

Rembrandt Portrait Technical Manual®

PART II

Part I of Rembrandt Portrait Technical Manual® outlines the Construct and Reliability study approaches and findings conducted by Sir Stanley Weinstien, Ph.D., Chief Scientist at the NeuroCommunication Research Laboratories, Inc.

This report concludes that Rembrandt Portrait® is a valid tool for measuring the personality traits it purports to measure, as compared to other established, valid and age proven personality inventories such as the Cattell 16 PF, The Edwards Inventory, The Gordon Profile and The Psychological Assessment. Rembrandt Portrait® scales are independent from one another, making The Rembrandt Portrait® a highly reliable, stable assessment.

The study also shows that the Rembrandt Portrait® is a highly reliable assessment tool, with test / retest variation over an 18 month time span of less than 8%, securing Rembrandt Portrait®'s place as one of the most reliable personality inventories created.

Rembrandt Portrait Technical Manual® Part II takes these study results to the next level, outlining three other forms of validation that should be of equal importance to any firm deciding to include a personality profile into its employee selection and / or development processes. Part II outlines study findings for Rembrandt Portrait®'s 1) predictive capability 2) impact on employee turnover, and 3) in-field impact on protected classes of employees.

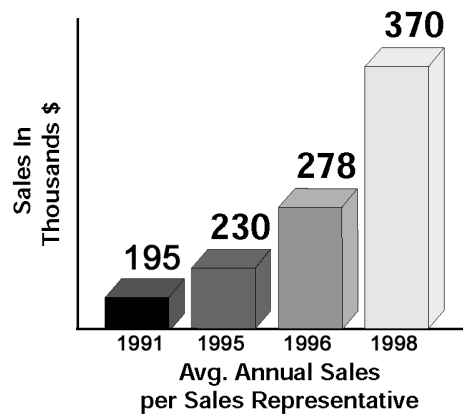
As you will see from the following study outcomes Rembrandt Portrait® is highly predictive when used as a job matching tool, with recommended candidates outperforming non-recommended candidates at a better than 2.5 to 1 margin. This is outlined in exhibits one and two. Because Rembrandt Portrait® is so highly predictive of job success, it has proven capability to dramatically reduce selection-based employee turnover (turnover incurred in the first 6 months of employment). In study after study, Rembrandt Portrait® has been able to reduce selection-based turnover by more than 50% (see exhibit 3 & 4). Finally, we have outlined the impact that Rembrandt Portrait® has on protected classes of employees. In exhibit 5 you will see that Rembrandt Portrait® has no adverse impact on protected classes of employees and actually supports fair and equitable hiring practices by identifying the right person for the right position, regardless of age, sex, race, religion, national origin and sexual orientation.

*These studies have been conducted throughout the past 7 years and have been reviewed and verified by the employers who were involved in the studies.

Exhibit I

This study was conducted within a health care company employing 18,000 people and tracks the productivity of this firm's sales force over an eight-year period, spanning 1991 through 1998. From 1991 to 1994 this firm used conventional means to recruit, interview and select their sales representatives. During this time individual sales productivity increased slightly year over year, averaging 4% per year. In 1994 this firm incorporated Rembrandt Portrait® into their selection process. As you will see from the following graph, without a doubt, when Rembrandt Portrait® was added to this firm's selection process, per person productivity soared, with a four-year increase in performance of 60%, or \$140,000.00 increased performance per sales person.

Only four years after developing a selection model and implementing Rembrandt Portrait®, this national health care company has seen individual sales representative production increase by \$140,000 each.



Candidates recommended for hire are 60% more productive than candidates not recommended for the position. In seeking superior performing candidates, Rembrandt Portrait® can identify these candidates 97% of the time

Exhibit II

This study was conducted within the Northwest division of an insurance and financial services firm employing over 4,000 employees. This study tracks the performance of new employees for all positions over a 2 year period and quantifies employee performance by recommended group – those candidates identified as “job matched” and those identified as “not job matched.”

When Rembrandt Portrait® identified the candidate as “job matched”, when employed, 85.5% of these individuals were rated by their manager as either “meeting” or “exceeding” position requirements.

