

# Know Before you Go

How do your job candidates measure up to expectations? Pre-employment assessment tools offer an in-depth look at candidates' skills, strengths and personalities.

By Julie Knudson

Community Focus Federal Credit Union ([www.communityfocusfcu.org](http://www.communityfocusfcu.org)), a \$47 million/4,890-member institution with 12 full-time equivalents in Brownstown, Mich., has recently been hiring within its teller and loan groups. To help zero in on qualified candidates and reduce the time her team spends staffing these open positions, CUES member Lynne M. Boucher, president/CEO, says they've turned to pre-employment testing.

Candidates first go through an initial interview, and those selected to continue are then given an online test. It's designed to "let us know if they're reliable and trustworthy," Boucher says, "because even in an interview, you never know who you're going to get."

The SOS II test used by Community Focus FCU and provided by HRN Performance Solutions ([www.hrnonline.com](http://www.hrnonline.com)), Salt Lake City, presents applicants with a range of questions in several different areas. Boucher explains that queries cover such topics as "drugs in the workplace and 'do you think it's OK to take a pencil?'" There are essentially no right or wrong answers.

The goal, Boucher says, is to push applicants past standard interview-speak and instead prompt them to provide real insight into their skills and personality. "You often get the answers they think you want to hear," Boucher says. "In this type of test they can't do that. It gives you a look into the type of person they really are."

The candidate selection process at UW Oshkosh Credit Union (<http://uwocu.org>), Oshkosh, Wis., includes a handful of different assessment tools. Which one the team administers depends on the type of position the candidate is seeking.

Part-time employees and those in entry-level or non-managerial jobs, for example, complete the Wonderlic Classic Cognitive Ability Test ([www.wonderlic.com](http://www.wonderlic.com)), which basically "shows if somebody is smart or not," says CUES member Scott Chicoine, president/CEO of UW Oshkosh CU. The test, which looks deceptively simple, consists of 50 relatively straightforward questions and is designed to determine an applicant's level of intelligence. Candidates are timed as they take the test, and "it's just how quickly you can get through it," Chicoine says.

For those candidates being considered for positions requiring greater decision-making and problem-solving skills, the \$25 million/3,500-member CU relies on the Wonderlic Seven-Factor Personality Profile. "It tells us about their personality traits—are they emotional, intuitive—that kind of thing," Chicoine says. Geared toward highlighting candidates' strengths and weaknesses, it's used by UW Oshkosh CU to drill down to an accurate assessment of what candidates excel at and where they may need additional skills or coaching. "We might call references and ask if the candidate is a self starter, and they say, 'Sure,'" Chicoine says. "Then you run them through this type of testing and you find out that no, that's really not their strong suit."

Executive and management-level candidates go through leadership assessment testing at Seattle Metropolitan Credit Union ([www.smcu.com](http://www.smcu.com)). "There's no pass or fail," says CUES member Tonita Webb, MBA, SPHR, CCE, SVP/chief human resources officer at the Seattle-based CU. "It's really to get a better understanding of how they lead and how they manage."

Other jobs rely on different types of evaluations. For example, applicants interested in lending positions at the \$567 million/41,000-member CU are tested on their knowledge of applicable



regulations. “We want people with experience, and we really want to know that they understand the regulations and why we have to do certain things,” Webb explains. Leadership and working styles are also evaluated as part of the interview process, she says, but those results are more subjective and leave some wiggle room to accommodate future coaching.

Entry level positions, along with many of the professional positions and even a handful of management jobs at the 135-employee CU, carry with them some form of skills testing. It’s a crucial part of the selection process, Webb says, especially when a steep learning curve is needed. “You ask someone, ‘How would you rate your skill level on Excel?’ and they reply, ‘I’m very good.’ Then you get them on board and realize their skill level is actually very basic.” When the intent is to hire an individual with an existing set of abilities who can hit the ground running, this type of testing is critical for the team at Seattle Metropolitan CU.

The Web-based EASy Simulation—Teller Vision, by Employment Technologies Corp. ([www.etc-easy.com](http://www.etc-easy.com)), helps Santa Fe, New Mexico’s Guadalupe Credit Union ([www.guadalupecu.org](http://www.guadalupecu.org)) narrow down its list of teller candidates. “It assesses their cash handling skills, their customer focus, their ability to learn and apply new procedures, and their attention to detail,” says CUES member Maria T. Vigil, human resources manager.

The simulation not only allows applicants to demonstrate their real-world skills, it also helps Vigil and hiring managers know where candidates may need additional training if they end up joining the 61-person team. “We know how much work in a certain area they might need or, if it’s work in too many areas, they may not be a good fit for the position,” Vigil says.

