



INDIANA UNIVERSITY NORTHWEST

Indiana University Northwest
Assessment Center

*“Navigating the journey of student development
for lifelong success.”*

Informational Booklet

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Assessment Center Methodology

The term “assessment center” is a term of art in the field of Industrial-Organizational Psychology. Basically, an assessment center is a process whereby a person is evaluated on critical competencies necessary for their job using job-related simulations and exercises. *The Guidelines and Ethical Considerations for Assessment Center Operations* published by the International Task Force on Assessment Center Guidelines defines the term:

An assessment center consists of a standardized evaluation of behavior based on multiple inputs. Several trained observers and techniques are used. Judgments about behavior are made, in major part, from specifically developed assessment simulations. These judgments are pooled in a meeting among the assessors or by a statistical integration process.

Employees use complex skills to perform their jobs. They have to be able to communicate effectively, to manage conflict, to work in groups, to serve customers, and to think critically and ethically. In addition, managers must be able to lead, delegate, and coach. These complex skills are not adequately tested using a paper and pencil, multiple choice test. Although standardized tests are often easy and inexpensive to use, assessment centers are more widely accepted as a means of evaluating employee and manager performance because the evaluations are based on actual performance of job-related core competencies.

The most common exercises used in an assessment center include the in basket exercise, case analysis, leaderless group discussion, and role plays. The *in basket exercise* requires the individual to deal with numerous tasks that a person in the job would deal with. The *case analysis* requires the individual to read through a job related problem and prepare a written report for his or her superiors. The *leaderless group discussion* requires a group of five to seven

individuals to work on a problem together. Lastly, *role plays* require the individual to actually interact with people that the job would require him or her to interact with.

*The Guidelines and Ethical Considerations for Assessment Center Operations*¹ dictate the essential elements that must be present in order for a process to qualify as an assessment center. These essential elements are:

- **Job analysis.** A job analysis must be conducted to determine the core competencies important to job success. These core competencies will guide the development of the assessment center exercises and assessment instruments.
- **Behavioral classification.** Behaviors must be classified into meaningful and relevant categories of competencies.
- **Assessment techniques.** The assessment center techniques must be designed to evaluate the core competencies identified in the job analysis. A link must be established between the behaviors, the core competencies, and the assessment technique.
- **Multiple assessments.** Multiple assessments of the core competencies must be used.
- **Simulations.** Assessment techniques must include job-related simulations that allow raters the opportunity to observe the participant's behavior as it relates to each core competency being assessed. To qualify as a behavioral simulation, the simulation must require the participant to overtly display behavior.
- **Multiple assessors.** Multiple assessors must be used.
- **Assessor training.** Assessors must be thoroughly trained and must demonstrate the ability to properly rate participant behavior.

¹ The guidelines can be found at www.assessmentcenters.org.

- **Recording behavior.** Assessors must use a systematic procedure to record specific behavioral observations.
- **Reports.** Assessors must prepare a report of their observations for each exercise they evaluate.
- **Data integration.** The integration of behaviors must be based on pooling of information from the assessors or through a statistical integration process.

This developmental process can be quite complicated and time consuming. As discussed above, a job analysis must be conducted, behavioral dimensions identified, and appropriate job-related simulations developed. The actual assessment process may take one or more days, depending on the complexity of the position and number of exercises being conducted. Typically, three to five exercises per position are used.

Employee Assessment

As a manager, you know how frustrating it can be to hire the right person for your organization. You know the type of person you want, but must search for that person within your time and financial limitations. Perhaps you only have time to conduct interviews, after weeding through hundreds of applications. Even if you have the luxury of being able to conduct some assessment procedures, you probably wish you could do more to ensure that you are hiring the right person.

One of the best assessment tools for the employment setting is the assessment center.² The properly designed assessment center provides dependable data pertaining to whether or not the person being assessed can perform the job in question. The assessment center approach is important for two reasons. First, because the assessment center evaluates overt behavior, the data obtained is less subjective, and therefore a more reliable indicator of job performance. Second, because the assessment is job related, the process is more legally defensible.

The downside to assessment centers is their cost. The custom design and implementation of an assessment center could cost the employer thousands of dollars per employee. Obviously, investing this much money to assess a job applicant is counter-productive. The benefits of using an assessment center may, however, outweigh some of the costs involved.

First of all, using an assessment center to make good employment decisions avoids the high costs of making bad employment decisions. The costs of bad employment decisions include damaged equipment or stock, offended customers who never return, and low productivity. In

² For an excellent discussion of assessment centers and their usefulness in making employment decisions, see Diane J. Krumm, *Psychology at Work* (Worth Publishers, 2001). Additional information can also be found at www.assessmentcenters.org by clicking on the “articles and guidelines” link.

addition, the costs of hiring and training that employee, which modest estimates place at \$6,000.00, must also be considered.

