

Choosing an Internet Assessment Vendor: A Practical Guide to Ensuring a Value-Added Partner

Over the last several years there has been an explosion in demand for Internet-based assessment solutions. Assessments in general are increasingly recognized as being critical for effective selection and development systems, and the advantages of the Internet are further increasing demand. Even in high stakes assessment situations (e.g., selection or certification tests administered in proctored settings), companies are seeking online solutions.

The number of Internet assessment vendors has likewise increased dramatically, and they differ widely in offerings, capabilities, technology, assessment expertise, customer support and other factors. Choosing the vendor who will best meet your needs and become a value-added partner can seem somewhat daunting. This *Insight* white paper provides some practical guidelines on meeting that challenge.

Do You Need an ASP?

Application Service Providers (ASPs) are firms that provide online applications and other services to their clients. Instead of purchasing or developing software and installing it in your organization, the ASP hosts and manages the application. Advantages of using an ASP include the following:

- Lower cost than developing and maintaining internal systems, and much faster deployment.
- Access to the latest technology. Good ASPs, with their need to remain competitive, offer leading edge technology.
- More powerful and robust administration and reporting capabilities than most internal systems would provide.
- Expertise in leveraging assessment information to improve organizational effectiveness.
- Allows clients to focus on core functions (e.g., selection, training, management development) instead of IT issues.

Depending on the ASP and a client's particular needs, disadvantages could include things like dependence on an outside party, inability to customize the application in very specific ways, uncertainty about customer support, concerns about data security, and the possibility of the ASP going out of business and leaving you stranded.

What may seem like another disadvantage – having to pay for ASP services – is usually not a factor because the total cost for doing everything internally is higher. Both the advantages and potential disadvantages, of course, depend on the ASP.

At any rate, before you go about the process of choosing an assessment vendor, you have to first decide whether you need one at all. It gets down to a build or buy decision. The following conditions would tend to increase the desirability of finding an ASP to partner with you:

- Having many assessment applications versus just one or two, assessments used for multiple purposes (e.g., selection and development), and a relatively high volume of assessments annually.
- Limited internal assessment and/or IT expertise (or capacity) to build and maintain your own applications.
- Need for assessment content that may already be developed (e.g., a validated selection test offered by a vendor) versus an assessment associated with an internal training program that you would have to develop anyway.
- Desire to implement a solution quickly, with low start-up costs.

Getting Started

Assuming you've decided an Internet assessment vendor makes sense for your business, the first step is to clarify (and document) your specific needs. This includes who's being assessed and why, requirements for assessment content (e.g., validation evidence for selection tests), the number of users and functionality needed, individual and group reporting desired, company access to the database, and a variety of technology issues.

Check with other departments in your organization to see if they may also have online assessment needs. There are strong advantages to having different functions working with the same vendor, and preferably that vendor having an integrated database and the ability to transfer information to the client's HRIS or LMS in a seamless fashion.

Criteria For Evaluating ASPs

It is beyond the scope of this document to discuss the criteria for evaluating the content, psychometric properties, validity, etc. of the assessments themselves. However, those issues are more important than almost everything else, and should be carefully considered if you are seeking vendor assessments in addition to administration, scoring and reporting capabilities. An assessment that does not accurately measure what it purports to measure does no good, and may cause harm, no matter how well it is delivered.

Apart from the quality of the assessments that may be offered, what are the criteria for evaluating ASPs? The attached evaluation form is a tool you may find helpful in answering that question. It is by no means comprehensive, but it does scope out the general areas you'll want to investigate.

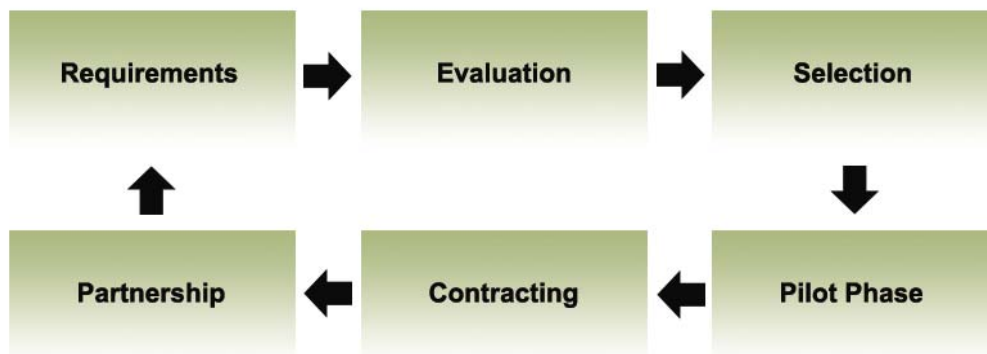
You should first consider how important the criteria are in your particular situation. The ability of the vendor to handle foreign languages, for example, may be critically important, or not needed at all. Then add other criteria that aren't covered but are important to you.