Positions in the collection department utilize





Employment Technologies' EASy Simulation—Collection Agent, giving candidates a realistic preview of the job by putting them through simulated collection calls and requiring them to perform actual job tasks.

For many jobs, CUES member Winona Nava, CCUE, Guadalupe CU's president/CEO, says the \$125 million/13,000-member CU usually tries to promote from within. "So we already have an idea of the candidate's strengths and challenges," she says, adding that they do rely on other forms of pre-employment testing for external applicants. "We use behavioral assessments for positions such as lending and management," Nava says.

These pre-employment assessments can be administered in a variety of ways, and David Arnold, Ph.D., J.D., general counsel at Wonderlic in Vernon Hills, Ill.,

says online is definitely the most popular method. The reason is flexibility.

"It's helpful from both the prospective employee's perspective as well as the employer's perspective," he says. Online tests allow candidates to participate on their schedule, which is especially important for those who are currently employed. Credit unions also benefit by reducing their time investment as they whittle down the candidate pool. "It really cuts down the amount of time an employer might waste talking to and processing individuals that won't make it further in the process," Arnold says.

### Align With Strategy

A thoughtfully crafted pre-employment testing strategy can help CUs achieve a

range of goals, and the types of tests and when they're used often vary depending on the team's objectives. These goals may not revolve specifically around the employment process—instead, they sometimes speak to the organization's larger objectives.

"Many credit unions are using it with the idea that they're going to improve service quality for their membership," says Joseph Sefcik, president of Employment Technologies Corp. ([www.etc-easy.com](http://www.etc-easy.com)) in Winter Park, Fla.

With service being of paramount importance to CUs, Sefcik says it isn't surprising that such tools as pre-employment assessments are being used. "They're using it with the intent of improving the quality of performance—fewer mistakes and fewer out-of-balances, for example."

The team at UW Oshkosh CU started their testing process after hiring a couple of people who didn't work out. "It was one of those light bulb moments," Chicoine says. "We thought, 'what did we get ourselves into? We didn't see that coming when we hired those two.'"

The cognitive ability test, which assesses candidates' general intelligence, helps Chicoine's team begin to weed out candidates. "If somebody can't get a decent score on that, they're not going to get hired," he says. And while the comprehensive personality profile by itself won't get a candidate eliminated or sent to the next phase, its usefulness is clear to Chicoine.

"It makes us aware of certain personality traits the candidate may have, and those which may or may not be desirable." But the usefulness doesn't stop there. "It also helps us figure out how to effectively coach and manage them," Chicoine says.

Now that Community Focus FCU has implemented pre-employment testing, Boucher says the difference in the quality of

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candidates the CU pursues is night and day. She ponders what might have happened if her team had leveraged assessments earlier. "Why wasn't I using these a long time ago?" she asks. "I wish I would have used it with this person or that person," she adds, referring to a couple of candidates who were hired but didn't ultimately work out.

The upgraded approach at Community Focus FCU has not only changed who it hires, but also which candidates are brought deeper into the interview process and how much time the recruiting team spends interviewing applicants.

When asked if their clients are seeing a payoff from their use of pre-employment simulations, Sefcik says, "Absolutely! Our clients report a 25 to 50 percent reduction in turnover, 40 to 50 percent reduction in absenteeism, and 15 to 50 percent reduction in job-related errors."

Better hiring improves absenteeism rates "because the new employee obtains a realistic preview of the job through the job simulation," says Sefcik. "Controllable absences are often due to unclear expectations or dissatisfaction with the job. This type of absenteeism is reduced when the new employee has realistic job expectations based on the preview he or she receives during the job simulation. Also being capable of performing the job leads to greater success and satisfaction."

By selecting higher caliber candidates, Sefcik says clients are typically able to cut their training time by one-third, while also seeing significant increases in service quality ratings.

Simulations gather considerably more data points than most traditional tests, giving CUs more information about each candidate. "More information increases the accuracy of finding the best people," Sefcik says.

## Avoid Pitfalls

Before retooling the recruitment process to take advantage of a pre-employment testing platform, CUs should be aware of some potential pitfalls and know how to avoid them. In some cases, assessment solutions are so attractive they're overused. Because the time investment for hiring managers and the folks in HR is often lower than it is during other parts of the selection process, testing tools might be used too frequently, simply because they're easy and require relatively little effort for the CU.

