

## 2007 Marks 70th Anniversary for VRH

In 2007, VRH is celebrating 70 continuous years of management consulting services.

Renowned psychologist Leroy Vernon, Ph.D. and his sister Grace established The Vernon Psychological Laboratory on July 1, 1937, believing that scientific psychology had an important role in business. That belief still proves correct today!

Our founders' legacy of professionalism, integrity, and passion for service continues to guide the business psychologists at Vernon Roche Hodgson. You may have noticed we altered our name to more clearly reflect who we are while continuing to honor our heritage; hence the reference to VRH – Business Psychologists.

VRH continues to enrich your future today by offering an extensive array of business services specializing in decision support for executive selection, development and leadership succession.

We're looking forward to continuing our relationship with you for many years to come!



### Do You Remember 1937?

#### January 1937

Wednesday 20:

Franklin D. Roosevelt is inaugurated for a second term as President of the United States. This is the first inauguration scheduled on January 20, following adoption of the 20th Amendment. Previous inaugurations were scheduled on March 4.

#### February 1937

Sunday 21:

Initial flight of the first successful flying car, Waldo Waterman's Arrowbile.



#### March 1937

Friday 26:

In Crystal City, Texas, spinach growers erect a statue of the cartoon character Popeye.

#### April 1937

Monday 12:

Sir Frank Whittle ground-tests the first jet engine designed to power an aircraft, at the British Thomson-Houston factory in Rugby, England



#### May 1937

Monday 03:

Gone with the Wind, a novel by Margaret Mitchell, wins the Pulitzer Prize for Fiction.

#### June 1937

Monday 14:

Pennsylvania becomes the first (and only) of the United States to celebrate Flag Day officially as a state holiday.



#### July 1937

Thursday July 1:

The Vernon Psychological Laboratory is founded in Chicago by Dr. Leroy and (sister) Grace Vernon.

#### August 1937

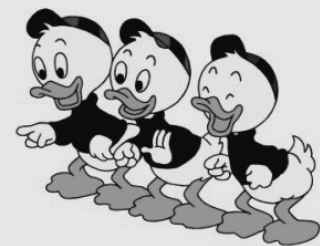
Friday 27:

The automobile division of Toyoda Automatic Loom Works is spun off into the Toyota Motor Corporation.

#### September 1937

Tuesday 21:

J. R. R. Tolkien's The Hobbit is published.



#### October 1937

Sunday 17:

Huey, Dewey and Louie, Donald Duck's three almost identical nephews, first appear in a newspaper comic strip.

#### November 1937

Tuesday 09:

Japanese troops take control of Shanghai, China.

#### December 1937

Wednesday 22:

The Lincoln Tunnel opens to traffic in New York City.

## Employment Testing on the Internet? – Caveat Emptor!

Would you consider getting an X-ray without having the film’s image ‘read’ by a medical professional? Or fitted for prescription eyeglasses without the assistance of a trained optician? Not likely.

The Internet is posing a similar challenge for human resource professionals. It is possible to find ‘cheap’ pre-employment tests offered by various providers and administered via Internet sites. But are you really receiving value?

Technology advancements and growth of the Internet combine to provide employers an opportunity to use computers to screen candidates. The dilemma is: should they? Administration of such tests occurs under a variety of conditions, many of which are unmonitored, unstandardized and often, therefore, unreliable. Without professional involvement, such testing offers an empty promise.

Business psychologists are trained to develop, use and interpret unbiased tests, tests that are appropriate for the context, legally defensible and predictive of employee performance. That’s the value they bring to any hiring process. Such involvement could carry a higher initial price tag but quickly becomes a bargain compared to the impact of ‘mis-fit’ mishaps that can result in a financial burden to the organization estimated to range from 20 to 200% of annual salary.

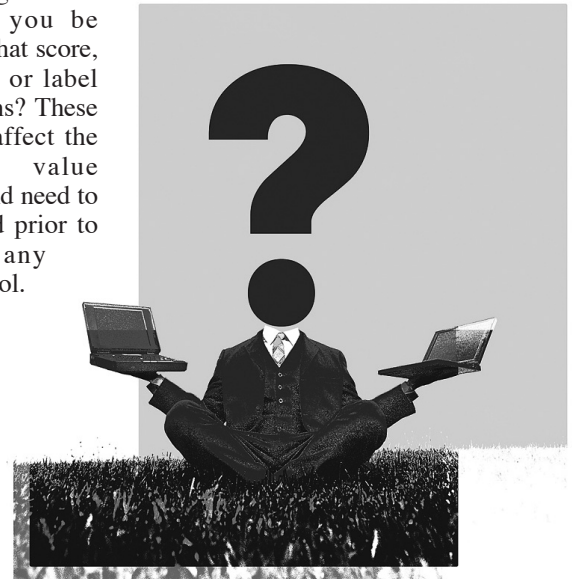
The present state of the art in pre-hire testing, whether via the internet or traditional paper / pencil format, calls for a variation on the historical adage “caveat emptor” – buyer be aware. That is, be aware of what you are using, its validity and the veracity of the source. The wisdom offered by a 40-year veteran in human resource management translates this historical adage with mid-western simplicity: “If it doesn’t require a licensed professional to administer and interpret, you’re fooling yourself in thinking you’re getting any value.”

Business psychologists such as those associated with Vernon Roche Hodgson can assist in designing a meaningful, cost-effective employment screening process. Professionals who know you and your company are equipped to help you understand which candidate(s) is likely to be the best fit for a given position

and for your organization.