Most of the criteria are self-explanatory, and are not discussed further here. However, please note the following points:

- In most cases, it is strongly preferable to partner with a vendor who has both assessment and technology expertise in-house. This allows the vendor to offer a full range of services in a timely fashion, and to proactively look for ways to add value rather than merely respond to your requests.
- Where the assessment program is intended for development purposes, make sure the vendor can easily make the assessment information available to line managers at various levels. You hold managers accountable for developing their people; a good assessment platform can help them do that.
- A good vendor should be able to provide you with *two important documents* – a clear description of all the features and customizable options available, and a technology document that describes the architecture, performance and reliability, security, backup procedures, etc. in detail. (You may opt to pass off the latter to your IT person.)
- Make sure the vendor has both the expertise and the capacity to provide good customer support, including technical support, and that the service will be available when you need it.

FIGURE 1

Selecting a Vendor and Building a Partnership



The steps involved in selecting and building a partnership with an Internet assessment vendor begin with establishing your requirements. An ongoing partnership is cyclical, returning to the requirements phase for new development.

Suggested Steps

Here are the suggested steps for selecting an Internet assessment vendor:

1. Document your requirements (as discussed on the previous page).
2. Identify potential vendors via the Internet, trade journals, and talking with your peers in other companies.
3. Conduct preliminary discussions with vendors and let them show you their online capabilities.
4. For the vendors who still look promising, send them your requirements document and ask them to respond (including estimated pricing). Ask for copies of the *two important documents* mentioned on the previous page.
5. Have follow-up discussions and, using your requirements document, dig deeper on any areas that aren't clear to you. Don't despair if no vendor can provide everything exactly as you want it. There may not be one.

Depending on the complexity of the technology you're considering, and on requirements for different systems talking intelligently with each other and the like, you may want to get your IT people talking with the vendors' technical experts.

6. Check references, preferably those who are using assessments in a similar fashion as you will be. There's a tendency to over-emphasize the value of vendors having experience in the same industry, but in most cases that isn't as important as how the assessments are used (purpose, volume, reporting, etc.).

The evaluation form may be helpful in checking references, but be sure to get answers to these basic questions:

- Does the platform always work like it's supposed to?
- Is it always available and is it fast?

- Does the vendor provide outstanding customer and technical support?
- Do they add value beyond just scoring and reporting assessments?

7. Pick the vendor who looks most promising, and run through some type of pilot or initial implementation phase. Watch carefully how the vendor performs during this phase – it's a good indicator of how they'll perform in the future.
8. Establish a clear understanding (sometimes with a formal contract or a service level agreement) of the expectations, deliverables, etc. Get a good understanding of what your company must do in order for the vendor to fully meet your needs.

Building a Partnership

The process isn't over when a contractual understanding is reached with the vendor. Work now begins on building a true partnership, which requires intentional effort by both parties. Here are some things your company can do:

- Help the vendor understand the "big picture" – how the assessments fit in and support what you're trying to do strategically. This better positions the vendor to add value.
- Meet with the vendor every 6-12 months to review how well the partnership is working and ways it might be improved.
- Provide the vendor with feedback on ways the platform could be enhanced to better meet your needs. (Vendors' best ideas come from their customers.) Over time, your requirements may evolve as you and the vendor identify opportunities. (This is the reason the arrow in the diagram on the previous page is pointing from Partnership back to Requirements.)
- Look for ways the vendor might meet assessment needs for others in your organization. This may actually reduce your costs, as well as help your partner, since most vendors provide significant per assessment discounts for increases in total volume.

Censeo Corporation is a human resource consulting firm offering consulting services and Internet-based assessment products. The company's mission is to help clients maximize their investment in human capital by collecting and then strategically using accurate and valid information about competencies and work preferences. For more information, visit www.censeocorp.com, email info-request@censeocorp.com or call 407.645.1600 x150.