But Webb cautions against unnecessary testing. "Make sure you're very sure about the competencies required, and the testing you're assigning to each position," she says. If the open position requires advanced PowerPoint skills, for example, "it makes

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Winona Nava, CCUE



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no sense that you're giving someone a math test," Webb says. "You have to really make sure it's applicable."

Another potential concern surrounding any type of pre-employment testing—and, in fact, the entire hiring process—is that a CU may rely too much on any one single component. "You don't want to have one part of your selection process outweigh all the other aspects," Sefcik says.

In addition, it's important that any assessment or testing solution be placed correctly into the selection sequence.

"The most accurate tools available need to be placed as early as possible in the process, because that's going to give you a better prediction of who to consider and who not to consider," he explains.

Sefcik encourages CUs to lead with

objective performance measures and follow up with steps that involve increased human interaction near the end of the process.

"If we limit areas of potential bias (such as first impressions) early on, we end up with a more objective and accurate decision," he says.

Boucher also stresses that relying solely on any one assessment tool might be a mistake, and CUs should instead make them part of a comprehensive selection process. Just as most CUs wouldn't use a lone phone interview to choose a final candidate, neither should they expect that pre-employment testing will provide all the information they need to make the best decision.

"It's just one little part," Boucher says. "You should definitely check references, do background checks, things like that." These

additional tools will help to shed light on any questions the assessments may have uncovered, and can be tremendously useful when paired with a wider review.

Cut scores—the score below which candidates are eliminated from consideration—should be carefully determined. Arnold says acceptable assessment scores must be driven by the requirements and expectations for each position. For example, jobs that carry greater risks should have higher cut scores.

In addition, he urges CUs to use each assessment type appropriately to avoid potential concerns over discriminatory hiring practices. Cognitive ability tests, which have been shown to sometimes have a disparate impact based on an individual's race, should be used for positions that clearly require them—those where decision making and independent thinking are critical parts of the job. "You need to be very circumspect and judicious that you're utilizing those for positions where you could certainly justify their use by showing there's a job-related need," Arnold says.

### Consider Future Training

Implementing an effective pre-employment testing program takes some planning and attention to best practices. Webb encourages CUs to limit the use of tests that rate candidates strictly on a pass/fail basis. Instead, she suggests examining the complete picture. "Weigh where they rate in each area—technology skills, conflict resolution, supervisory skills or whatever it is."

She prefers to determine which traits are necessary to be successful in the position, and which can be added or augmented later. It's an approach that means the team must also be honest when assessing the time and resource investment they'll be able to give

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a candidate post-hire. “You may not be able to send someone who’s weak in conflict management to classes, but you might have the resources to send someone to an Excel class,” she says.

Sefcik says it’s worth remembering that pre-employment simulations carry benefits beyond candidate selection. Longer-term skills and career development can also be improved. “Not only do you have information that can be used for the hiring decision, there is also information provided for coaching, mentoring and developing the employee,” he explains.

Your existing staff might also get something out of it, by using simulations to benchmark the competencies your team possesses and highlighting areas for further training. “Our simulations provide a plan or prescription that’s unique and specific to each employee, and based on an objective evaluation of each person’s ability,” Sefcik says.

## Getting Started

Selecting a testing program that’s appropriate for your organization and its needs is the first step, Chicoine says. He also suggests that a standardized testing system from an industry leader can help provide your CU with the most robust and useful solution, even though it might be more expensive up front than something one-off.

“Don’t rely on a copy of a test that you got from your neighbor’s brother-in-law because he once worked in HR at the local mill,” Chicoine warns. “This is something that you need to research, and you need to buy.”

Not only is your team more likely to get the information it needs to identify the best candidates, you’ll also help yourself avoid potential problems. “You don’t ever want to raise the specter of any discriminatory employment practices,” he says. “By doing

your research, evaluating vendors, getting a proven system, and applying it uniformly, you’re going to erase that specter.”

Nava says that appropriately benchmarking where candidates need to score on pre-employment tests is important, but so is remaining faithful to the program even if you’re trying to fill a position quickly or good candidates seem to be few and far between. “Assessments are a good indicator,” she says. “If a candidate is struggling with their assessment, they’re going to struggle in their position as well.”

Nava’s team identified scores that would rank an applicant as acceptable, as well as which would raise a flag that the person shouldn’t be considered further.

In their early days of using pre-employment testing, Nava says the team interviewed a

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candidate who looked like a good fit but who had a low assessment score. They initially considered lowering the hiring standards in a particular area to fit the candidate into the assessment scoring parameters. It turned out to be a bad move. “It really came back to bite us,” Nava says. “We realized that we were right in the first place.” 🙄

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