Employers should not avoid technology advancements, but fully understand the implications of its use, particularly in a pre-hire context. Primary attention should focus on proctored (supervised) versus unproctored test administration; and the soundness (i.e., reliability; validity) of the test itself. If it is not measuring what you need to know, does it matter that it’s cheap?

The Internet provides access to a multitude of “tests” – many from seemingly reputable sources – that lack rigorous development most business psychologists would expect in tools purported to have predictive capability. Are you benefiting from an internet ‘test’ that has no research behind its development, research that supports its appropriateness for your specific situation? Are you saving money by using a ‘test’ which provides a score, color code or label but cannot draw a valid comparison to others in the job you are seeking to fill? How can you be sure what that score, color code or label really means? These questions affect the cost – value equation and need to be weighed prior to using any selection tool.



The following highlights from the research and experience of business psychologists characterize the current state of ‘internet testing.’ For a full discussion see the reference cited below.

**Benefits:**

- Consistency of administration
- Efficiency of administration (i.e., cost savings; speed)
- Seen as ‘cutting edge’

**Problems:**

- Technical (i.e., equipment; software; Internet connection)
- Inflexibility of administration
- Impersonal nature of experience
- Security of test content
- Cheating opportunities (Who really completed that test?)

VRH offers various levels of pre-employment assessment customized for position functionality, from entry- to executive-level, and salary range of your candidates.

According to Dr. Jonathan Dehlinger, "We’re working diligently to provide quick and easy information access to our clients using technology-driven tools where appropriate without compromising quality, confidentiality or the personalized service you’ve come to expect. We are responding to our clients’ need for comprehensive information and meaningful results that come in a timely manner."

Contact VRH to learn more about how they can help build confidence in your decisions.

Reference: Personnel Psychology. 2006, 59, 189-225. Unproctored internet testing in employment settings.

## Improving Productivity through Performance Feedback

You've got a brilliant strategic plan, good employees have been hired and your product is outstanding, yet you don't seem to be achieving the results that you expected.

Perhaps employees are lacking clear feedback on their performance? Without that critical piece of the performance loop, you can't really achieve the high standards you expect. Sounds obvious, doesn't it?

Unfortunately, effective performance feedback is rare. It's difficult for most of us to give and to receive honest feedback on the job being done. Whether such feedback is positive or negative, managers often find it easy to avoid because these discussions create an uncomfortable situation. Yet done effectively, such performance feedback can be revealing and rewarding for all parties.

### Here are a few tips:

- All feedback should be given in the context of a positive relationship between the manager and employee.
- Feedback can be formatted around SMART goals:
  - Specific
  - Measurable
  - Attainable
  - Realistic
  - Time-framed
- Listening is an important concept for the manager when giving feedback.
- Analyzing performance problems – understanding why problems might be occurring – makes it easier to develop an appropriate action plan.
- Research has shown that positive feedback is the most powerful way to influence behavior.
- Money is not the number one way to reinforce positive behavior.

### A few common pitfalls to avoid:

- Waiting too long to provide performance feedback (i.e., the annual performance review)
- Providing feedback that is not useful
- Failing to develop an action plan
- Failing to follow up on an action plan
- Failing to reinforce desired behavior

It can seem overwhelming to remember all of these steps. Fortunately, VRH has developed a half-day workshop that expands on these performance feedback techniques. You could find it one of the more useful half-day investments your management team has ever made.

For more information, contact VRH at 1-800-259-1091; in the Milwaukee area at 414-259-9722.

## Virtual Staff Member: *Dee Ramsel, PhD, MBA*



Ramsel's 20 years of experience in clinical psychology, coupled with her MBA in 1999, provide the background and training needed to provide effective coaching and leadership development services. In addition, she served as director of a 200-unit rehabilitation program for many years, so she is very aware of the challenges facing executives. She developed the first facility-based leadership development program within the Veterans Health

Administration (VHA) and has consulted on the development of multiple other local and regional leadership development programs. Finally, Ramsel is often called to consult about teamwork issues, employee morale problems, and performance management challenges.

Ramsel's 'day job' is in the Office of Policy and Planning for VHA and she also has a faculty appointment at the Medical College of Wisconsin. She met Dehlinger after completing her MBA and has worked with VRH on several consulting projects involving leader development. Dr. Ramsel can be reached through VRH at 414-259-9722.

While you know VRH for thorough, value-added individual assessment services, that defines only one aspect of our capability. In the past few months, for example, we have supported client initiatives in a variety of ways including:

- Succession planning and leadership development within a major university setting
- 360 leadership development / coaching with executive director of professional trade association
- Training manufacturing executives on performance feedback and employee development
- Development of competency model – and subsequent assessment process – for project leaders in technology-driven manufacturer
- Career guidance with senior sales executive in pharmaceutical industry

## Tips on succession planning from business psychologists

- Succession planning should fully leverage the data available at three levels of analysis:
  - Individual (for assessment and development purposes)
  - Business unit (for development of succession plans and inputs into other Human Resource practices)
  - Organization (find holes in the pipeline and discover skill shortages)
- In building the organization there are age considerations. For younger workers from age 25-44, emphasis should be on recruiting, new hire training and on-boarding. For the older workers, emphasis focuses on knowledge transfer. For the critical middle age group, succession planning and leadership development are essential.
- After developing your company's core competencies, separate out those competencies which are critical for leadership. That simple step will greatly facilitate identification of high potentials.
- A 9-block grid will assist your company tremendously in succession planning. On the vertical axis, list the level of performance (high, medium, and low). On the horizontal axis, denote the leadership potential (whether the candidate is at the level (s)he will remain, able to advance one more level, or able to advance two or more levels). Placing all your staff in one of those nine blocks will give you very good indication of what needs to be done to improve succession planning.



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