

# CI PROFILES



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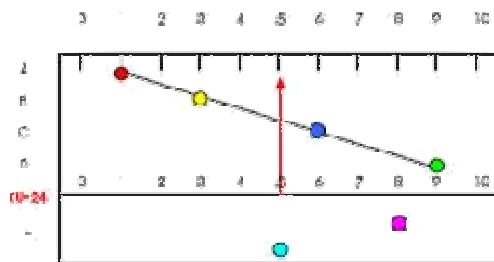
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## Lawsuits on the Horizon: Job Stress and Litigation

In today's job market, the wise employer knows his business is liable to face a lawsuit at least once within the course of a healthy business's operation. It's a fact of a argumentative society. And the fact is, there's a growing likelihood some of those lawsuits will be because of job stress.

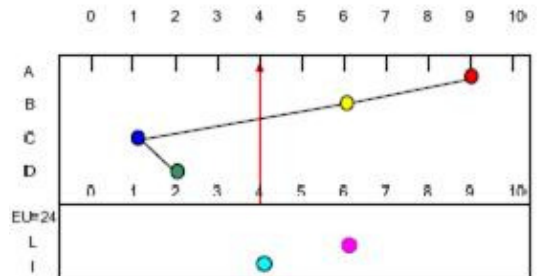
If you're telling yourself that all work has stress attached to it, you're right. Whether it's the stress of not enough of a good thing or too much of a bad thing, stress is inherent to life. What makes the difference in individuals is how much is manageable under given circumstances. Fortunately, that's something Culture Index measures.

Take the following  
 "Traditionalist" pattern:



If this person called Jane is asked to fill a COO position that requires vision, planning, organizational abilities, delegation and leadership of vast numbers of people, you're doing more than setting her up to fail.

You're asking her to become something of a "Trailblazer":



This modification will cause enormous stress. If she attempts to stay in the position, she could be at risk of mental and physical complications.

If you were to ask her to complete the second page of the Culture Index Profile, you'd see a substantial change in her Energy Level. A change in the EL score of 10 points or more indicates that someone is having to modify their job behavior more than they're capable of doing.

That's where you as the employer run into either excessive loss of productivity caused by errors, unwillingness to perform the job, sick days, hospitalizations, etc. or you could face a lawsuit from someone who simply couldn't take any more.

Even if Jane leaves the company, that's still not a win/win scenario to either her or your corporation. So what is?

Again, return to the original Culture Index personality traits score.

In our scenario, someone with as high a "C" as Jane's isn't comfortable with change.

Provided she's been other-

wise well-treated at your company, she most likely doesn't want to leave familiar environs and peers.

Let her know you're aware her current position is not making her happy and you'd like to change her responsibilities because she's a valued employee. If there are support positions requiring highly detailed work available, ask her if she'd be in-

terested.

That type of position is more suited for a "Traditionalist". She may be relieved and appreciative enough that alterations in pay may not be an issue. If they are, be open to discussion and see what happens. A change in salary and keeping the loyalty of a respected employee is infinitely preferred to potential court costs.

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## The Value of Talent

By Raghav Singh taken in part from an article published at [ERE.net](http://ERE.net)

For anything to have value it needs to be measurable. In fact, in scientific circles it's an article of faith that if you can't measure something, it doesn't exist. So the time it takes an electron to orbit an atom is precisely known in yoctoseconds (one quadrillionth of a second).

We're a little short of that level of precision when it comes to measuring the value of talent. Knowing the value of talent in an organization can have major benefits. For one, it would let the organization know how much better (or worse) off it is than its competitors. It would also help focus recruiting efforts where they generate the most return on investment.

But [there are] no easy solutions. That's partly because it's hard to define the parameters. Just what constitutes talents? Is it every employee in an organization, or just a few, and if so, which ones? Does context matter?

In an earlier article I had written that the value of talent could be measured in terms of profit-peremployee. That has merit, but is obviously useful only as a global measure. For the concept to be more useful, there's also a need to be able to measure specific types of talent in an organization and address the types of questions mentioned above.

## Evaluating Key Talent

Measuring the value of certain types of talent is easier than others. Talent that [makes] . . . visible contributions is easiest. . . .

It was recently reported that the Yankees . . . hired Roger Clemens for a total of \$26.2 million, or about \$1 million a game. Clemens is expected to add 6 wins to their season, giving them a huge statistical boost toward the post season. This will increase ticket sales, concessions, etc., the value of which is estimated at \$24 million—\$2 million short of Clemens' salary. The likelihood of post season play means higher ticket prices in 2009, thus making Clemens' cost an effective gamble.

