White Paper

The 7 misconceptions of Performance Profiles
The science driving the success of evidence-based talent strategies

Executive summary
This white paper challenges seven misconceptions regarding Performance Profiles. The reader will be educated on the fundamentals of Performance Profiles, why Infor® Talent Science™ considers it to be the most sophisticated and most predictive approach to talent assessment, and misconceptions you may encounter surrounding this powerful approach. In this white paper, we lay out the scientific facts behind the most powerful hiring strategy in the talent selection industry. Readers will understand why Performance Profiles are the chosen tools of successful corporations around the world to reduce turnover and improve employee performance.

Important definitions
Let’s start with a little background on evidence-based HR and Performance Profiles. Evidence-based talent strategies are proving to be the most effective means of continually improving your workforce, hire after hire. What is “evidence-based,” and why is it the most effective hiring approach? The term is deceivingly simple: evidence-based talent selection is based on hard, scientific facts that prove the approach works through verifiable reduction of turnover, improved employee performance, and returns on investment in actual practice.

Performance Profiles are a cutting-edge talent assessment modeling tool that embodies evidence-based methods, refined by and totally unique to Infor Talent Science. By definition, a true Performance Profiles can only be created using specialized expertise and sophisticated software to measure behavioral traits in conjunction with job-relevant performance data.

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Misconception 1: Performance Profiles embrace your uniqueness

The re-inventing the wheel problem—Proving approaches do not use or benefit from relevant existing data and past findings, but rather treat each situation as a unique one.

The next time you walk into your local mall, take a mental snapshot of what you see inside the first store. Then proceed to the second store, and compare it to the first. Assume both stores are in the retail industry with similar shopper traffic. Look a little deeper and you will find a difference in the two concepts: differences in color schemes, business models, methods of handling customers, product lines, and even customer experiences. Below the surface you can see different visions, values, goals, and priorities. Collectively those differences are called "brands." Companies obtain brand identity through their ability to clearly separate their unique strategy and communicate that to the public. This type of branding strategy is relevant to every other industry: restaurant, hospitality, banking, and so on. By design, even companies that are in the same industry will look and operate very differently in their bid to increase sales and market share.

Performance Profiles apply this branding concept to your employees by acknowledging that your brand is unique, and so are your people. You can embrace your uniqueness and use it to your advantage, just as retail stores market themselves to shoppers and job seekers. Performance Profiles provide you with the vehicle to scientifically understand what makes employees successful in your brand, not someone else's brand. A Performance Profile captures the essence of what works with your brand, within your culture, and leverages the specific way you choose to approach your customers. No generic, industry-wide profile or industry norm based on other companies, compiled years ago, can provide you with the solution for selecting your best employees today. Corporate branding involves a significant investment to create the desired perception in the minds of your customers—and it only makes sense to hire people who will reinforce that perception, building your brand. Copying the competition can reduce your brand to just another unremarkable presence in a crowded marketplace; however, Performance Profiles help support your uniqueness by helping to identify the job candidates best suited to advance your branding strategy.

Natural fit

A "natural fit" to a job is attained when an individual's behavioral and personality preferences are a close match to those preferences that have been proven to deliver success in actual job performance. A natural fit cannot be determined by using information obtained from another company, or worse, an average of behavioral preferences compiled from a group of companies that may or may not be in your specific industry.

Scientifically, a good profile creation process identifies the behavioral and personality preferences proven successful in your jobs in your company, based on your performance data. The Performance Profile then provides your company with a benchmark against which all future candidates can be compared to determine if they are a natural fit. Research indicates that the closer the natural fit of the candidate to the job, the higher the probability of longer tenure, higher productivity, and increased long-term job satisfaction. The Performance Profile is a great strategic advantage for a company looking to maximize their workforce potential and improve results across the organization.
Stay current

Performance Profiles are built using your current employees and their recent performance data, allowing your organization to capture the most relevant and accurate behavioral and personality measurements available. As a result, the Performance Profile process accounts for the current needs, goals, values, and the cultural aspects of your organization. When using any other approach, you are at risk of capturing dated information that is not specific to your current situation or the unique way in which you conduct your business.

Maximize probability

Performance Profiles provide you with the best odds of scientifically hiring the most productive employees that will be successful, specifically in your company, based on how you measure success. Great success is unlocked by understanding that there is indeed a unique formula that will greatly increase the probability of hiring the right person for the job, and that formula is called a Performance Profile. Relying on old data collected from companies that have no relation to your unique situation does not give you the best opportunity for success. To truly achieve uncommon productivity in your workforce you must maximize the probability of hiring future strong performers.

