

HELM AND ASSOCIATES, INC.

PRESS KIT

Overview

Helm and Associates, Inc., provides psychological assessment testing and consultation services to business and industry, and offers a wide range of employment tests that evaluate applicants and train incumbents in a variety of work-related attitudes and values. The company's vision is two-fold: first, to assist employers in selecting the best suited job applicants; second, to provide state of the art training for incumbents in how to perform more effectively on the job.

Helm and Associates, Inc., provides psychological assessment and testing programs for job candidates applying for all levels of employment, from entry level to senior executive. The company provides businesses of all sizes with selection systems that promote an in-depth, objective evaluation of a job applicant's job-relevant knowledge, attitudes and values, and training programs that are customized to a new employee's specific needs.

Business Background

Helm and Associates, Inc., was founded in 1979 by Kurt G. Helm, Ph.D., in Dallas, Texas. The company moved to its current location in Helmsburg, Indiana, in 2001. The company currently employs a team of technical support, customer service and marketing specialists who provide expertise in those areas, in support of the company's technical specialty in psychological test development and validation research.

Helm and Associates, Inc., has experienced continuous growth since its founding in 1979. Since 2000, Helm and Associates, Inc., has increased annual revenue on the average of 20% each year. The company maintains this growth by providing value-added services,

responsive customer support, and technical innovation in the area of psychometric measurement.

Customer Base

Helm and Associates, Inc., provides testing packages and consultation services to over three hundred companies in a wide variety of industries, including restaurant/hospitality, construction, food processing, manufacturing, retail, service, banks, and credit unions.

A Brief History of Employment Testing

Pre-employment tests have been used for literally thousands of years. Chinese civil service files, more than five thousand years old, follow the careers of ancient workers whose knowledge was carefully tested before every job change. Beginning in the early twentieth century, Employment Testing became accepted as a matter of course in this country. Books that were published during the 1930s and 1940s for job seekers almost all contained at least one chapter on overcoming nervousness when taking mandatory pre-employment tests.

By the year 2000, 69% of companies surveyed by HR Executive magazine used employment testing to evaluate job applicants. Of the companies that used employment testing, 92% tested for entry-level positions and 66% tested for managerial, professional and supervisory position. Eighty-five percent (85%) of these companies rated employment testing as effective or very effective in identifying the best job candidates, and 80% rated testing as effective or very effective in improving overall job performance.

The Boom in Testing

The usage of tests in business and industry continues to grow. While tests won't reveal everything about an applicant, they are consistent, reliable, and their use can be explained, when they are used properly, if a question is raised by an applicant or

employee. Used together with a probing interview performed by a knowledgeable supervisor and a detailed work history filled out by the applicant, the result is a clearer picture of the applicant's job-related knowledge, skills, and attitudes, without the unintended distortions and bias that can sometimes result when the only pre-employment evaluation is the interview. Employers use tests to:

- **Obtain more job-relevant information about applicants.** Employment tests provide specific job-relevant information about knowledge, skills, attitudes, and personality traits more easily and more reliably than the interview alone. They can help an employer know in advance of hiring a person whether that person has the job-relevant skills and/or attitudes that he or she needs to do the job.
- **Identify the best-qualified candidate for promotion.** Employment tests help improve the match between the job and the person who will be placed in that job by helping the employer match the job's requirements with the person who comes closest to meeting all of those requirements.
- **Help make fair, unbiased hiring decisions.** An employment test that is properly developed and validated helps the company avoid making judgments about people that are knowingly or unknowingly based on stereotypes or false impressions. The people making hiring decisions may not intentionally discriminate, but people are not infallible. The "halo effect" that makes applicants who are similar to the interviewer in some way (i.e., came from the same part of the country, same hobby or interest, or similar strong personality traits) stand out in the interviewer's unconscious mind is a well-known pitfall. This unconscious bias does not affect tests because of their objectivity.
- **Gain consistency and uniformity in the hiring process.** Employment tests ask *all* of their questions in the same order, every time. They are scored, and the results are presented in exactly the same manner for every applicant. This objective consistency allows companies to focus on the applicant's strengths and shortcomings, free from bias or distortion. Even the best interviewer can have a bad day and forget to ask all the questions of each candidate. A bad cold, personal problems or workplace pressures can distract an interviewer, but they

won't distract employment tests. The consistency and objectivity of employment tests mean that unlike fallible human beings, tests don't have bad days.