Internet Assessment Vendor Evaluation Form

Vendor: _____ Evaluator: _____ Date: _____

1 = Not imp. 1 = Poor
5 = Critical 5 = Excellent

Criteria	Importance	Rating	Comments/Notes
<p>1. <u>Assessment expertise</u></p> <ul style="list-style-type: none"> a. In-house talent to develop and validate tests and other assessments b. Experience with a variety of assessments (knowledge and ability tests, behavioral skills, personality and work preferences, 360 surveys, etc.) c. Ability to provide counsel on leveraging assessment data and process to improve organizational effectiveness d. Main focus is assessments versus it being a side business, but also breadth in related HR areas (e.g., selection, training, management development, performance management, employee research) 	1 2 3 4 5	1 2 3 4 5	
<p>2. <u>Assessment platform</u></p> <ul style="list-style-type: none"> a. Easy to understand and use, clear navigation, online Help, etc. b. Good user functionality for intended purposes (e.g., save and bookmark, back navigation) c. Timers available for items, sections and total assessment d. Item randomization and randomly drawing items from a larger pool e. Ability to turn on/off functionality by assessment (e.g., whether report is viewable to user when assessment is completed, number of times assessment can be taken) f. Ability to administer multiple assessments on the same platform, with an integrated database g. Control over which users have access to which assessments h. User access to assessment history i. Detailed configuration document that explains the various options available (Note: The points above are only a few of many possible features.) j. Sound code management and SQA practices for managing upgrades before code is promoted to production servers 	1 2 3 4 5	1 2 3 4 5	
<p>3. <u>Customization</u></p> <ul style="list-style-type: none"> a. Company branding (logo, colors, etc.) b. Assessment content, including flexibility on types of items, response scales, etc.; can handle multiple choice, multiple select, matching, ranking, fill-in-the-blank, various rating scales, etc. c. Flexibility on scoring for items, sections and total assessment d. Flexibility on individual and group reports e. Foreign language support, including double-byte characters f. Fast turnaround and low cost for customizing 	1 2 3 4 5	1 2 3 4 5	
<p>4. <u>Reporting</u></p> <ul style="list-style-type: none"> a. Immediate scoring and reporting b. Individual feedback report can show scores for total assessment and competencies/sections; developmental feedback can be linked to scores at any level, from total down to item responses c. Ability to enable managers at any level to access individual and group reports so they can effectively use assessment information to increase the knowledge, skills and performance of their people d. Ease of viewing reports online and printing those desired as nicely formatted documents 	1 2 3 4 5	1 2 3 4 5	

Criteria	Importance	Rating	Comments/Notes
5. <u>Company admin functionality</u> a. Ability to create new users and manage current users b. Flexibility in how users are registered (e.g., admin can do it individually, self registration, file transfer to vendor for import) c. Ability to view assessments online (without actually taking them) d. Ease with which individual and group reports can be accessed e. Company admin access to powerful and robust group reporting capabilities, which provide answers to key questions they will have f. Export features so data can be used in other applications g. Ability to control what functionality admins have access to by role and individual admin	1 2 3 4 5	1 2 3 4 5	
6. <u>Technology infrastructure</u> a. Tier 1 hosting (physical security, climate control, emergency power, multiple paths to Internet, etc.) b. State of the art hardware and software c. Fast performance; scalable as more clients and assessments are added (i.e., you should have NO concerns about capacity for at least 10x the volume you will bring to the vendor) d. Reliable – uptime > 99%; redundant systems and automatic fail-over protection; immediate/automatic alerts of problems to vendor e. Sound backup procedures f. In-house technology expertise g. Detailed technology document that explains the infrastructure and security	1 2 3 4 5	1 2 3 4 5	
7. <u>Security</u> a. Company codes, user IDs, passwords, etc. to protect confidential information; strong confidentiality statement and real execution b. Hierarchical permission structure for client access c. Firewalls and sound practices to protect the servers d. Full encryption available (for user data and assessment content) without any degradation in performance	1 2 3 4 5	1 2 3 4 5	
8. <u>Customer support</u> a. Fast set up, posting new assessments, etc. (< 24 hours) b. 24x7 coverage; immediate response to any technical problems c. Access via email and phone d. Adequate staffing for total volume (including yours, if it is large!) e. Expertise and capacity to help implement the assessment program in a way that ensures success	1 2 3 4 5	1 2 3 4 5	
9. <u>Implementation process</u> a. Little or no software to install; very easy to implement b. Vendor conducts technology audit to ensure all will work properly c. Availability of implementation support	1 2 3 4 5	1 2 3 4 5	
10. <u>Costs</u> a. Company setup; posting assessments b. Per assessment costs or annual license c. Other costs	1 2 3 4 5	1 2 3 4 5	
11. <u>Vendor reputation</u> a. Stability (no chance of going out of business) – several years in the assessment business, solid financially b. Good customer base of well-known companies c. References give high marks in all areas above	1 2 3 4 5	1 2 3 4 5	