The same type of analysis can be applied to key talent in an organization. . . . For the purposes of this article, we'll limit [our analysis] to C-level executives. Any C-level role is usually associated with specific profit objectives. The hiring decision frequently has an immediate effect on the stock price of a public company, providing some validation that talent has measurable value.

[The] value of a C-level executive can be estimated for the short-term from the likely profits generated, and for the long-term from the impact on stock price or increase in value of the company. The specifics of how to arrive at a valuation for the employee can be based on the employee's past performance, and the employee's ability to meet the profit objectives set for them in the past. This number needs to be adjusted to factor in the likelihood that the performance will continue.

[And yes] context matters. A company with ambitious goals has much more to gain from a highly talented executive than a company that has modest goals.

## Human Assets

Current accounting procedures essentially treat talent, however defined, as a cost walking around on legs. That's largely because people do not fit the financial definition of an asset, and any measure of talent will require some judgment. Then there is the problem that those people in organizations most closely associated with acquiring talent (i.e., HR) often react negatively to the idea of measuring people and are ill-equipped to do so.

Finally, if people are to be treated as assets, then some will also be liabilities. You can't very well have one without the other. The first step needs to explicitly recognize human resources as human assets. The Society for Human Resource Management, or SHRM, would have to become The Society for Human Asset Management, or SHAM, but that's a small price to pay.

## Evaluation of Test-Retest Reliability:

### Culture Index

To determine if the Culture Index has temporal stability, 112 applicants for positions at a variety of companies located across the continental United States completed the Culture Index on two occasions. The first time they completed the personality inventory, they did so as one aspect of the job application process. They were asked to complete the measure a second time for research purposes. A majority of applicants completed the Culture Index the second time on the same day as the first administration. For other applicants the time interval between tests ranged from one to sixteen days.

### Statistical Results and Findings

The means and standard deviations were calculated for each scale for both testings. These results can be seen below.

Scale	A	B	C	D	L	I	EU
<b>Mean: First Administration</b>	8.67	12.13	7.17	13.26	3.08	8.88	41.23
<b>Standard Deviation</b>	4.80	5.65	4.40	7.03	3.16	5.97	17.86
<b>Mean: Second Administration</b>	9.04	12.39	7.56	13.47	3.04	9.59	42.47
<b>Standard Deviation</b>	4.95	5.74	4.52	7.52	3.01	6.23	18.83

As can be seen from these results, the scores on all the scales were highly similar on both testing occasions. In no case did the mean difference approach statistical significance.



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To determine the test-retest reliability of the scales on the Culture Index, Pearson product-moment correlation coefficients were calculated for each scale for the two test administrations. The results of this statistical analysis can be seen below.

Scale	A	B	C	D	L	I	EU
<b>Reliability Coefficient</b>	0.95	0.95	0.94	0.96	0.86	0.94	0.96

These correlation coefficients are all of substantial magnitude indicating considerable stability of test results over time. The only correlation to fall below .90 was on the Logic (L) scale and this statistic, at 0.86, was only somewhat smaller. An examination of the distribution of scores on the Logic scale reveals that it is highly skewed. While there are 33 items on this scale, the mean score was only slightly above three. This means that there was relatively little variability in scores on this scale (as reflected in the standard deviations) so it is not surprising that the correlation coefficient would be smaller than on the other scales whose distributions more closely approximated normal curves.

## Conclusions

The results of this study indicate a high degree of temporal stability. One issue that would be useful to address in subsequent research would be the time interval between test administrations. It would be ideal to have all test respondents have an interval of between seven and fourteen days. As stated previously, a majority of the test respondents in this study completed the second testing on the same day as the first. Although caution must be exercised in interpreting these results, it does provide good reason to believe that there is relatively little error variance that results from time sampling.

These results regarding test-retest reliability, taken together with data previously collected regarding internal consistency, are quite encouraging. As previously reported the coefficient alphas for the Culture Index were as follows:

Scale	A	B	C	D	L	I	EU
<b>Coefficient Alpha</b>	0.87	0.87	0.82	0.87	0.89	0.89	0.94

These two sets of data provide good evidence of the reliability of the Culture Index. It is also important to note that there is no information available that is not consistent with the above reports. While it is always useful to collect additional information, it would appear that the reliability of the Culture Index has been established.



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