- **Save time.** An employment test can ask an applicant several hundred questions and obtain answers in much less time than it would take an interviewer. Employment tests free the interviewer for other tasks. Employment tests provide more in-depth information in less time, thereby allowing the interviewer to process more applicants in a shorter period of time.
- **Narrow the field of applicants.** When there are many applicants or candidates for the same position, using employment tests can help an employer narrow the number of people he or she will consider to those who are best qualified for the job. This insures that the company will focus its time and resources on the most qualified candidates.

Used correctly, employment tests make it far easier and more objective to evaluate, hire, place, promote, and train people. Furthermore, most experts believe it is less expensive, more reliable, and more ethical than other screening tools. Dr. Kurt Helm, an industrial psychologist and business consultant who develops, validates and publishes employment and psychological tests, advises his clients to use the tests not only as part of the hiring process, but in staff development, training, and placement as well.

How Should Test Results Be Used?

The key is to use test results as only one factor in personnel decisions, rather than basing decisions solely on a single test score. Managers should use test results:

- **With the right intention**
Employment tests should be used to help identify job-relevant characteristics in qualified candidates, free from the interference of an interviewer's potential bias or preferences. Everyone deserves to be considered for a job based on his/her ability to meet the requirements of the job in a satisfactory manner. If the requirements for the job are relevant to the job and the applicant meets those

requirements, then he or she is qualified and should be placed in consideration for the job along with other qualified persons. A fair comparison of job-relevant characteristics can then be made to identify the best-qualified candidate. Using tests correctly is a clear statement by the company that they are trying to make the fairest possible decisions about hiring and placing people.

- **As only one source of job-relevant information about the person**

There are many sources of job-relevant information about a candidate, such as interview impressions, work and personal references, work history, background information, results from physical examinations and drug testing, in addition to the results from job-relevant employment tests. No single employment test score should be used all by itself to determine whether the person gets the job or not. The results of employment tests add to what the interviewer already knows about a person. They should be used in addition to everything else that is known in order to make a decision that is based on a balanced awareness of how well each person's assets and liabilities suit them for the job.

- **For training and development of current employees**

As the labor pool grows smaller in the future, finding and retaining productive employees will require more emphasis on training and development. Employment test results that focus on *development* will be increasingly useful to employers whose focus is less on eliminating applicants from consideration, and more on customizing training and development of employees in order to improve performance.

Dr. Helm believes that, as employers continue to face roadblocks in getting accurate, objective information about applicants, employment tests will continue to grow in popularity. The key to successful and fair use of employment tests lies in matching the appropriate test with the specific need the employer has identified.

Kinds of Employment Tests

Employment tests can be divided into three general categories, based on what they measure: general personality tests, specific attitude tests, and specific skills or aptitude tests. Understanding the three categories of tests helps an employer select the test or tests that is best suited for the purpose to which the test will be put, which should always be closely related to the job-relevant knowledge, skills, or abilities required.

This discussion of employment tests does not include consideration of tests that are used in clinical settings for diagnostic purposes. In addition, employment tests should be understood as descriptive, not proscriptive: employment test results should not be used to "label" or "pigeon-hole" applicants. Instead, employment tests from any of the three categories should be used to understand the specific skills, knowledge, or abilities that a person brings to the job.

- **General Personality Tests**

The term, "personality test," is often misunderstood. Some people refer to any kind of employment test as a "personality test," but industrial psychologists use the term in a much more limited way: a personality test is a type of validated, psychometric questionnaire that identifies and measures personality traits or preferences that affect a person's work style. It may be misleading to call these questionnaires "tests," since they typically do not have right and wrong answers. General personality tests that are used as employment tests should focus on job-relevant personality characteristics, and should meet all the criteria for validity that other employment tests meet. The focus of personality testing in employment settings, in Dr. Helm's opinion, should always be on using the test results to help applicants and employees be more effective on the job.

- **Attitude Tests**

Tests that measure specific attitudes should be selected based on the job-relevance of the attitudes that are measured. For example, attitudes about punctuality and

attendance are particularly important for positions that depend on the employee's promptness, such as the temp services industry, or assembly or teamwork where the absence of a team member means that work cannot begin. A specific example of attitude test that is commonly used in business is the "integrity" test, which measures an applicant's attitudes toward employee theft and pilferage, as well as other related attitudes. The use of integrity tests grew considerably in the 1980s when companies began to use them to replace controversial polygraph examinations. The most important issue for an employer to keep in mind, when selecting an attitude test, is its relevance to the demands of the job.

- **Aptitude, or Skills, Tests**

These employment tests measure the ability to perform a specific task, or the extent of an applicant's knowledge about a specific body of information, or the innate aptitude that an applicant has for specific kinds of activities. Once again, in addition to being certain that the test is properly constructed and validated, the employer must be sure that the test measures a skill, knowledge, or aptitude that is job-relevant.

