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Situational Judgement by cut-e

Interview with Andreas Lohff,
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We know that situation matters – can you summarise why this is important in a business context?

Andreas Lohff: 'Lead me not into temptation' is as old as the bible. The decisions we make and the actions we then take have a direct impact on how our businesses will perform. What is interesting is why different people, faced with the same situation, make different choices or decisions. In biblical terms, what makes some people able to resist situations and others perceive the same situation as being tempting?

This has something to do with personality, motives and values, all the things that we can capture with personality questionnaires that help us understand people in a general or inherent way. But personality questionnaires are not able to help us understand how a person may react in a specific situation.

One way of understanding how people react in specific situations – short of actually putting them in that situation or creating a simulation – is to describe the particular situation in detail and offer a range of possible actions or behaviours from which to choose.

Sounds simple enough – what is the difference between traditional Situational Judgement Questionnaires (SJQs) and the cut-e method?

Andreas Lohff: Situational Judgement Questionnaires (SJQs) have been used for many years to try to understand the choices people make in specific situations. Typically, they present the outline of a business scenario and then provide the applicant with a number of potential actions to take. He or she then needs to decide on the most appropriate action that will achieve the desired outcome. But here is the problem. With traditional SJQs, when it comes to choosing from the multiple choice of potential actions to take, most people can immediately spot the correct answer. If you give three options, it is easy to see which is the 'right' answer. This of course ruins the whole question item, as there is not enough variance in the choice of proposed answers. In this scenario, people are not demonstrating the choice governed by their behaviour, but with their ability to understand and spot the right answer.

I would bet that if you gave descriptions of actions that people could take without providing the situation, people would still be able to choose the 'right' action to adopt. There is a study at the University of Berlin that looks at this, but the results are not yet published. In this study, they gave descriptions of actions that people could take without providing the situation... and yet people were still able to choose the 'right' action to adopt. The reason for this – and this is the challenge when designing SJQs – is that it is hard to write distractors (wrong answers) which look convincing enough to choose them.

So how does cut-e deal with this problem?

Andreas Lohff: We have addressed this challenge by looking at the way in which we design, trial and present our SJQs and we know that they work. *cut-e* SJQs have a very high validity score proven during questionnaire development and also in real-life practice. We ensure this in a number of ways.

- Firstly, we use a different item format: rather than asking people to select the single right answer, we ask them to distribute points to rate all answers as to how appropriate they are. This means that the applicant is less able to identify an obvious 'right' answer.
- Secondly, we take time in the writing of the alternative reactions or answers so that they appear to be a very plausible or possible choice. That is, they are not 100% correct or incorrect, but realistic. All of the situations and possible reactions are relevant, appropriate and taken from business life, so often it is very hard to see which is the 'right' one. All the situations and possible responses are based on interviews with Subject Matter Experts (SMEs). These are people from the relevant sector, role or field to which the SJQ relates. All the final items are checked again by these SMEs.

- Thirdly, we look closely at the configuration of responses. For example, once we have developed 30 different situations and the corresponding choices of action, we give this set of items to two groups of people who are working in that specific job – one low-performing group, the other a top-performing group. We can then see and analyse the different response patterns and check with the SMEs to understand the most desired pattern of results. On the basis of this result we build the scoring key and have a range of clever algorithms with which to analyse. This means that we spend considerable time validating the SJQs before putting them into action.

Sounds logical and straightforward, can't it be replicated?

Andreas Lohff: In theory, it can be replicated, and we do: we build one or two SJQs per month for clients. It's our robust and proven method that enables our SJQ approach to work across all sorts of sectors and job roles. We've designed and built them for a range of jobs including insurance sales agents, retail staff, cabin crew, pursers and stewards, hospitality and restaurant service staff, business-to-business sales professionals...

It's our skills and experience in knowing which statistics, scoring and response patterns are required and what the questionnaire should look like, which makes *cut-e* different. We are experts in psychometrics – and psychometrics are at the core of good SJQs. The beauty of SJQs is that they look simple: clients like to use them and applicants like to complete them as they can see the link between the scenario described in the questionnaire, and the situation in a job role. But designing an SJQ to give true and differentiated scoring, and compiling the results to give a single match score requires knowledge and experience.

We also use a unique and innovative scoring method that allows us to assess the correct decision-making behaviour for a specific client. This is something we have developed over time through analysis and many trials – but I'm not going to share it here, as it is the key to what makes the Situational Judgement by *cut-e* unique!

What else makes a good SJQ?

