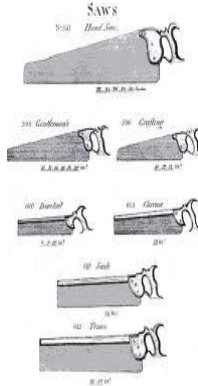




The Talent Management Expert  
*Strategy. Execution. Results.*



The Sharpest  
Blade Gives the  
Finest Cut: Keep  
the Assessor Saw  
Sharp!

Kevin Cook, Ph.D.  
Global AC Operations  
DDI

36<sup>th</sup> International Congress on AC Methods  
October 12, 2011

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## Our agenda today

- Expected distributions and tolerance levels
- Analyses and questions
- Time 1 vs. Time 2 distributions
  - Actual vs. expected
  - Variance obtained
  - Master trainers
- Conclusions and next steps

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## Setting expected distributions

- Must be relevant/accurate across levels of leadership
- Typically developmental/aspirational assessments
- Approximates a normal distribution
- Slight skew toward Development Needed expected

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## Setting tolerance levels

- Based upon 20 years of data and more than 10,000 participants
- Initial tolerance levels (across competencies and levels of leadership)
  - Development Need = 25-30%
  - Proficient = 50-55%
  - Strength = 20-25%

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## Summary of Analyses

- 3-Point distributions comparing T1 & T2 vs. expected distributions
  - Are we meeting our expectations?
- 5-Point distributions comparing T1 & T2
  - Are we using the full range of the scale?
  - Is variance increasing?
- Comparisons between Master trainers and other assessors
  - Are Master trainers consistent over time?
  - Are other assessors aligning with Master trainers over time?

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## Data Analysis

- Data Included:
  - 3-point scale consensus rating competency distributions
  - 5-point scale exercise level competency distributions
- Time 1: August 2007 – December 2009
  - New/updated competencies and exercises introduced 8/07
  - Focused distribution review and calibration in 12/09
    - Analyze group and individual distributions for specialized teams
    - Calibration involves three primary steps:
      1. Review standards for measurement
      2. Practice on samples (independent)
      3. Review samples for clarification in group setting
- Time 2: January 2010 – August 2011
  - Post review and calibration phase until 8/11

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# Distribution Review and Intervention

Step 1: **Establish** Expected Distributions

Step 2: **Analysis** of distributions by individual, group, geography against expected distributions, root cause analysis

Step 3: **Share** distribution performance against expected distributions with assessors

Step 4: Intervene with **changes** to contributing causes (e.g., interview/stimulus, assessor guides, scoring standards)

Step 5: **Implement** revisions

Step 6: **Measure** progress - compare pre-post

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# Competencies

- Coaching and Developing Others
- Influence
- Operational Decision Making
- Empowerment and Delegation
- Entrepreneurship
- Establishing Strategic Direction
- Financial Acumen
- Selling the Vision

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## *Business Analysis Team & Exercise*

## Elements of a Strong Business Plan

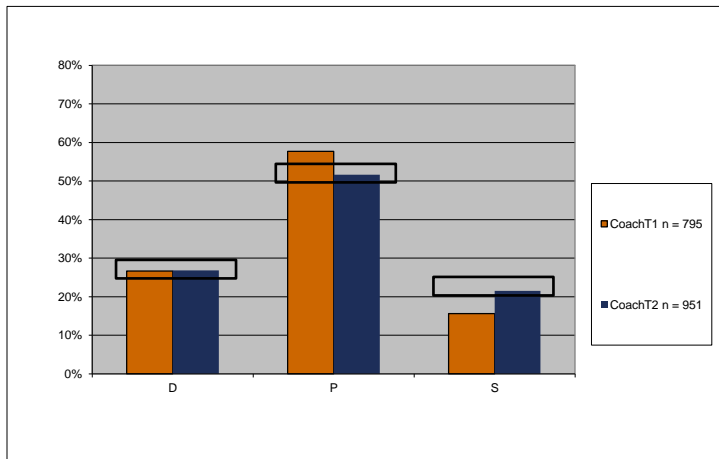
- SWOT analysis (Strengths, Weaknesses, Opportunities, Threats)
- Leverage organization's strengths; mitigate or correct weaknesses
- Exploit existing markets and successful products
- Identify and move into emerging markets; create new ones
- Organize around current and future customer needs
- Build organizational capacity (talent, collaboration, alignment)
- Address financial concerns
- Create tactical as well as strategic approaches
- Define performance measures and set goals
- Meet, thwart competitive challenges
- Translate ideas into actions

