GRADING THE PERSONNEL IN-BASKET EXERCISE

Walter A. Bogumil, Jr., University of Central Florida

ABSTRACT

This paper suggests a methodology for converting the In-Basket Exercise component of an Assessment Center into a gradable event for classroom use.

HISTORY

The in-basket exercise has been used in academic circles since the mid 1960's. Professors reviewing the work done by Bray et al. at Bell Labs adapted the technique for classroom use. (1) This study indicated that, "the procedures which contribute most significantly to overall predictions appear to be group and in-basket exercises." *(2)*

In-basket exercises (IBEs) are primarily used for measuring administrative skills regarding organization planning and decision making. (5) (7) IBE's are currently available for several fields such as personnel, production, marketing and other forms of management study (4) (8) (10). Currently, however, the classroom is not the most likely place to find an IBE in use. The Assessment Center approach to the evaluation of managerial potential is far more likely to employ an In-Basket. (3)

As with any employment "test" we are concerned that the standards of "job relatedness" which are essential to favorable Equal Employment Opportunity Commission treatment. IBEs treated as a component part of Assessment Centers seem to yield valuable information on certain aspects of managerial performance. In brief, the IBE in concert with other assessments appears to be a valid and reliable test for predicting future performance. (5)

An IBE is an exercise in which a student subject (SS) may be placed into the role of, for example, a personnel director. The SSs are then asked to prioritize a series of information which ostensively arrives in their in-basket one morning. The information is exactly what one might expect to find in an in-basket, letters, memos, telephone slips, etc. The SS is held to a strict time limit for completion of the exercise by the instruction that they are to catch a plane or leave on vacation and have only one hour to complete their task.

While longitudinal data from the managers at AT&T revealed a relatively good correlation between IBE scores and success on the job, future promotions, and raises, the technique of assessing potential managerial performance of a college student through the IBE proved less satisfactory. A survey conducted by the author reveals the few personnel management texts, casebooks or experiential exercise books contain IBEs. (4) (8) (10) Where the text does, the instructor guides usually provide suggested answers, with possible evaluations of the importance of an individual item.

PROBLEMS

There seem to be two reasons why the IBE never achieved the potential classroom popularity that one might have expected. First, the makeup of an IBE is predicated upon the climate of a particular organization. Organizational climate is a framework of the behavioral assumptions used by the management of a company. Even to the outsider, the obvious behavioral differences between Ford, General Motors and Chrysler are apparent and the difference would have an impact upon the importance of any particular item in an in-basket. An action or a priority which might be entirely appropriate in one organization may conceivably be inappropriate in another. Any "frame of reference" as to the climate in an organization must be provided by the instructor or inferred by a sagacious student from the introductory scenario generally found at the beginning of an IBE.

Second, the evaluation of an IBE requires an extreme expenditure of effort. Time that could be used to evaluate an IBE is precious to the average faculty member faced with publication demands. In an assessment center the availability of multiple assessors, the single purpose nature of the activity, and the profit motive, make the use of multiple assessors for each candidate and the time and effort of painstaking review of an IBE a feasible alternative. The limited time and resources of the average university professor make such a review an impossibility. Consequently, the in-basket, which was a proven component as an assessment tool, was relegated to the position of a classroom discussion stimulator. While the discussion was "profitable" as a learning device the amount of time required makes the application quite limited and difficult to integrate into a component grade for a course.

What was needed was a pedagogical design which would allow an instructor with limited time and resources to use the IBE concept to its full potential in a classroom setting. The following strategy is a suggestion and is not held out to be the optimum technique for the in class use of an in-basket. However, over the seven years during which the author has used IBEs in classes in Advanced Personnel Management many of the solutions to the problems have been worked out so that this tool may be of benefit to the average instructor with only limited microcomputer capabilities. The ability to handle a spreadsheet such as VISICALC or LOTUS 123 is also a timesaver. (ii) (8)

FRAME OF REFERENCE

From a global perspective the frame of reference of the organization is the only tenable starting point for the evaluation and grading of the priorities in the IBE. The items found in an IBE are a reflection of the real world of work. Determining the specific importance of each item is the first step in determining the proper handling of an item. Several IBEs have been reviewed by practicing personnel professionals in the local business community in order to determine "professional priorities". These priorities are carefully analyzed from an academic perspective to arrive at the practical, theoretical, and learning value based on so-called "correct answers" to the items in the IBE. For classroom purposes three categories of priorities are quite effective in providing a gradable event and meaningful feedback to

the SSs. Obviously, items of no great importance (labeled PRIORITY THREE) should receive little consideration and brief required actions in terms of time. PRIORITY ONE items require immediate attention. In order to determine the proper priority an understanding of the frame of reference is essential. Each priority is accompanied with an explanation of appropriate action to be taken when confronted with that particular item. The frame of reference may be a simple one such as the McGregor Theory X Theory Y approach. The concepts are straight-forward and easily documentable for additional student research. Additionally, the assumption that a predominant style is pervasive throughout the organization is easily supportable. In a very simple IBE the student may be told to operate under slightly Theory X assumptions which is generally an accurate assumption in a mature personnel function.

PROFESSIONAL MANAGEMENT BY EXCEPTION

In order to handle the resulting answers the output from an IBE should be a tabular listing of item numbers, priorities associated with each item, and finally a statement of the appropriate actions for each item. If a particular class has an enrollment of 40 students and the in-basket has 25 items than a matrix of the priorities alone would contain 1000 cells. By establishing the proper array the raw data can be analyzed using the "management by exception principle". After in class completion of the IBE the instructor should establish an array of the priority data in the format suggested below. This array may be highlighted so that the correct priorities associated with items are easily distinguished. Red for "correct" priority three items and green for priority one items provides a useful guide for scoring the IBE.

