

Assessment & Development Centre (ADC): An Innovative HR Practices

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Abstract

In the current "War for Talent," there is increasing pressure on organisations to retain their talented employees and develop succession plans to ensure the success of their organisation into the future. Research has demonstrated that employees are more likely to stay with employers that they perceive support and value them. One of the most beneficial ways organisations can demonstrate their support of their employees is through investing in their training and development. Taking such an approach allows organisations to get the best out of their employees and increase their competitive advantage.

The purpose of this paper is to describe the historical origin of Assessment centres, the concept of Assessment & Development Centre, Essential elements of an Assessment Centre, Objectives for conducting Assessment Centre, Various exercises used for the purpose of assessment, & difference with development centre.

Keywords: *Competences, Assessment & Development centre (ADC), Employees development, Change Management, Talent Management*

1. Introduction

With globalization, the market has become increasingly demanding and competitive. There is a demand for a range of goods and services. To survive in this competitive environment, organizations need to align their strategic intent in line with the market requirements. The strategic intent thus shapes the mission statement of the organization, the structure of the organization and the values it follows. The organization then sets its performance goals according to its strategic intent. To achieve these performance goals it has become imperative for organizations to have competent people. ADCs help organizations identify and develop these

competent people and have thus become the need of the day.

An Assessment Center is not a place - it is a method of evaluating candidates using standardized techniques under controlled conditions. These techniques offer a more "real-life" flavor to the selection process. An Assessment Center, moreover, is a comprehensive evaluation approach that allows candidates an opportunity to demonstrate their skills in a number of different situations. Its primary purpose, however, is to evaluate managerial skills and abilities. Assessment Centres are typically used for selection purposes, and involve a number of different assessment

methodologies that are combined to ensure a thorough, multifaceted behavioural assessment of candidates. This can include psychometric testing, group activities, paired activities, and individual activities. Such an approach gives candidates the opportunity to shine in different situations, particularly if they feel more comfortable working in pairs than in a team environment.

Development Centres are typically employed for the assessment of high potential managers within an organisation and usually involve a candidate undertaking a number of activities designed to simulate a typical day in their work life. Vloeberghs and Berghman (2003) suggested there are three main critical factors required for a Development Centre to be effective. These include the way participants are involved before and during the Development Centre, involving factors such as informing participants of the Boards (WOSB) were set up in 1942 for identifying potential officers for the British army. Boards used a mixture of military officers, psychiatrists, and psychologists to assess the candidate's performance. Tests included group discussions, short lectures, leaderless group tasks - all of which are still used in assessment centre methodology. The methods were later adopted by the United States after it entered the war, and the Office of Strategic Studies (OSS) drew upon British, German, and American tests to define nine dimensions it regarded as critical for the selection of agents and operatives. In 1945, the WOSB model was adopted for recruitment to permanent posts in the British Civil services.

However, it was brought into the private sector only in 1956 after AT&T used it for selection of high potentials for managerial positions.

purposes of the Centre, the competencies that will be tested, the method to be used, and also explicitly involving them in feedback. The attention paid to the development planning component of the Development Centre, as well as the mentoring and coaching support that is available to the participant also contribute to the effectiveness of the Development Centre.

2. History of Assessment Centre

Assessment centres methodology is known to have been used or recommended at least 1500 years ago in India as mentioned in Kautilya's Arthashastra. Different methods of assessing a candidate for ministerial positions have been spelt out in the Arthashastra including: observation, performance appraisal, assessment by those who knew him, interviewing, and other forms of testing.

The British War Office Selection The "assessment center method" is the name given to the formal assessment approach pioneered by AT&T in the United States and now used by thousands of organizations worldwide. In the most common application of this method, three or more line managers observe a group of six assesses participating in a series of exercises that simulate tasks related to the job or job level for which they are being assessed. After participants have completed the exercises, assessors meet to consider each participant against a predetermined list of job-related dimensions to reach an overall evaluation.