Think about it. Your organization is unique! You can’t copy someone else’s “secret sauce” if you want to promote your brand through the people you hire.

Misconception 2: Knowing the facts versus thinking you have the facts

The missing job analysis problem—Profiling is a worker-oriented approach that does not meet requirements set forth in federal guidelines pertaining to assessment.

Those outside of the Performance Profile creation process often confuse the merits, positioning, legality, and use of Performance Profiles versus a traditional job analysis. Over the years, many organizations have lost sight of the end goal of job analysis, and are not fulfilling the legal intent of conducting it in the first place. The goal of any job analysis is not just about discussing what it takes to achieve success in a specific job, but proving it in a specific organization, in a specific industry, and basing findings on actual performance data (evidence). An approach that is not evidence-based, most often the case with traditional job analysis, has the unenviable task of convincing organizations to be content with subjective opinions (thinking) and to overlook the evidence-based approach of documented facts (knowing).
Thinking: Traditional job analysis

A job analysis, for the purpose of the employee hiring process, is a methodology used as a means to obtain the opinions of individuals (commonly called subject matter experts, or SMEs) for a basic understanding of a job. In a job analysis, SMEs are expected to subjectively identify the minimum requirements of the job in question. Once the opinions are collected from each SME, the information is pooled together and designated as the “necessary components” of a job. Often the opinions of SMEs do not align, and therefore consensus-building techniques are used to finalize the process.

Often the approach in a traditional job analysis is to assume that your job is substantially the same as a similar job at another company. The rationale is as follows: as long as your job is similar to the other company’s job, you can use the same selection assessment protocols that the other company used. Instead of conducting a study on your job and your incumbents (localized validation), you settle for a historical study conducted on individuals in a supposedly similar job at another organization. Essentially, you are using someone else’s validation research and making the opinionated claim that it will work in your organization as well. Of course, a subjective opinion does not provide the evidence to empirically prove that the historical study predicts performance as it should.

Commonly, organizations make the mistake of believing that a traditional job analysis by itself is a sound and accurate method to identify and validate the use of a selection assessment. This is not the case. In fact, the Principles for the Validation and Use of Personnel Selection Procedures specifically states that, “Evidence for validity based on content rests on demonstrating that the selection procedure adequately samples and is aligned to important work behaviors and activities…”

To ensure that your assessment program truly predicts future performance, it is important to address some pertinent issues when discussing the use of a traditional job analysis.

Why the traditional job analysis comes up short

Minimum requirements only—Traditional job analysis only looks at the minimum skills and abilities one must have in order to complete a task sufficiently, and it is not concerned with performance differences once the “acceptable” level is attained. From a practical perspective, an organization should strive to understand what it takes to be successful in the role, not just document the minimum requirements for “getting by.”

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1 Equal Employment Opportunity Commission, Civil Service Commission, Department of Labor and Department of Justice (1978). Adoption by four agencies of uniform guidelines on employee selection procedures. Federal Register, 43(166), 38290-38315.
Ultimately, organizations are interested in hiring people that will excel—not just exist—in the job.

- **Content may not be relevant**—Because a traditional job analysis is based on subjective opinion and not factual data, there is more room for error in the identification of job components that someone thinks are important. The better, alternative method is to leverage data to focus on components that are known to differentiate between low, medium, and high performance.

- **SME (subject matter expert) qualifications**—During the execution of a job analysis, it must be determined who is qualified to be an SME. Is the requirement that the SME be a job supervisor or a current incumbent with 2 years (or 10 years?) in the role, or only the best performers? Should you stake your future hiring decisions on the opinions of just a few SMEs?

- **Personal bias**—People in general have biases in the way they perceive the world. It is typical for SMEs to think their way of doing things is the most efficient way, and then infuse their personal behavioral preferences into the jobs being analyzed. Think of it as describing the job the way you would do it and the most important job behaviors as those that leverage your best qualities—which may not necessarily reflect the job behaviors that consistently produce the most successful results.

- **Lack of agreement**—When several people offer individual perspectives, it is inevitable there will be some differences of opinion. To preserve the peace, everyone is considered “right.” The solution is to force a compromise among the SMEs, which results in a diluted version of several opinions, not necessarily the “best” or “right” opinion.

- **Judging the invisible**—It is impossible for an individual, even an SME, to understand job performance in terms of personality, behavioral subtleties, or the nuances of a job or corporate culture. You cannot define what you cannot see, so an SME can only apply his/her own behavioral and personality preferences to the equation and, at best, put forth an educated guess.

