Chapter 3
Criteria: Standards for Decision Making

INP3004/MAN3360

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Personnel Psychology

Personnel Psychology – psychology of selection, firing, and promotion decision making

• **Criterion** – evaluation standard, decision point
  – Ex: How do we determine success of training program?
    – **Quantitative:**
    – **Qualitative:**

Criteria

Types of Criteria:
• **Conceptual Criteria (Ultimate Criteria)** –
  – Ex:
• **Actual Criteria** –
  – Ex:
    – Hard criteria –
    – Soft criteria –
Decision Making

Conceptual Criterion

Degree to which the actual criterion fails to represent conceptual criterion

Actual Criterion

Degree to which the actual criterion matches the conceptual criterion

Criterion Contamination

Aspect of actual criterion that is measured but has nothing to do with the conceptual criterion
- error
- bias

Criterion Contamination

- Bias –
- Error –

Example
Restaurant Manager

Conceptual Criteria:
- highly satisfied customers
- complies with gov’t regulations
- satisfied employees

Actual Criteria:
- results of customer surveys
- # of code violations
- ratings by employees

Criterion Deficiency:
- Only measure satisfaction of customers who complete surveys

Criterion Contamination:
- rater bias
Criterion Development

When do you need the data and for what decisions?
• Proximal Criteria –
  – Ex:
• Distal Criteria –
  – Ex:

Criteria Developed:
• Deductively –
• Inductively –

5 Steps to Criterion Development
1. Job or Needs Analysis
2. Develop measures of actual behavior relative to expected behavior
3. Identify criterion dimensions underlying measures (factor analysis)
4. Develop reliable measures to overall factors
5. Determine predictive validity (correlate predictor with criterion)

Purpose of Criterion Development
• Theoretical –
• Practically –
  – Ex:
Job Analysis

Task Statements

• What?
• To whom or what?
• How?
• For what purpose?
Example: College Professor:
– Presents information to college students by way of oral presentation to teach course subject matter.

Sources of Information

Subject Matter Experts (SMEs)
Job Analysis Methods

- Interviews –
- Structured Questionnaires –
- Direct Observation –
- Logbooks or Diaries –
- Documentation –

Job vs. Worker Oriented Job Analyses

- **Job Oriented** – Task Analysis

Job vs. Worker Oriented Job Analyses

- **Worker Oriented**
  
  - Ex: Tools used:
    - Position Analysis Questionnaire (PAQ)
    - Threshold Traits Analysis – Linkage Analysis
    - Dictionary of Occupational Titles (DOT) – published by the Department of Labor
    - O*NET
Job Evaluation

Job Evaluation –

– Pay too little –
– Pay too much –

Fair Wages
Fair wages determined by:
– External Equity –
– Internal Equity –

Compensable Factors
1. Level of effort –
2. Skill required –
3. Responsibility –
4. Working conditions –
Equal Pay Act

Equal Pay Act –
- Covers private, state, and local federal employees; NO minimum number of employees

- problem:
Comparative Worth –

How are criteria determined?
Criteria must be:
• **Appropriate** –
• **Stable** –
• **Practical** –

Types of Criteria
• **Objective** (hard) –
  – Ex:
• **Subjective** (soft) –
  – Ex:
• **Dynamic** –