TABLE 1

```
        SAMPLE IN-BASKET SUMMARY ANSWER FORM
ITEM #      1  2  3  4  5  6  7  8  9 ............. N
"CORRECT"   3  2  3  1  1  2  2  3  1 ............. X
AVERAGE
STD. DEV.

NAME
Student "A" 1  2  2  1  2  2  3  2  1 ............. X
Student "B" 3  2  2  1  1  2  2  3  1 ............. X
Student "C" 3  2  3  1  1  2  2  3  1 ............. X
Student "D" 1  1  1  1  1  1  1  1  1 ............. X
```

For the efficient grading of the IBE the above format incorporates the management by exception principle. Each student response may be compared with the "correct answer" in the matrix. The average scores from all student responses can be compared with the "correct answers" as well. The amount of difference may well reflect the degree of difficulty experienced by the students in dealing with a particular concept.

GRADABLE EVENTS

The problem of developing a gradable event from an IBE may be approached in several ways. Because of the managerial judgment implications associated with the output of an IBE the author found that a scoring model which introduced a bit of humor into the exercise was more effective. Also, it must be noted that the percentage component of the SS's total grade for the IBE portion of the

class never exceeded 25%. This restriction was placed upon the exercise since IBEs were only one component of the Assessment Center concept used in the course and also because the IBE score when used as suggested in this article tends to measure familiarity with "office politics" which is an important type of knowledge, but, not the most wisdom to be acquired by the student.

With those factors in it and reasonable numerical (gradable) events might be described with the following matrix;


```
                    CORRECT RESPONSES

                        1       2       3
   S   R      1    |   C   |   O   |  HA  |
   T   E           |       |       |      |
   U   S
   D   P      2    |   O   |   O   |   O  |
   E   O
   N   N
   T   S      3    |  SB   |   O   |   O  |
       E
```

Where C equal a correct answer,
HA equals a heart attack (from over work),
and SB equals a snake bite (from an acute failure to recognize an important item)

One effective grading formula might be Total Score=C-(SB*.5+HA*.25)*100

RATIONALE

As office dwellers, we are all aware that certain pieces of data are of vital consequence to our continued functioning. For a student of management to recognize such an item is vital to their future functioning in the non academic world. Due to the limited nature of our class time together (IBEs do not represent the total academic experience for any one class) only the most consequential or high priority items are reflected in the scoring format. The student's understanding of, for example, a number two or a number three priority item is important, but simply not so important that we may spend a great deal of time in the attempt to develop a totally consistent body of knowledge regarding these items. Also important is the consideration that accurately grading a behavioral event like an IBE properly would require the services of several trained assessors which is the Assessment Center situation. Consequently, the student receives no credit for the correct assignment of a priority two or three item. Only the correct recognition of a priority one earns credit.

The next most significant fact that a student should learn from an IRE is the impact of not recognizing the significance of an extremely important item. When a student responds with a priority three to an item that is a priority one the result is to "Snake Bite". As you might surmise the student's reaction to the term is good matured (even though they erred) and their grade is affected negatively by .50 points.

Finally, students are not so lacking in intelligence as to quickly realize that all items might he categorized as priority ones. Partially in an effort to restrict that phenomena and partly to convince the student that handling everything in their work life as a priority one item will result in a low quality of work life the student is penalized for this

strategy. The event of assigning a priority one to a priority three item is known as a "Heart Attack". In the grading aspect of the IBE a Heart Attack results in a .25 point penalty.

The result of the analysis on the IBE tableau is an immediate view of SS's who have erred In their assessment of the priorities for each item of the IBE. The tableau points the way for the instructor to review the written commentary associated with any errant SS specifically for any item erroneously categorized. The "Management by Exception" principle requires that the exception be analyzed to determine whether or not the incorrect prioritizing by the SS is associated with an incorrect analysis as to how the item was "handled". Although the occurrence is less than common, the possibility always exists that a SS may prioritize a Priority One item as a Priority Two. This error is immediately recognizable on the tableau. When the written commentary is reviewed the SS's response may or may not represent an appropriate course of action. Any other errors in prioritizing (i.e. SS response of Priority 3 when a Priority One was appropriate) requires no additional review by the instructor. The final determination is left to the discretion of the instructor. Some -jobs cannot be made easier.

REFERENCES

[1] Bray et. al. "Formative Years in Business: A Long Term AT&T Study of Managerial Lives (Wiley, 1974) pp. 79-80.

[2] Burack, E.H. and Robert Smith, "Personnel Management: A Human Resource" Systems Approach" (West Publishing Co. St. Paul, MN, 1977).

[3] Frank, F.D. et al. "The Assessment Center Process: A Participants Workbook" (Human Resource Publishing Co., 1983).

[4] Glueck, W.F. and George Stevens, "Cases and Exercises in Human Resources Management" 3rd ed. (Business Publications Inc., 1983).

[5] Henderson, R. "Performance Appraisal: Theory to Practice, p. 256.

[6] Keil, E.C., "Assessment Center; A Guide for Human Resource Management" (Addison-Wesley Publishing Co. Reading MA, 1981).

[7] Latham, G.P., and Kenneth N. Wexley, "Increasing Productivity Through Performance Appraisal" (Addison-Wesley 1981, p. 93).

[8] LOTUS 123, Lotus Development Corporation, Cambridge MA, 1983).

[9] Shuster, F.E. "Contemporary Issues In Human Resources Management" (Reston, 1980).

[10] Stevens, G.E. "Cases and Exercises in Human Resources Management" 4th ed. (Business Publications Inc., 1986).

[11] VISICALC is a registered trademark of the Radio Shack division of the Tandy Corporation of Ft. Worth TX, 1980.