- **Evidence**—As in a court of law, a jury cannot make a quality ruling without examining the evidence...the harder the evidence, the better. Yet, those attempting a job analysis are forced to make a ruling without hard evidence. By collecting subjective opinions, an organization is left with a list of presumptions, not facts. Business decisions, especially assessment and hiring decisions, should not be—and need not be—based on opinions.

Knowing: Evidence-based job analysis

**Think about it**: A traditional job analysis represents a consensus (compromise) of the opinions of a few people, or what they “think” is needed for success. An evidence-based job analysis uses actual performance data to understand the job, leading to real results that predict success.
Misconception 3: Performance Profiles—More accurate, better measurement

The non-essential trait problem—Profiling is more likely to incorrectly identify unimportant traits as job relevant, or overlook traits that are essential to job success.

The primary difference between a Performance Profile (evidence-based approach) and other approaches is the focus on accuracy and validation. From the beginning, the Performance Profile process was designed to leverage people and actual performance data. Because objective data is the focus (rather than the more subjective SME opinions), the process leads to more accurate assessment measures, better outcomes, and stronger evidence (validation) that all is copacetic.

Criterion is king

The foundational building block of an evidence-based talent approach, like that used to create Performance Profiles, is the method of validation. Validation is simply the way in which one justifies the use of a method by proving that it works. The two most accepted validation methods are content and criterion validation. These methods are very different and lead to very different outcomes.

- **Content validity**—According to the EEOC guidelines, content validity is determined by showing that the selection test represents the content of the job. In other words, justification for using a test is based on how well the selection test covers the actual job tasks and duties. Content validity is not focused on outcomes or concerned with predicting performance. So when conducting content validation, it is possible that the content can be considered valid even when the only thing linking the test and the job are the subjective opinions of a few SMEs. Therefore a content validation approach cannot be labeled as predictive until an actual criterion validation study has been conducted and proven that the assessment actually predicts performance.

- **Criterion validity**—According to the EEOC guidelines, criterion validity refers to obtaining empirical evidence or relationships linking the assessment output and actual employee performance. An evidence-based approach uses criterion validity to show that the use of an assessment predicts performance. Once the research supports the link between the assessment and the performance data, only then can it be considered a “predictive approach.” A high quality Performance Profile process should, as does Infor Talent Science process, employ localized criterion validation as the evidence required for use of the assessment.

Capture the facts

The Performance Profile is an evidence-based approach built on performance data. This focus on localized data, specifically related to the job, leads to the most accurate results. Other approaches are typically conducted without criterion validity, and SMEs are asked to make an educated guess as to the traits and qualities that employees in a particular position should have to do their job adequately. Guessing at what is necessary for success in a job can all too easily lead to inaccurate results. In this age of advanced science and technology, it is prudent to build your workforce on scientific data and facts rather than opinions.
Copy or prove

Would you rather copy—relying on old studies based on samples of people who may or may not provide a good match to your industry, your company, your culture, your specific jobs, and your way of doing business—or prove?

**Copy**—Non-evidence-based approaches typically require that you rely on dated results from another company. In effect, you are copying the other company in hopes that their selection assessment will work for you. Copying assumes that an assessment used in another situation will be the most predictive and effective tool for your organization. The technical term for assuming the assessment will be predictive in your situation is called transportability. Non-evidence-based approaches rely heavily on the concept of transportability. First, SMEs identify the components of the job. Then they identify traits and behaviors related to those job components and choose assessments designed to measure those traits and behaviors—and ultimately, the potential of a candidate. As discussed earlier, selecting an assessment based on the opinions of a few people does not guarantee or show evidence that the assessment works (that is, that it will be predictive of job performance).

**Prove**—Performance Profiles, however, use your data and capture your company’s uniqueness. The Performance Profile creation process includes localized validation (specifically related to the target position) that empirically links the Performance Profile to actual on-the-job performance. The end result is a predictive model that proves effective (identifying future high performers) and valuable (reducing turnover and driving measurable job performance improvements) for your organization.

**Think about it**: With the focus squarely on the behavioral traits of the incumbents and their relevant job performance data—the good, bad, and in-between—the evidence-based Performance Profile is the best method to determine the most valuable traits that drive success.

**Misconception 4: Layers upon layers**

The measurement precision problem—By evaluating candidates based on the difference between their assessment scores and others’ assessment scores, the profiling approach doubles up on any measurement imprecision in the assessment. [Editor’s note: This claim stems from the assumption that candidates are compared to a few high performers as opposed to the Performance Profile being built on actual performance data.]