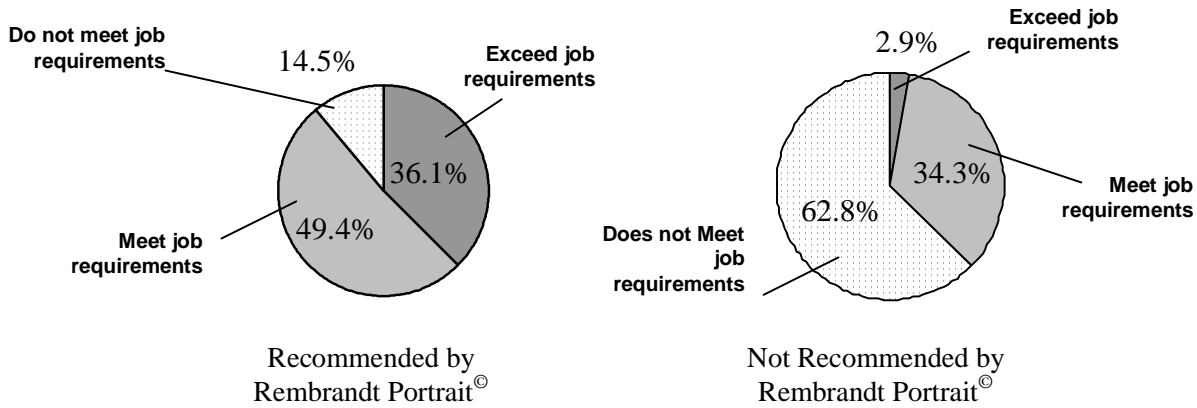
When the candidate was identified as “not job matched,” if employed, only 37.2% of these individuals were rated by their managers as either “meeting” or “exceeding” job requirements: a nearly 2.5 to 1 advantage when job matched.

Moreover, of the 85.5% rated as “meeting” or “exceeding” job requirements (job matched), nearly half of this group was identified as actually “exceeding” job requirements. Of the 37.2% rated as “meeting” or “exceeding” job requirements (not job matched), only 2.9% of this group was rated as “exceeding” job requirements.

See the following table for a breakdown of these numbers.

	# Hired	# Recommended	# Not Recommended
Total hired	118	83	35
# Meeting Requirements	53	41	12
# Exceeding Requirements	31	30	1
# Meeting or Exceeding Requirements	84	71	13
# Rated Below Requirements	24	12	22
# No Longer Employed after 18 months	27	9	18

*2 year employment data



The above graphs show empirically that:

- 85.5% of candidates recommended by Rembrandt Portrait® were rated as “meets” or “exceeds” position requirements compared to only 37.2% of not recommended candidates. Recommended candidates were nearly 2.5 times more likely of succeeding than were not recommended candidates
- 36.1% of recommended candidates performed at an “exceeds” position requirements level compared to only 2.9% of those not recommended. A staggering 97% of all superior-performing candidates were recommended
- only 14.5% of recommended candidates failed to perform to position requirements compared to 62.8% of those not recommended
- only 10.8% of recommended candidates turned over within 18 months of being employed compared to 51.4% of those not recommended

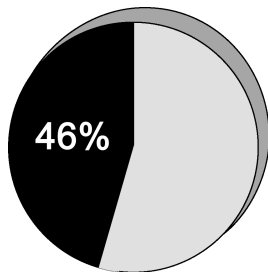
These results show beyond any statistical doubt that Rembrandt Portrait® is able to predict success on the job with an 85.5% degree of reliability, and can predict superior performers with a 97% degree of reliability.

Exhibit III

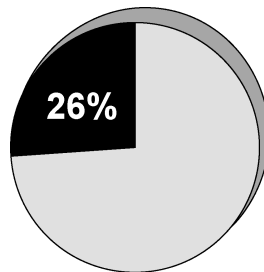
While exhibits I and II clearly show the power of Rembrandt Portrait®'s ability to predict on the job performance it is equally important to determine the level of turnover when Rembrandt Portrait® is incorporated into a firm's selection processes. The study outlined below clearly shows that when individuals that are "job matched" are hired, selection based turnover plummets. Simply by hiring the right person for the right position, first year employee turnover was reduced by nearly 50% in less than one year.