The success of the earlier work of AT&T was followed by Standard Oil which was the second to a start assessment centres. This was followed by IBM, Sears Roebuck, General Electric, and Caterpillar tractors. By 1981 more than 2500

organizations applied the methodology to select potential managers (Ganesh, 2004).

Forty Three years ago the Harvard Business Review published an article I authored entitled “Assessment Centers for Spotting Future managers”(Byham,1970).This was the first article that described the assessment center method for a general audience. Since that time it has been widely reprinted and quoted.

3. What is Assessment Centre?

- Assessment Centres are often described as the variety of testing techniques that allow the candidates to demonstrate, under standardized conditions, the skills and abilities most essential for success in a given job.
- An Assessment Centre consists of a standardized evaluation of behavior based on multiple inputs. Several trained observers and techniques are used. Statistical combination methods should be validated in accordance with professionally accepted standards.
- The main feature of assessment centres is that they are a multiple assessment process. There are five main ways in which that is so. A group of participants takes part in a variety of exercises observed by a team of trained assessors who evaluate each participant against a number of predetermined, job related behaviors. Decisions are then made by pooling shared data.



- Assessment centres are tools that involve assembling “recommended managerial candidates for specific purpose of assessing their potential and arriving at the decisions about their promotability.
- An assessment centre is a process in which individuals participate in a series of exercises, most of which approximate what they would be called upon to do in the future job. Assessors usually selected from higher management levels in the firm, are trained to observe the participants and evaluate their performance as fairly and impartially as possible
- A typical assessment centre requires participants to complete several simulations that test two or more performance dimensions. Job analysis is used to develop both the simulations and the performance dimensions to ensure their job-relatedness. Assessors observe the behavior of the participants, and ultimately pool their observations, evaluate the behaviors, and provide a score for related performance dimensions.
- An assessment centre is a multi-faceted and multi-dimensional approach designed to provide reliable and valid information about a

range of competencies of an individual considered to be necessary for successful performance at a target level in a specific job.

- Assessment centres are means of helping an organization to identify the strengths and potential development areas of its staff in relation to a particular job or role. – Beacon consultants, ‘Assessment centres’
- Assessment centre is a method of predicting future performance by using simulations and other techniques to measure a candidate’s ability to handle future responsibilities.

4. Difference Between Assessment & Development

Assessment	Development
Is a decision making Aid	Is a development finding aid
Has a pass/ fail point	Has no pass/ fail point
Is geared to solve an immediate organizational need	Is geared to solve a long term organizational need
The organization primarily wants & owns results	The individual also wants & owns results
Is used for external & internal participants	Is only used for internal participants
Is most concerned with the present	Is most concerned with the future
Is the end of the process	Is the start of the process

5. Benefits of ADC Centre

Well-designed and run Assessment and Development Centres are extremely useful organisational tools. Their benefits include that they:

- Provide more robust and objective results than other processes
- Provide a greater depth and granularity of data and insight than other processes
- Are seen by candidates and other stakeholders to be fair and thorough

- Give participants the opportunity to have a realistic experience of being in the new role, ahead of actually having to do it
- Allow clear comparisons to be made across whole groups
- Can be measured for predictive validity over time

A few situations in which they can be particularly valuable include:



5.1 Selection

Whenever candidates need to be assessed for suitability for a role, for example: single vacancy; multiple vacancies; promotions; restructuring, re-engineering or transformation; post-mergers and start-ups.

5.2 Talent Management

They can help in defining and developing High Potential and Fast Track populations. More generally, they are useful for career development in helping to determine the needs and potential of individuals at all levels. They deliver consistency and tend to give individuals greater ownership of their development needs because of the depth to which they go, and the ‘felt experience’ that they provide.

5.3 Change Management

When organisations are undergoing major changes such as mergers and transformations, Assessment and Development Centres can be a powerful means through which to broadcast the

cultural and behavioural expectations of the new organisation at the same time as assessing for selection or development.

