an interrogation. You know, what we really promote is, hey, why don't you start by explaining that this is a really important job for our company. Because if we can't get things off the shelf and shipped we're outta business. So this is a really critical position, really excited to have you here today. Let's talk about your experience. So I think it really kind of turns the interview process on its head and, you know, from my perspective, that's the way it should be.

- And you brought up such a good point around job descriptions, because we've all been there, right? We've been sitting down with a manager and they give you this laundry list of all the things and they're like it's all required, all required, all required. And the reality is maybe 10% of what's on that list is actually required to be successful in the role. Is there any advice for talent acquisitions partners? Is that they're having those conversations or tricks where we can actually get to the root of what is needed from a skillset.

- I think just having that discussion is the first step, even realizing that that's the case. And I agree with you because, you know, people will look at those job descriptions and, you know, they don't know. Everyone knows their job, right? So something like that, listening to these kinds of conversations. You know, god forbid learning a little bit about, you know, psychometrics and I/O psychology, but that's a lot to ask. But I think just having these conversations, getting a group together of subject matter experts in your organization, looking at the job description and saying, okay, you know, we can't screen for everything. And I think that's a mistake people make. Hey, here's 14 things we've identified that are necessary for the job. Great. What are we gonna screen that person for a month before we decide we're gonna make an offer? How about let's rank order those in terms of what's the most important for the job, select for those things. And especially in today's market, you can't ask a candidate to sit for two hours for an assessment anymore. I'm not gonna say anything about how long I've been around, but there was a time when you could do that. You can't do that anymore. Like, what can we do in 12 minutes? Well, we can measure these three things and these are the most important things and the most likely to predict success. So I think, I hope that sort of answers your question.

- Oh, absolutely. I wanna switch gears for a little bit. Being that you're an I/O psychologist and there's so much focus right now on mental health and wellbeing, how do you see the professional psychologist influencing organizations more? Have you seen a shift in that? Do you see more I/O psychologists going through school and being inundated to organizations? Do you see more therapists being brought on board for organizations?

- So I/O psychology is different than clinical psychologists, which is where the therapy comes in. So to answer your first question, yes, I/O psychology is a really hot market right now. And the I/O psychology profession is really booming. And there's a lot of folks getting their PhDs in I/O psychology and moving into organizations. It's extremely helpful because when you think about it, if we can increase the validity of a selection system, so we can say, you know, we're gonna make sure that there's a 60% chance that this person's gonna be successful as opposed to a 40% chance, or we're gonna reduce turnover by even a small number, by 5%, by 10%. You're looking at these enterprise organizations, you're talking about huge dollars, huge. It's unbelievable. By increasing the effectiveness of a selection system, the dollar value of increased productivity is off the charts. So there's a reason and organizations now understand that, and we can do a lot to help them with that. As for the other aspect, I think hopefully we're moving towards a place where people are more of a concern than maybe they have been in the past. And yes, you know, those mental health workers being cognizant of people's needs, and I mean, we're all human, right? And we have bad days and some of us have bad months and we're going through different things in our lives and there's all kinds of things going on, right? And this is where we spend a third of our lives. So I think the influence of having, you know, clinical psychologists and good EAP programs and all of those things cannot be understated. And it really says a lot about an organization that cares about its people.

- As we wrap up our conversation, one of the last things I wanted to ask you was about artificial intelligence. How do I/O psychologists look at that field when it comes to assessment and working together and leveraging that technology? Because I genuinely believe, you know, AI is a resource for us. It is not the be all end all. It's not gonna replace our roles in HR and psychology, but there are tools that are helping advance the work that we're trying to do. I'm curious what you've seen in that space and what you're excited about.

- Okay, another big topic, right? And we're gonna have to do this again and just talk about AI, but AI has done to selection what computers originally did just psychometrics years ago, right? I mean, decades ago we could only do so much about predicting success because we had to do calculations by hand. That's even before my time, okay? Computers came around and we could do things like factor analysis and regression lines, and we could develop tests and look at the properties of those items and the tests together and like, wow, look what we can do now. We'll take that. And now the next revolution is AI. So we can do so much more now. We can look at so many more variables. And the cool thing about AI, and people don't really realize this, it's not just automation. So many people are selling things that they say are AI, but they're not AI. They're automation. Automation is great, but it's not AI. AI has to have a feedback loop. So to be AI, we're making these predictions based on these algorithms,

but then we're finding out was that prediction accurate? We're getting work performance data, we're getting candidate ratings of the interviewer skill, we're getting feedback on the things that we're trying to predict, going right back into the model and changing the model. So it's constantly getting better and better and better. And that's the real benefit of AI. And it's a tremendous boon for all of us. And I agree with you. It's not the be all end all, but it makes our tools so much more powerful. And from that we have data that we can make more accurate decisions.

- Well, Fred, I totally agree. We could spend hours together. I will definitely have you back on the podcast because I think there's so much we can learn as HR professionals in the I/O field, how we can better serve our organizations. So thanks for taking a few minutes of your day with me.

- Really enjoyed it, thank you.

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