## Business Analysis Expert Assessors

- Specialized assessors
- Current or potentially strong Business Acumen
- Nominated by manager, with requisite experience in assessment
- Baseline training
- 3 Months of double work ('backscoring')
- Team focus, alignment, calibration, feedback
- Demonstrated ability to provide high quality, business relevant outputs

## *Time 1 vs. Time 2* *(8/07—12/09) (1/10—8/11)* *3-Point Scale Distributions*

# Coaching & Developing Others

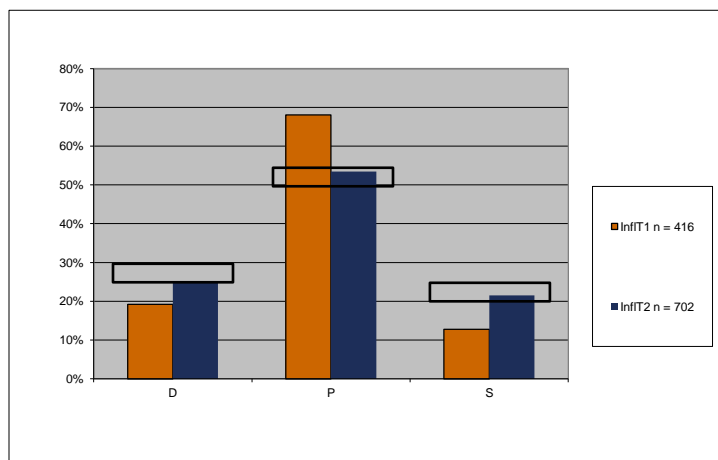


