Abstract

This paper compares the determination of optimal cutoff points for single and multiple tests in the field of personnel selection. Decisional skills of predictor tests composing the multiple test are assumed to be endogenous variables that depend on the cutting points to be set. It is shown how the predictor cutoffs and the collective decision rule are determined dependently by maximizing the multiple tests common expected utility. Our main result specifies the condition that determines the relationship between the optimal cutoff points for single and multiple tests, given the number of predictor tests, the collective decision rule (aggregation procedure of predictor tests recommendations) and the function relating the tests decisional skills to the predictor cutoff points. The proposed dichotomous decisionmaking method is illustrated by an empirical example of selecting trainees by means of the Assessment Center method.