**MHR 365/765 PEOPLE ANALYTICS**

**ASSIGNMENT 1**

You are assigned with examining whether the current selection procedures for cashiers at Johnny’s Grocery are having an adverse impact on the hiring of certain demographic groups. Johnny’s Grocery has used the same hiring process for decades, but there are some concerns that the company’s hiring practices may be putting the company in legal jeopardy. For this assignment, you will need to use the selection data the company collects to compare selection rates based upon gender and ethnicity.

Selection for a cashier position at Johnny’s Grocery follows 5 stages. First, their resume is blindly rated on a 0-3 point scale by an HR assistant where people receive one point for having at least 2 months of retail work experience, 30 or more college credits, or 2 years or more of general work experience. If people have at least 1 point from this rating, they move on to the next stage. Then, applicants are given a phone interview that is rated on a 1-5 point scale (see Appendix I). Subsequently, applicants complete an online timed math test with a cut-off score of 70%. Fourth, groups of applicants come in to participate in a series of customer service role playing exercises rated on a 1-5 point scale by two HR assistants (see Appendix II). The remaining candidates come in for an in-person interview with their store manager after which final selection decisions are made.

1. It is important to first understand the average selection rates across groups. Derive the selection rate in aggregate and by stage. What do these rates tell you?
2. Examine whether there is adverse impact of the selection procedures based upon gender using both statistical and practical significance.
3. Examine whether there is adverse impact of the selection procedures based upon ethnicity using both statistical and practical significance.
4. Based upon your findings, what are your recommendations to Johnny’s grocery?

**APPENDIX I: PHONE INTERVIEW RATING SCALES**

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| 1-2 | **Not Qualified:** Candidate fails to provide acceptable responses to questions. Candidate’s responses vague or incomplete. Overall, candidate fails to provide answers demonstrative of the requirements of this position. |
| 3-4 | **Qualified:** Candidate provides acceptable responses to questions. Responses may not be as complete or thorough as the well-qualified candidate’s response. Overall, candidate’s responses are complete, address the questions, and any probing required was minimal. |
| 5 | **Well Qualified:** Candidate provides a thorough response to each question. Responses are well thought-out and well presented. Overall, candidate’s responses are complete, addresse all aspects of the question, and do not require probing. |

**APPENDIX II: ROLE PLAY RATING SCALES**

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| 1-3 | **Not Qualified:** Candidate fails to display acceptable customer service orientation during role playing exercises. Doubtful that training would result in well-qualified. |
| 4 | **Qualified:** Candidate provides acceptable customer service orientation during role playing exercises. Able to be well-qualified with training. |
| 5 | **Well Qualified:** Candidate displays exceptional customer service orientation during role playing exercises. |