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# Influence

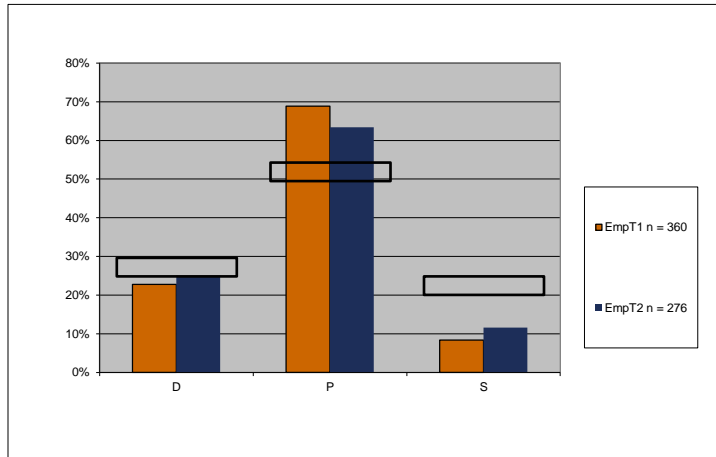


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# Empowerment & Delegation

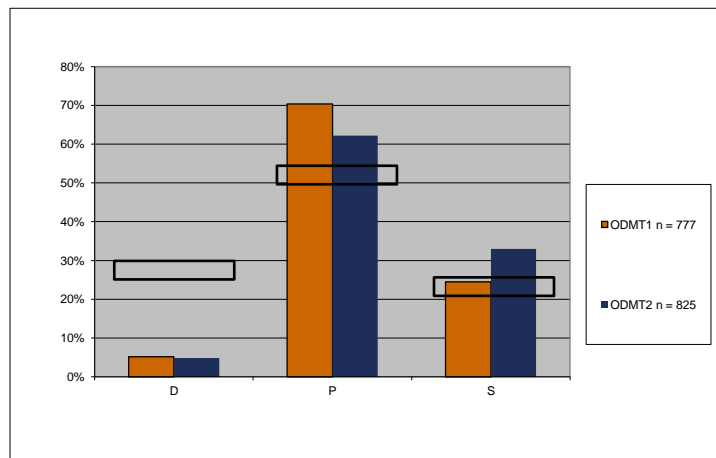


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# Operational Decision Making



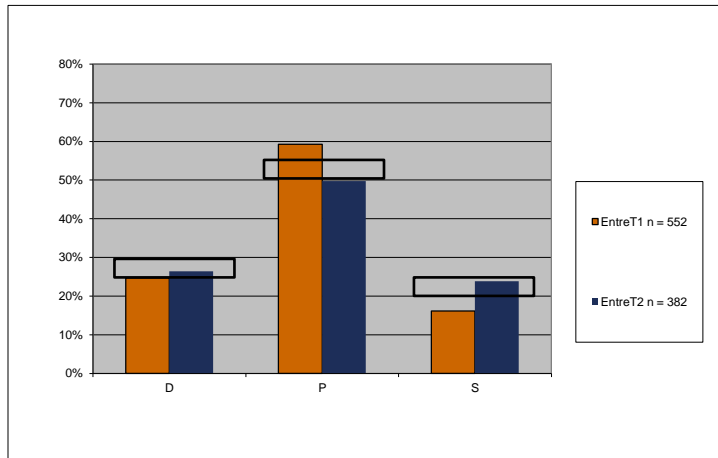
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# Entrepreneurship

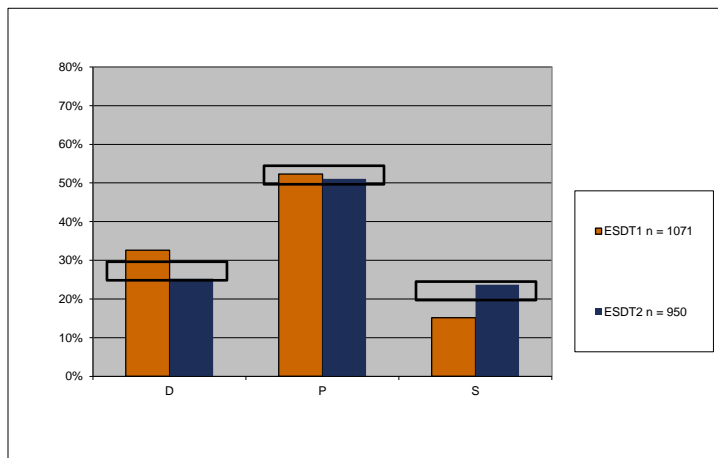


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# Establishing Strategic Direction