A high quality Performance Profile captures the behaviors proven most successful in the role based on objective data. Because objective data is the focus, measurement precision is maximized. Other methods, such as relying on subject matter experts, expose a very serious precision problem. This is because selection decisions are made based on opinions and guesses related to the position requirements. Whereas, using a Performance Profile, the process compares incoming candidates against the behaviors proven most successful based on accurate and current performance data collected from those currently employed in the job.
To ensure precision in measurement, a good evidence-based approach, such as a Performance Profile, should focus on several types of validation (proof), not a one-time study. Validation should be an on-going exercise to ensure the optimal effectiveness and precision of the tool.

There are two themes to ensure continuous validation occurs.

- **Not a one-time exercise**—An evidence-based approach such as Performance Profile creation will be able to show you volumes of criterion-based studies across many different industries and jobs. Additionally, the Performance Profile process will require a localized validation study (an analysis that is based on your hire/termination and performance data for the target job). The validation process will include conducting future studies to verify the Performance Profile effectiveness over time. It is a common question for assessment shoppers to ask for the vendor’s “validity coefficient,” which is a number between 0 and 1.00 that indicates the magnitude of the relationship between the test and a measure of job performance (the criterion). There should not be just one answer. Instead, an evidence-based approach will provide volumes of research. More importantly, localized validation (proof) will be conducted for each unique job. Other approaches will typically present a single study and claim effectiveness of the tool based on one study. This is called transportability. In other words, a single study that demonstrated the assessment garnered some results in the past—at the specific company that was being studied at the time—is sufficient validation (proof). To ensure precision, multiple layers of validation ensure that the chosen assessment is predictive of performance.

- **Layers of validation**—The Performance Profile creation process provides the opportunity to conduct localized validation studies at several stages. Before using a Performance Profile, a validation study will be conducted to ensure the criterion-related evidence demonstrates effectiveness. Simply stated, you use the data collected from current employees to evaluate how well the Performance Profile differentiates along the spectrum of low-to-high performers. The result of the concurrent validation efforts should produce documentation in compliance with the EEOC guidelines, SIOP principles, and APA standards. When feasible, a second layer of validation should occur post-deployment of the assessment system after sufficient time has passed to evaluate the effectiveness of the assessment in reducing turnover, improving performance, etc. After the post-deployment study, it makes sense to review the requirements and performance data used to evaluate effectiveness on the job. If the job or the performance data related to the job has changed, then the Performance Profile creation process should start over. Subsequently, an evidence-based approach will include layers of validation to ensure the most relevant and accurate information is at your fingertips during the selection process.

**Think about it**: Predicting future performance is all about accuracy. Based on evidence, the Performance Profile greatly increases accuracy in the process because it scientifically ties behaviors to the end result – actual performance on the job.
Misconception 5: From better measurement to greater predictability

The not enough data problem—Profiling is generally conducted with way too few employees to yield conclusive, reliable results.

The key to successful Performance Profile creation is that they be built on data obtained from the largest possible foundation: sample size, multiple performance metrics, ample objective results versus subjective evaluations, etc. The largest data pool is certainly preferred, but the real world sometimes presents challenges to achieving that ideal. By considering the following guidelines, companies can optimize the type and number of employees used to create the best possible Performance Profiles.

Which performers do I use?

An evidence-based approach requires solid performance data from every level to ensure maximum predictability. Some assessment vendors make the mistake of believing that using a few strong employees accurately captures the successful behavioral pattern of a job. Unfortunately, a few high performers will only tell you a small part of the story. To maximize predictability, the evidence-based Performance Profile model requires a random sample of employees that represent all levels of performance. Practically, it is just as important to understand those workers who are not successful as well as those only moderately successful in the job, not just the best workers. Be wary of any vendor who attempts to create a profile based on a few high performers; a robust collection across the full performance spectrum is the key to predictability.

How many performers are enough?

If you have had the pleasure of serving on jury duty, you know that the more relevant evidence you have to make a decision, the easier it is to reach the proper verdict. The same principle applies to the Performance Profile process—the larger the sample, the more stable the data gathered from the process. In some positions, it will be easy to capture large volumes of data, whereas in other jobs you may have smaller population sizes or practical challenges collecting high volumes of assessment data. In those cases you should focus on obtaining the largest feasible percentage of the job population.

What is the best performance data?