The study outlined below was conducted within a large national staffing service with over 300 offices throughout North America. To ensure that we were measuring the impact of Rembrandt Portrait® in reducing turnover, one region of this firm, covering 19 offices, did not participate in the use of Rembrandt Portrait® during the course of the study. This enabled us to have a control group against which we could compare Rembrandt Portrait®'s impact.

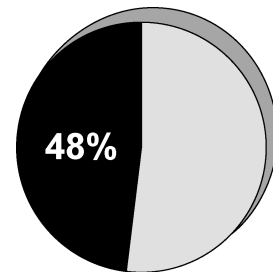
Over the span of one year, those offices utilizing Rembrandt Portrait® as a part of their new employee selection process cut first year turnover by half, while turnover in the control group increased by 2% during the same period of time.



Turnover Before
Rembrandt Portrait®



Turnover After
Rembrandt Portrait®

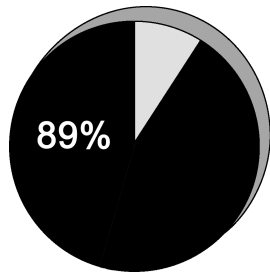


Turnover In Control
Group

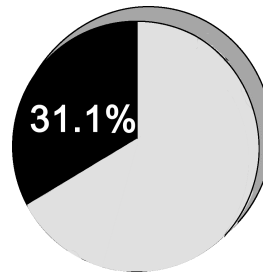
There is no question that Rembrandt Portrait® is a powerful tool for abating and controlling selection based employee turnover.

Exhibit IV

At the same time as conducting the study outlined above in exhibit III we conducted a similar study with a national Call Center. Over the course of two years the Call Center participating in this study tracked employee turnover for the purposes of establishing a baseline against which we would compare Rembrandt Portrait®'s impact on turnover. For this two year period, first year turnover averaged 89% annually. This means for every 10 employees hired at the beginning of the year only 1 individual remained on the job at the end of one year. When Rembrandt Portrait® was added to this firm's selection process, in just one year, first year employee turnover plummeted to 36%.



Turnover Before
Rembrandt Portrait®



Turnover After
Rembrandt Portrait®

	# EMPLOYED	# TERMINATED WITHIN 1 YEAR FOR POOR PERFORMANCE	# EMPLOYED AFTER 1 YEAR MEETING JOB REQUIREMENTS	# EMPLOYED AFTER 1 YEAR EXCEEDING JOB REQUIREMENTS
Year prior to Rembrandt	215	191	21	3
Year starting with Rembrandt	225	70	94	61

Rembrandt Portrait® was able to help this firm reduce employee turnover by 60% in just one year. In addition, 27% of all employees hired with the help of Rembrandt Portrait® performed above job requirements while only 1% of all employees hired without the help of Rembrandt Portrait® performed at this above par level.

Exhibit V

The last data we researched was Rembrandt Portrait®'s impact on protected classes of employees. To accomplish this, we took a historical look at the employee mix of a large division of a multi-national service firm. As you will see in the following table, not only is Rembrandt Portrait® blind to age, race, sex, national origin and sexual orientation, when included in a selection process, the selection of protected groups of candidates actually increased. We attribute this to Rembrandt Portrait®'s ability to match the person to the position, thereby enabling the hiring manager to look past non-valid hiring criteria and to focus solely on the candidate's ability to perform the job.

	# Employees prior to study	# Employees 18 months after study commenced
	736	863
% Women	47%	52%
% Men	53%	48%
% African-American	8%	11%
% Hispanic	4%	6%
% Asian	1%	3%
% American Indian	0	.001%
% Other	2%	2.7%

In summation, Rembrandt Portrait® is a highly valid personality assessment profile that has no adverse impact on protected groups. It can predict success on the job with 85.5% accuracy and can identify Superior performing individuals with 97% accuracy. When Rembrandt Portrait® is incorporated into a firm's selection processes it can actually assist that firm in meeting or exceeding all Fair Employment standards, practices and laws.

Rembrandt Portrait® is:

- Valid
- Reliable
- Constructed to measure what it claims to measure
- Predictive of job success
- Non-discriminatory
- Legally defensible

Rembrandt Portrait® is so highly valid that it is the only profile offered with a full "Hold Harmless" agreement to employer corporations.