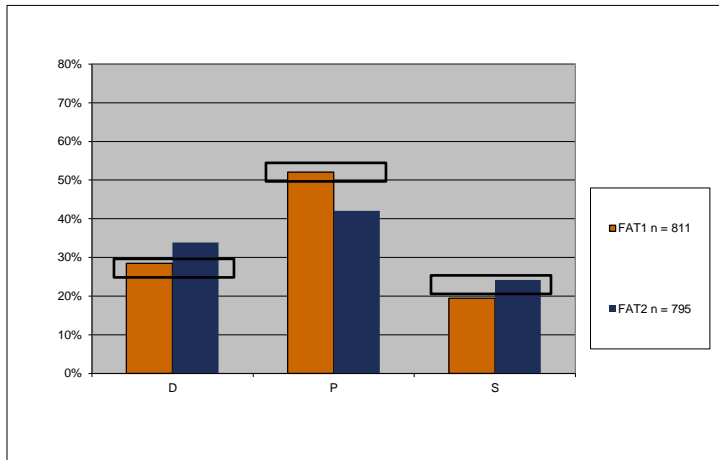


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# Financial Acumen

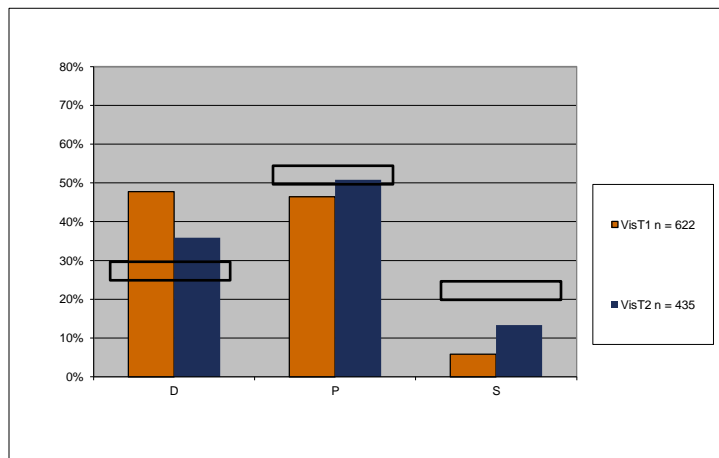


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# Selling the Vision



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## Time 2 vs. Time 1 Differences

- 24 total 'hit' opportunities using tolerance ranges
  - T1 hit rate = 25% (6/24)
  - T2 hit rate = 63% (15/24)
- T2 moved closer to target 75% of the time
- Only 8% (2/24) moved in the wrong direction
- Competencies
  - 4 in range for all 3 ratings
  - 3 in range for 1 rating
  - 1 not in range

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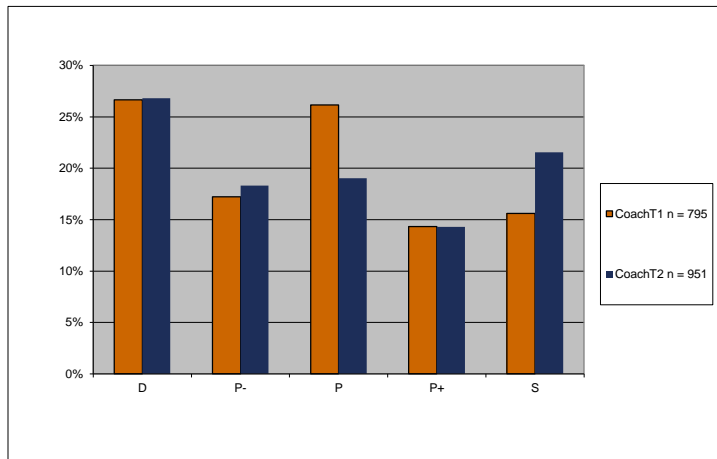
## *Time 1 vs. Time 2* *(8/07—12/09) (1/10—8/11)* *5-Point Scale Distributions*