The choice of which performance data to use should be made on a case by case basis. Some jobs will have a wide variety of objective metrics. In these cases, the best approach is to leverage your SMEs to aid in the selection of the most appropriate performance measures. Be sure to consider quality of the data, number of observations, time frames and, most importantly, job-relatedness. Evaluate the data to ensure that the employees in the position are directly responsible for those outcomes, i.e., that their behavior directly impacts the final outcome. Other positions may not have specific, quantifiable performance metrics. In these cases, you may consider building a performance evaluation as part of the Performance Profile creation process. Once again, your SMEs can be invaluable in helping to create an evaluation in which important aspects of job performance are listed and the incumbents are rated for their strengths and weaknesses.
Performance Profile creation should include quality checks of the performance data (to make sure that it is reliable, relevant, objective, and possesses good variation), the assessment data, and the sample size. This is a very important step to ensure that the data used meets certain standards and directly measures actual performance on the job.

**Think about it:** Research shows that a Performance Profile that joins individual level behavioral characteristics with high quality data, robust sample sizes, and all levels of performance increases the probability of scientifically predicting future performance.

### Misconception 6: Maximum score

The ceiling effect—The scores obtained by high-performing employees asked to complete the assessment define the ceiling—the maximum possible score. Obtaining a maximum score indicates that more is always better. On the contrary, possessing more of a behavioral characteristic is not always better. The reality is that in some situations higher levels of a behavioral characteristic may accurately predict success (maximum score). However, in other work situations, you will find high importance placed on having less, or a mid-level amount, of the same behavioral characteristics. More is not always better. Practically, this truth is seen on the job every day in companies across the globe. How effective would a hyperactive call center agent be? How would you get that employee to sit still for a full shift to do their job? Or consider the extremely analytical accountant who must recalculate every tax return 12 different ways before submitting it to the IRS—during a busy tax season where time is at a premium, would that employee be the best fit for the job?

An evidence-based approach such as Performance Profiles leverages the evidence or data to identify the optimal behavioral pattern most conducive to success on the job—and correctly assumes that more of a trait is not always better for workforce effectiveness. Scientifically, this approach is called a curvilinear relationship. Alternatively, decades ago a linear relationship was always assumed indicating that candidates were only going to be successful on the job if they scored high on a personality or behavioral characteristic. With the advancement of computer technology, improved ability to analyze data and a deeper understanding of human behavior, that assumption has changed. Specifically, modern scientific research indicates that curvilinear relationships enhance the use of personality and behavior in selection practices as it considers the potential range of behaviors from low to high.3

An evidence-based approach, such as Performance Profiles, analyzes the data to consider all aspects of behavior and personality as they relate to actual performance on the job. This approach does not limit or create a “ceiling” on the incoming candidate pool. Instead, the Performance Profile allows candidates to fit to specific jobs to increase the probability of future success. Additionally, by focusing on behavioral fit, candidates are able to better leverage their strengths to be more comfortable and naturally excel in the job.

**Think about it:** More is not always better; instead, focus on the behavioral fit to the job.

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Misconception 7: Probability versus over-cloning

The over-cloning problem—Profiling results in a workforce that is more homogeneous in terms of personality traits and attitudes than is actually necessary.

A candidate’s odds of success in a specific position are greatly increased when the talent acquisition strategy focuses on behavioral fit. Over-cloning does not occur because a unique Performance Profile is created for each job within the company. The end result provides unique behavioral patterns stretched across the company.

An effective Performance Profile process will automatically improve the odds of finding individuals who will most likely have future success on the job. At a minimum, through a Performance Profile, the probability of future success is increased by hiring those who are at least as good as the best incumbents on the job. The Performance Profile provides intricate behavioral insights into a candidate’s potential fit to the job within a specific job and in a specific company (Remember—each job possesses a different behavioral pattern based on the performance data associated with the job). The comparison is based on a scientific study of those high achievers of today, who have the highest probability of achieving even higher goals tomorrow. Specifically, their behaviors are studied against all levels of performance to understand “what makes them tick.” With a customized Performance Profile, you will be constantly infusing your workforce with people better equipped to be equally successful, if not more so, than our long-standing incumbent population.

Think about it: Workforce performance improvement is all about scientifically improving your odds of hiring someone at least as good as your best.

Summary

The Performance Profile concept is proving to be a powerful strategy within the employee selection arena, and it comes as no surprise that vendors of more traditional hiring methods would misunderstand or even attempt to discredit the methodology. Despite being a new concept, search engine results for “Performance Profile” will return nearly 100,000,000 results and many differing definitions of what constitutes a Performance Profile. For those trying to improve the quality of their people and the ROI of their HR department, the only Performance Profile that matters is the one that incorporates an evidence-based approach that will help them hire a better workforce, reduce employee turnover, improve employee performance, and generate more cash flow.
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