What Does “Job-Relevant” Mean?

The term “job-related” or “job-relevant,” as applied to employment tests, means that there must be a demonstrable link between what the employment test measures and some aspect of what the job requires. Federal and state laws, as well as professional standards among test developers, require that tests be job-relevant. For example, a test that measures the ability to count money accurately and quickly, such as the Helm and Associate’s TELLER Test, is job-relevant for jobs in banks and credit unions where the job description includes the requirement to be able to count money. It would be inappropriate, on the other hand, to use a test like the TELLER TEST to evaluate applicants for a position that does not require counting money, such as fork lift drivers or administrative assistants. The TELLER TEST would, therefore, not be job-relevant for the position of forklift driver or administrative assistant. For a test to be job-relevant, it

must measure either skills or attitudes that are logically related to a person's ability to do a particular job.

Employment tests are the product of extensive validation research by the test developer. One of the primary goals of this research is to provide empirical evidence that the test actually measures the attitude or skill for which it was developed. It is the responsibility of the company that uses the test, however, to be sure that the use for which the test was developed is relevant to the job(s) for which the test is used in that company. This is most effectively accomplished by matching job requirements that are expressed in written job descriptions with appropriate, validated employment tests.

Legal Issues

The U. S. Equal Employment Opportunity Commission (EEOC) requires that all pre-employment evaluation procedures be administered fairly and consistently to all applicants. This includes employment tests, *but is not limited to them*. In fact, the EEOC's Uniform Guidelines (29CFR1607) state that all parts of the hiring process, including interviews, application forms, reference checks, background investigations, physical examinations, and drug tests, as well as employment tests, must meet the same fairness criteria. Those criteria are job-relevance, bias-free, and validity.

Job relevance means that every part of the selection process must measure a construct or requirement that is relevant to the job being applied for. In addition, every part of the hiring process must be free from intentional bias or discrimination. One of the practical consequences of these two criteria is that pre-employment evaluation procedures should be administered consistently to all applicants. Testing cannot be done selectively or randomly. Whatever one applicant must do at a given point in the hiring process, all applicants at the same point in the process must do.

The reason for the EEOC Guidelines is simple: U.S. law forbids unfair discrimination in hiring. The hiring process must involve an unbiased evaluation of a job applicant's job-relevant characteristics. If part of a company's hiring process discriminates, the company

must show that that part of the hiring process was a business necessity. For example, part of the hiring process for airline pilots involves a vision test. Good eyesight is a business necessity for airline pilots for obvious reasons. However, the argument could be made that the vision test discriminates against people who are vision-impaired. While this is true, the obvious business necessity of good vision for airline pilots justifies the use of the vision test in this case.

The Americans with Disabilities Act (ADA)

The ADA specifies that employers may not discriminate against people with disabilities if, with “reasonable accommodation,” the job can be modified so that the disabled person can perform it. As it applies to testing, the ADA says tests that are valid and job-relevant are appropriate for use but are also subject to the “reasonable accommodation” requirement. For example, a vision-impaired applicant for an office position could request that he or she take a pre-employment test on a computer with a large screen monitor that displays enlarged text.

The Civil Rights Act of 1991

The Civil Rights Act of 1991 defined race norming as reverse discrimination and struck down the requirement that employment tests be race normed. Race norming was a procedure for making an adjustment in the test scores of protected racial groups if those groups had average test scores that were significantly lower than average test scores for the majority racial group in the United States.

Consequences of Legal Issues

It has become increasingly difficult in the last thirty years for employers to obtain information from a previous employer about an applicant's work history, credentials, and accomplishments because of confidentiality, privacy, and liability concerns that inhibit employers from providing anything other than dates of employment for previous employees. Many employers are increasingly concerned that they may be sued for libel

if they comment negatively about a former employee to a prospective employer during a reference check. Whether this is a realistic concern or not, the fact remains that employers are finding it more difficult than ever to get accurate and objective information about a prospective employee. In addition, resume fraud appears to have proliferated, as applicants take advantage of websites that offer "university diplomas" or even toll-free telephone numbers that applicants can give to prospective employers to "verify" the "degree" claimed.

In this uncertain climate, where accurate information is harder to come by, validated and standardized tests that are accurate, objective, job-relevant, and free of illegal bias, such as the ones published by Helm and Associates, Inc., are more attractive than ever to employers.

Additional Sources Of Information About Employment Testing:

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Media Contact

For more information about Helm and Associates, Inc., please contact:

Barbara Otto

Phone: 800-886-4356

Email: botto@helmtest.com

FAX: 812-988-7780