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# Coaching & Developing

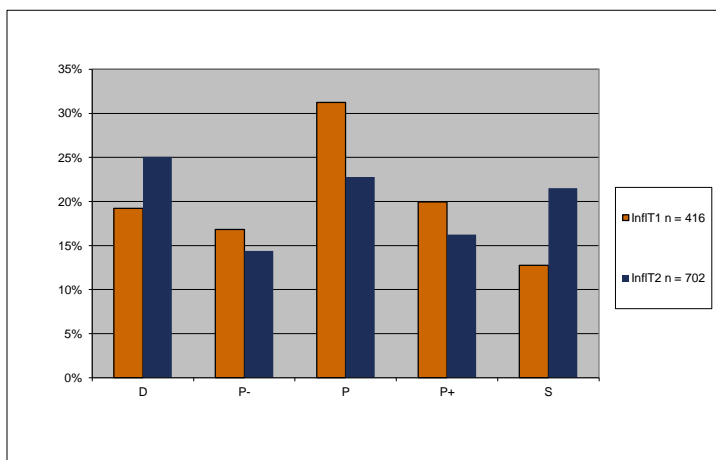


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# Influence

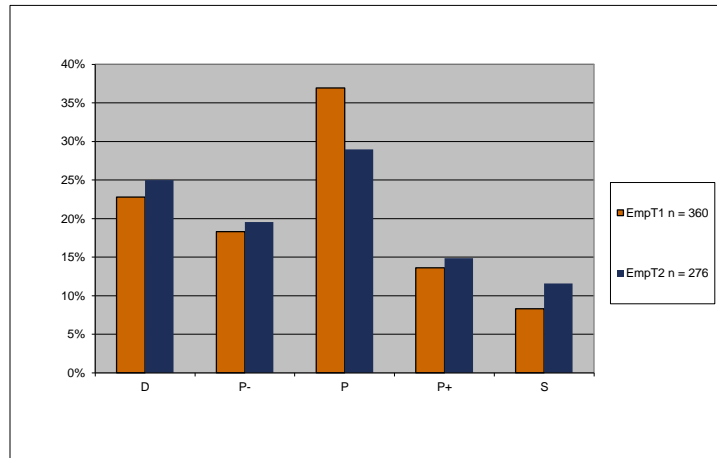


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# Empowerment & Delegation

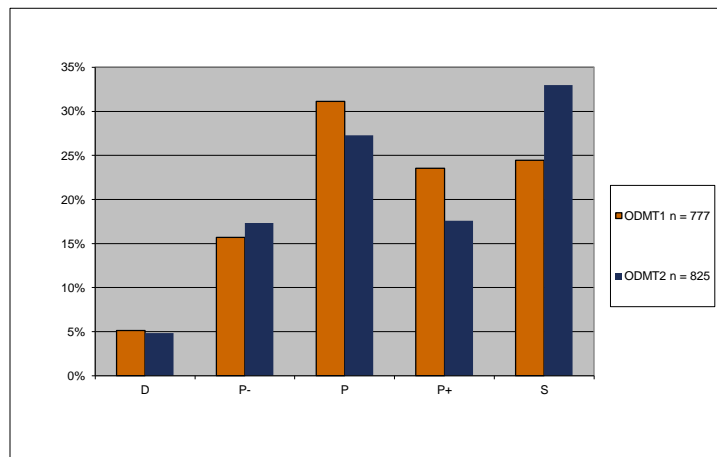


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# Operational Decision Making