Assessment and Development Centres can be complex to plan and design. To enable close observation of all participants, the assessor to participant ratio usually needs to be 1:1 or 1:2 which can make them expensive to run. There should, therefore, be careful consideration of the business benefit and the commitment to using the results, before the decision to use one is made.

6. A Case Study of ADC

Endurance Technologies Ltd., Aurangabad was restructuring its HR function to better align with the new organisational size and shape, deliver cost savings and service improvements. As part of this change, the leadership team needed to identify the best people for a number of future roles across HR and Talent. In collaboration with MGM's Institute of Management, they decided that Assessment & Development Centres (ADC) would be the best approach to do this. This collaboration used the Success Profile methodology to gather data from key stakeholders for the future roles, and built a consistent view of future requirements. This was analysed together with the organisation's existing competency framework and a set of critical attributes was identified that would make the most difference to success in each of the future HR roles. This formed the basis of the centre design.

The assessment team was a combination of the organisation's HR & other functional leadership team, faculty members of institutes and other experts from various fields, all of whom completed in-depth training and worked in pairs throughout the Centre to ensure multiple data

points for each exercise. The design was focused on giving participants a felt experience of what the new roles would be like and how they differed from today, which was found to be most valuable in later development discussions. As a result of the centre individuals personally had a clear view about where their development needs were. At the conclusion of the assessment centres a calibration process was undertaken to provide overall assessment decisions across the function. In addition to receiving feedback about their performance at assessment, candidates were also supported to create personalised development plans using feedback from the centre as their starting point. These were critical in preparing successful candidates to take on their new roles within the organisation.

The following contains a summary of the multiple activities carried out during the process:

6.1 Simulations

A simulation is an imitation of a "real-life" experience. It was taken the form of a group discussing a "real-life" problem; a role-playing setting where individuals "act out" behaviors in response to stimuli; a presentation designed to represent a work-related speech; an in-basket exercise to demonstrate how candidates make decisions about work activities or work flow; or case studies where the candidate solve real work-related problems. Here are some examples:

6.1.1 Leaderless Group Exercise - Leaderless Group Exercises were conducted to test the leadership skills. They generally fall into two distinct areas: (1) assigned roles; and (2) non assigned roles.

6.1.2 Role Playing- Candidates were given information about a situation involving an

employee. They are instructed to interview and counsel the employee.

6.1.3 Presentations - Candidates were required to make a speech lasting five to ten minutes on a management topic or subject area related to a particular job. The candidates were given the same topic. At the conclusion of each presentation, assessors asked questions of the candidates.

6.1.4 In-Basket - The in-basket exercise is by far the most popular exercise used in the Assessment Center process. Candidates were given a set of materials that might be found in a manager's in-basket. The in-basket contains memos, letters, and reports of varying importance. The candidate written down every action he/she would take, including notes, letters, conference agenda, phone calls, etc.

6.1.5 Case study - The work sample is one of the most involved of the Assessment Center exercises. Most case studies required two to three hours of work by the candidate and then at least one hour interviews were conducted by the assessors.

6.2 Psychometric tests

Psychometric tests attempt to objectively measure aspects of mental ability or our personality. This test was used to provide a reliable method of selecting the most suitable job applicants or candidates for promotion. Thomas profiling was used for this purpose.

Conclusion

The assessment center method is a proven, valid technique that is extremely effective for making selection and promotion decisions and for diagnosing employee development needs.

Applied traditionally, it is most appropriate for organizations that process groups of individuals. However, alternative methods now exist that make it possible for most organizations to use the method. In addition, organizations can profit from the methodology without experiencing the problems associated with traditional assessment approaches.

Assessment and Development Centres have been around for a long time. They have become more sophisticated over the years, but the underlying principles and structures remain unchanged. I predict that the pace of organisational change and belief in the assessment process will continue to drive demand for both Assessment and Development Centres. This could be useful when an HR leadership team is going through a transformation, or a change of strategy that requires the team to interact and operate very differently with each other.

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