Andreas Lohff: In short, it is all about validity: an SJQ is a good questionnaire and will give valuable information if it has high criterion validity – so whether the assessment predicts what we want it to predict. It also needs to have high face validity – so the applicants accept it as having a reasonable link to the job for which they are applying. An SJQ needs to be tailor-made for a client. Generic SJQs have very limited validity – and without high validity the SJQ is useless. With our SJQs, it is different. Each is tailored and designed for a specific client, validated before they are put to use – with the identified SMEs for that role, trial groups, and conducting validity studies with post-hire performance data. In short, we know that they will work.

For which jobs is an SJQ a worthwhile investment?

Andreas Lohff: Ideally, SJQs are used for job profiles where you have high volume: the more people in that role, the better. For example, service technicians or cabin crew, where companies need lots of people with similar profiles. Furthermore, SJQs are best suited for semi-skilled jobs. The more complex or managerial positions tend to be too complex, with additional variables influencing job success, to generate enough clarity to ensure validity. Volumes are also important, as we need about 200 existing job holders to validate an SJQ prior to launch.

We have noticed a trend, amongst several competitors recently, to integrate multimedia elements such as video clips in SJQs to animate situations rather than just present the question text. Clients love them, and so do candidates – and it certainly adds to face validity, but it is important not to lose sight of the criterion-related validity, which doesn't increase by using multimedia. Depending on the client objective, it may be helpful to use multimedia to support employer branding or image. The complications arise when clients need the SJQ in additional languages. Without multimedia elements translation costs of SJQs are relatively low, as they don't include the nuances or language sensitivities that are needed when using video or audio clips. In addition, unlike personality questionnaires, which need to be exact in translation and go through a process of 'back translation', SJQs do not need this level of rigor.

In psychometric terms, what does an SJQ measure?

Andreas Lohff: SJQs measure a superordinate level construct – ‘judgement’ – that is influenced by a multitude of ‘lower level’ latent traits, e.g. personality dimensions, motivators, experiences and, to some extent, abilities.

There are two ways to construct SJQs: the first is a more conception-, dimension-related way. This is almost like constructing a personality questionnaire, so it describes situations that check for conflict-management skills or commercial acumen. This can be very misleading and the risk is that you end up building a bad personality questionnaire.

The second, and in our opinion, better way, is to look at overall skills needed to perform well in the job, and then look to generate an overall ‘match score’. An SJQ is exactly what it says it is: a questionnaire of situational judgement. It is not a personality-profiling tool and it is not an ability test. If you need to consider more dimensions, then you need to look at using the relevant personality questionnaire. If you want to know about the applicants’ cognitive abilities, then use the appropriate tests in addition to an SJQ.

At *cut-e* we separate out the specific components that are needed to do the job well, assess them individually and then compile these into an overall ‘match score’. This ‘match score’ helps our clients to sort and rank applicants but also provides a more differentiated profile for hiring decision / risk identification areas.

You have referred to SJQs – but is it a test or a questionnaire of situational judgement?

Andreas Lohff: We have been quite deliberate in referring to Situational Judgement Questionnaires rather than Situational Judgement Tests, because the tools look and feel more like questionnaires than tests. That is, they have no strict right or wrong answers – and are untimed. With the *cut-e* method of allocating points for each answer option, we create a situation where all answers may have some merit – so this further reduces the ‘right / wrong’ test experience.

The use of ‘test’ in this context has also been influenced by the historical American use of these tools, where the SJT would measure acquired knowledge to some extent, and thus correlate with IQ. In the work we do for clients, it is all about capturing behaviour in a specific situation – so we focus more on behavioural style, motivation and values. When we assess ability, we use specific ability tests and combine the results to give a more complete picture.

We believe that our approach in developing Situational Judgement Questionnaires creates a strong predictor of job success. They provide clients with highly valid tools, capable of fine differentiation between applicants. In turn, applicants see clearly the link between the assessment and job role, giving them an insight to the job and a perception of fairness of the selection process.

For more information, please refer to www.cut-e.com/situational-judgement

Some clients who use Situational Judgement by cut-e

Aer Lingus, Allianz, Bank of Ireland, British Heart Foundation, Bulmers, Commonwealth Games Glasgow 2014, Dubai Duty Free, easyJet, Elkjop, Grant Thornton, Harveys Furniture, Musgrave, Norwegian, Nuclear Graduates, Parks & Resorts, Permanent TSB, Primark, Scoot, Volskfürsorge/Generali.

cut-e is world leader in the design and implementation of innovative online tests and questionnaires for recruitment, selection and development. *cut-e* helps companies identify people with the right capabilities and cultural fit to deliver optimal business results. *cut-e* carries out over 4 million assessments per year in over 70 countries and 40 languages.