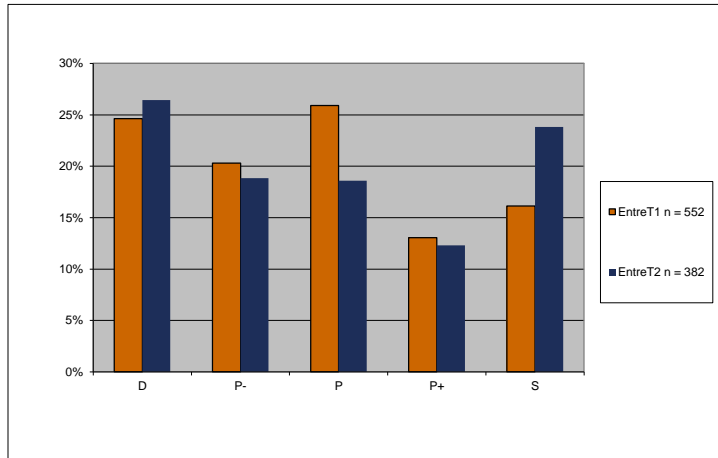


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# Entrepreneurship

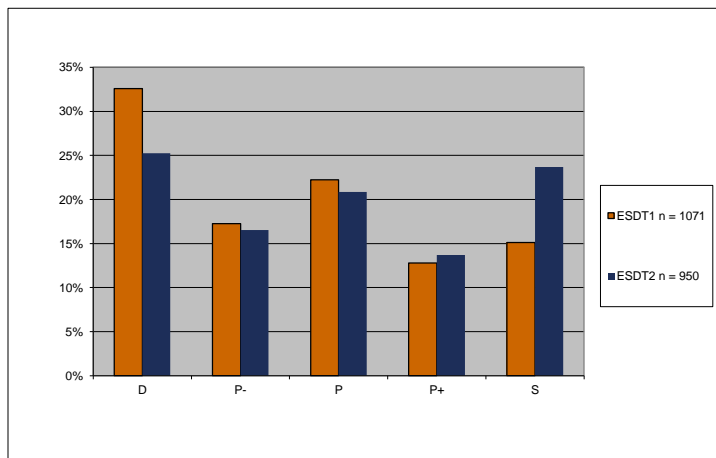


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# Establishing Strategic Direction

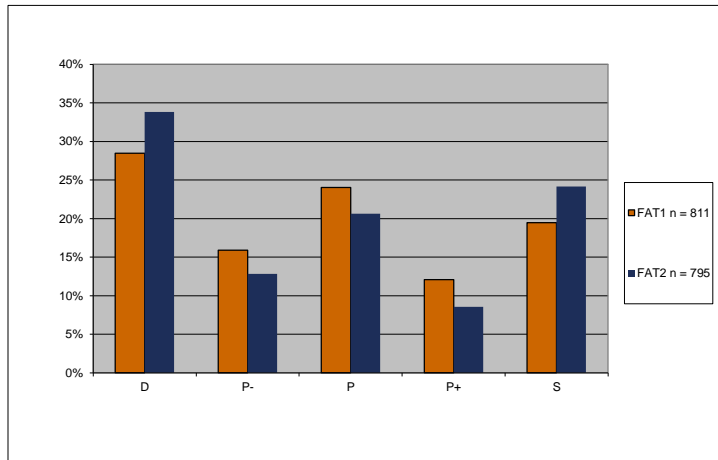


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# Financial Acumen

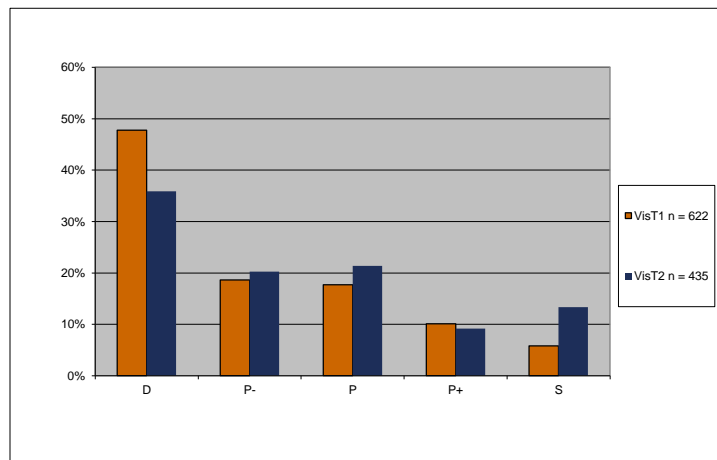


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# Selling the Vision



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## Time 2 vs. Time 1 Variance

Competency	T1: 8/07-12.09			T2: 1/10-8/11		
	Mean	SD	Var	Mean	SD	Var
Coaching & Developing	2.75	1.40	1.95	2.85	1.50	2.24
Empowerment & Delegation	2.66	1.21	1.46	2.68	1.31	1.72
Entrepreneurship	2.76	1.38	1.91	2.88	1.52	2.31
Establishing Strategic Direction	2.61	1.43	2.06	2.94	1.50	2.26
Financial Acumen	2.78	1.47	2.15	2.76	1.57	2.48
Influence	2.90	1.28	1.64	2.95	1.47	2.17
Operational Decision Making	3.46	1.17	1.36	3.56	1.24	1.55
Selling the Vision	2.08	1.26	1.58	2.44	1.40	1.95

Notation for Colors:

**Red** = T2 has smaller variance than T1

**Yellow** = T1 & T2 have about equal variance

**Green** = T2 has greater variance than T1

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## *Time 1 vs. Time 2* (8/07—12/09) (1/10—8/11) *Master Trainers vs. Assessors*

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# How do we define Master Trainers?