Second, some of the developmental costs for the assessment center will provide benefits to the employer that go beyond the assessment center. For example, the job analysis process can also lead to development of job descriptions, which can be useful for performance appraisals, quality improvement measures, and employee training.

Third, by actually performing tasks related to the job, potential employees get to see what the job is like. This “realistic job preview” may prevent the cost of hiring and training an employee who does not like the job and quickly leaves the employer.

Lastly, the assessment center process may save training costs by allowing the employer to customize learning opportunities to the employee. Rather than sending all employees to training that some employees do not need, the employer can send employees to training based on needs identified during the assessment center.

In summary, the assessment center approach to employee assessment is extremely useful when making employment decisions because it actually assesses a person’s ability to perform the job in question. Therefore, employers can make more effective decisions relating to selection, promotion, and employee development based on the results of an assessment center.

In spite of these benefits, though, it is still extremely difficult for an employer to justify a huge expense for hiring employees. Indiana University Northwest has the solution. We have designed an Assessment Center that assesses the key skills that every employer is looking for.

Student Assessment at Indiana University Northwest

An Assessment Center is most commonly used for selection, promotion, and employee development purposes within an organization. Assessment centers, in the traditional sense, are not common in the academic setting. For one thing, there is no job on which to base the assessment. However, with some minor adjustments, the assessment center approach can assist students in developing the skills that they need to succeed in school and in the workplace.

We have two primary goals for the Assessment Center at Indiana University Northwest. First, we want to ensure that students who leave Indiana University Northwest are able to succeed in their chosen fields. We want them to be able to find employment and perform well in their jobs. Second, we want to ensure that our program is functioning effectively at the university level. We want to ensure that students are successful in school and that our courses are effective in correcting students' deficits.

To achieve these goals we have chosen competencies that we have identified as being highly sought by employers as well as important to academic success. These competencies are encompassed into the following categories:

- Critical thinking
- Written communication
- Interpersonal communication
- Presentation
- Teamwork
- Conflict management
- Customer relations
- Leadership
- Delegation
- Coaching
- Ethics
- Financial impact analysis

These competencies will be evaluated using seven exercises: case analysis, in basket exercise, client role play, coaching role play, supervisory role play, presentation and leaderless group discussion. Students will complete the Assessment Center in their freshman year and in their senior year.

This approach is going to benefit students in several ways. First, students will be introduced to key skills that employers look for in applicants. Second, students will be able to spend their time at Indiana University Northwest improving deficits identified in the Assessment Center. Students will prepare a development plan based on the feedback from the Assessment Center. The development plan will establish goals for improving deficits using coursework and other Indiana University Northwest activities. Lastly, Indiana University Northwest will use the Assessment Center data to modify coursework to further benefit the students and better prepare them for the workplace.

The Indiana University Northwest Assessment Center will also benefit employers. Students will be instructed to indicate on their resume that they participated in the Indiana University Northwest Assessment Center. This will tell employers that the applicant has been evaluated on key skills of success and has worked on improving them. In other words, employers will reap the benefits of an Assessment Center without paying significant costs.

Business Community Alliance

A key component to the success of the Indiana University Northwest Assessment Center is the participation of local business leaders. Because one of our goals is to prepare students for the workplace, we need to know what employers are looking for when they select employees. The best way for us to know this is to have business people involved in the program.

We are asking business people to function as raters, which will enable the business community to comment on the skills being assessed and on the level of proficiency that should be expected. Businesses that participate in this program will benefit in several ways. First, they will have input into how students prepare themselves for the workplace. Second, employers will be able to see the impact of the Indiana University Northwest curriculum on the students because they will see the difference in performance between the incoming freshmen and outgoing seniors. Third, business leaders will be able to meet potential employees through this process. Lastly, employers will benefit directly because the people who serve as raters will be trained in behavior observation skills. This training, which is provided at no cost to those employers who provide raters for our Assessment Center, will be useful to any manager who provides performance feedback to employees.

The rating process is entirely online, allowing Raters to assess students at their own convenience and according to their own schedule. Raters will be given a user name and password, along with instructions on how to access the website. They will then complete an online training program before they assess students. A group of students is assigned to the Rater and the Rater is asked to complete the assessments by a certain deadline. We make every effort to make the rating process as convenient for the Raters as possible.

Conclusion

Our goal in providing you with this booklet was to give you some general information about the assessment center methodology and our goals for implementing this methodology into our academic setting. We hope that, by reading this booklet, you see the benefits to the students and businesses who participate in this program. The bottom line is that students will be able to customize their course work to their individual needs and businesses will benefit by hiring students who are better prepared for the workplace.

The success of our program depends on the quality of our Raters and we would greatly appreciate your help in staffing our Assessment Center with top notch Raters. This will be a phenomenal program, and we hope that you are a part of it!