The History of Employer-fit assessments

- Assessments designed to evaluate a candidate for employment and how that candidate will fit within the established company culture have been active since the 1980s.
- Over the past decade, it has become increasingly commonplace for employers to use algorithmic decision-making tools in employment. Employers use a wide range of tools to assist them in employment decision-making and performance management, including:
  - Resume scanners
  - Employee keystroke and other monitoring software
  - “Virtual assistants” or “chatbots” to filter job applicants
  - Software that evaluates candidates based on their facial expressions and speech patterns in video interviewing
  - Testing software that provide “job fit” scores for applicants or employees regarding their personalities, aptitudes, cognitive skills, or perceived “cultural fit” based on their performance on a game or quiz

EEOC TITLE VII GUIDANCE ON EMPLOYER USE OF AI, OTHER ALGORITHMIC DECISION-MAKING TOOLS

- **Selection procedures -** Employers must therefore ensure that their selection procedures when using algorithmic decision-making tools do not result in a disparate or adverse impact under Title VII—unless they can establish that the use of these tools is "job-related and consistent with business necessity," and there is no less-discriminatory alternative that is equally effective.
- **The "four-fifths rule." -** Under the four-fifths rule, adverse impact is generally indicated where a "selection rate" for any protected characteristic is less than 80% (four-fifths) of the rate of the group with the highest selection rate.

EEOC TITLE VII GUIDANCE ON EMPLOYER USE OF AI, OTHER ALGORITHMIC DECISION-MAKING TOOLS

- **No third-party shield -** The EEOC therefore recommends that employers ask third parties what metrics they have used to assess whether their algorithmic decision-making tools result in adverse impact.
- **Options to address disparate impact -** In the event that an employer discovers that its algorithmic decision-making tool does result in disparate impact, the EEOC suggests that the employer can either discontinue use of the tool, select an alternative tool that does not have a disparate impact, or modify or redesign the tool using "comparably effective alternative algorithms" during the development stage of the algorithmic tools.

EMPLOYER FIT ALGORITHMS – LOOKING FORWARD

- The use of AI and other software in employment and other areas is becoming a focal point of regulatory scrutiny.
  - Employers who use or are considering the use of algorithmic decision-making tools in employment should be mindful and intentional about their design, implementation and use
  - Employers should actively engage with third parties that design, develop, deploy and/or administer the tools they are using to mitigate potential adverse impact and regularly self-audit the use of these tools to determine whether the technology is being used in a way that could result in discrimination.

QMI – an employer-fit algorithm tool

- The Quality Match Index(QMI) software is a cloud based on-line software program.
- It is a set of comprehensive survey questions that are directed to compare individual traits with a pre-determined set of survey data that represents a specific company's culture.
- It is an anonymous process. It is different than class software survey programs because QMI analyses the company's culture and the individuals' match with that overall culture using a comparative score process.
- The results can be used to analyze and pinpoint team conflicts as well as score the predictability fit between an applicant and a company's existing culture.

QMI – an employer-fit algorithm tool

- QMI software does not use simulation-based analysis which often fails to account for decision-making bias inherent in simulation-based evaluation
- QMI software is not based on a time quotient
- QMI software evaluates traits not characteristics or individual temperaments
  - A trait is a personality characteristic that meets three criteria: it must be consistent, stable, and vary from person to person.
- QMI uses the big five traits with a psychometric coefficient of .88