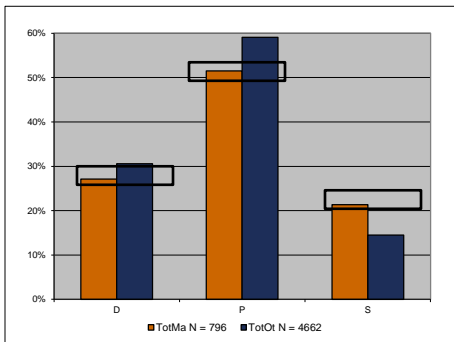
- Highly tenured and experienced assessors
- Consistently reliable and aligned with true scores
- Represent model rating distributions with excellent variance and fit to tolerance levels
- Responsible for:
  - Assessor training, calibration, reliability
  - Assessment quality
  - Distribution reviews and root cause analysis
  - Interventions to address improvement needs

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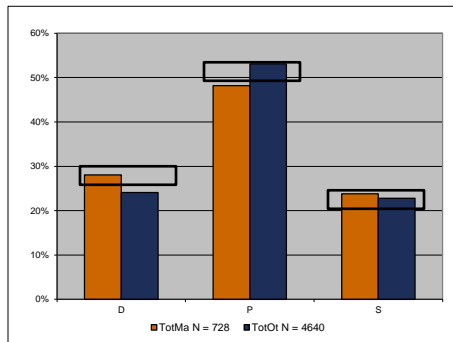
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## All Competencies



Time 1



Time 2

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## Alignment with Master Trainers

- MTs are consistent over time
- Assessor alignment with MTs improved from T1 to T2
  - Clear improvement for P and S
  - Similar distance for D
- Assessor accuracy improved from T1 to T2
  - 8 of 12 improved to target
  - 10 of 12 within tolerance

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## Conclusions and next steps

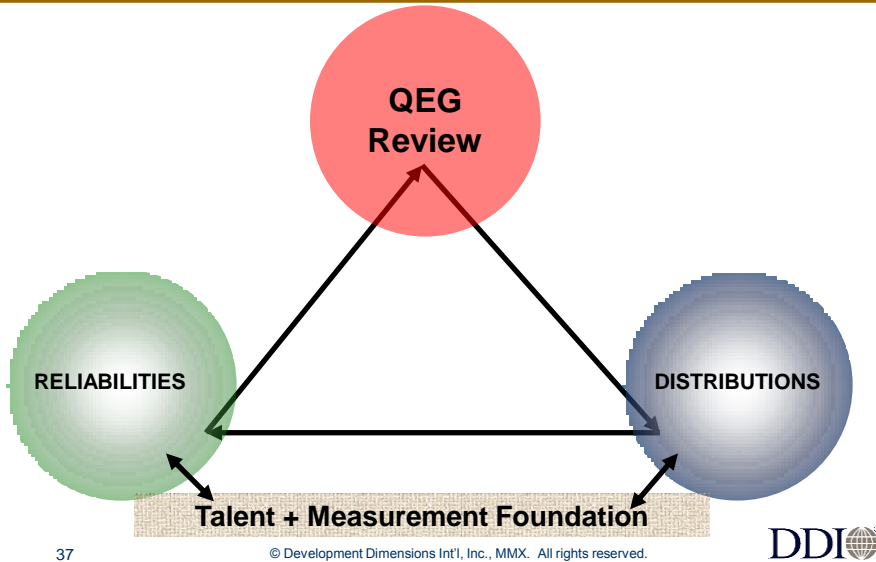
- Analyzing competency distributions is a highly effective means of identifying opportunities for rating improvements
- Targeted interventions at the exercise, competency and assessor level can drive improvements in ratings accuracy, variance and reliability
- Involving assessors directly in diagnosing and adjusting their own performance (both group and individual) is a preferred means of ensuring continuous improvement

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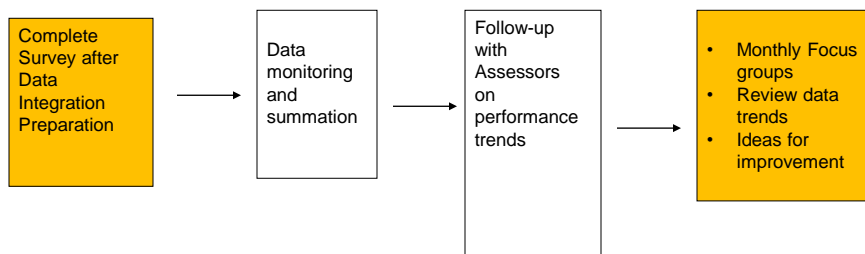


# Assessment Quality Focus Areas



# Assessor Driven Continuous Improvement Process

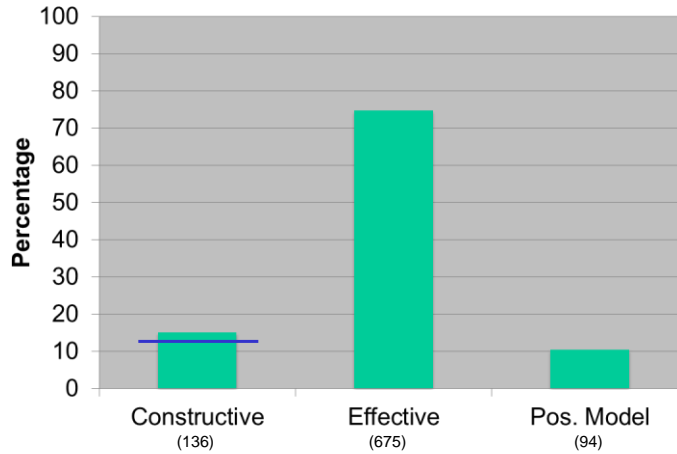
## QEG Activities



# Overall Quality Ratings

Rating Feedback Across All Assessors

n = 905



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# Exploratory Factor Analysis Sample Characteristics

- US Data
- Consensus-level data
- November 2009 to July 2011
- Total N = 1203

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# Exploratory Factor Analysis

**Factor Analysis for US Data (11.09-7.11)**

	Factor					
	1	2	3	4	5	6
EstablishingStrategicDirection	.654		.221		.213	
LeadingChange	.483	.166	.112	.143	-.115	.172
Entrepreneurship	.260		.204		.195	.176
BuildingOrgTalent	.223			.108		
OperationalDecisionMaking		.694		.217	.173	
DrivingExecution	.279	.403		.125		.183
LeadingTeams	.124	.300		.206	-.210	
EmpowerDelegate		.234				
CompellingCommunication			.472	.170		.161
ExecutiveDisposition			.437	.104	.132	
SellingTheVision			.313			
CoachingDeveloping	.123		.239	.175		
Influence		.105	.142	.504		
CultivatingNetworks			.143	.501		
FinancialAcumen	.237	.248			.544	
PassionforResults	.100	.122	.174			.519
CustomerFocus	.105			.159	.102	.229

<b>1: Business Strategy Definition</b>	<b>2: Executing Strategy into Action</b>	<b>3: Translating the Message</b>	<b>4: Building Partnerships</b>	<b>5</b>	<b>6</b>
ESD	ODM	Communication	Influence	FA	PassionforResults
Leading change	DrivingExecution	Executive Disposition	CultivatingNetworks		CustomerFocus
Entrepreneurship	LeadingTeams	Sellingthe Vision			
BOT	Empower	Coaching			

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