

The use of psychological testing in recruitment



Introduction

The purpose of this review is to highlight the benefits of using psychological testing for the purpose of recruitment. This review focuses specifically on the importance of psychological testing so that an organisation can get the most suitable candidate for the job. Psychological testing is also known as cognitive ability employment testing and Job fit assessment.

History of psychological testing

Psychological testing is one of the oldest, and perhaps most contentious, selection tools' (Roberts, 2005, p. 132). The emergence of psychological testing can be traced back to 500 BC. Psychological tests can be defined as 'Psychometrics to indicate that they are concerned with identifying the psychological characteristics of people (psycho-) and putting a value (-metric) against such characteristics' (Roberts, 2005, p. 132). The two main types of psychometric testing most commonly used are tests of ability (divided into achievement tests, aptitude tests, and intelligence tests) and tests of personality (e. g. Big Five: Neuroticism, Extraversion, Openness, Agreeableness and Conscientiousness).

Why use psychological testing?

Human capital is the most valuable asset an organisation can have. The quality and calibre of the work force will determine the competitiveness of an organisation. There is a growing recognition that attracting and retaining talented employees can provide organisations with a sustained competitive advantage. The Managing director of Mckinsey and Co, Rajat Gupta, describes the search for outstanding people as the ' war for talent' (Singh

2001). Greater competition for talented employees has made organizations more aware that recruitment and selection are key functions of human resource management (HRM).

Reliability of psychological testing

If a Human Resource Manager chooses to include a written cognitive ability tests as part of the process for selecting new employees from a large applicant pool, he or she can be virtually certain that: the set of employees hired using these tests will complete training more quickly and more successfully and will perform their core job tasks better than a set of employees selected without using tests of this sort (Schmidt & Hunter, 1998)

Cognitive ability test scores also predict outcomes in all jobs including overall job performance, objective leadership effectiveness, and assessments of creativity. Looking across the results of multiple meta-analyses, estimates of the average validity of general mental ability for predicting job performance (corrected for range restriction and measurement error in the criterion) converge around .50 (Ones et al., 2005). The strength of the relationship between test scores and performance increases as training and jobs become more cognitively complex (Ones et al., 2005; Schmidt & Hunter, 1998).

Examples of application of psychological testing for recruitment purposes

CASE#1

The job candidate seemed so right in the interview: sharp, well-dressed, articulate, lots of references. But three weeks into the job, it became clear he just wasn't what he seemed to be. Ronald Waln, an industrial-organizational

psychologist, makes a business of helping businesses avoid this scenario. His Wichita Company, Assessment Strategies Inc., offers testing services to help businesses screen prospective employees and verify that they have the right personality for the job. Since 1982, he has worked with Kansas companies and government agencies to help them pick the right candidate for the job. Richard Coe, owner of Coe Financial Services said. “ I’m a small company and it’s very important to make the right decision. The testing provided by Assessment Strategies Inc gives me information that I’m not going to get in an interview.” Waln said, “ I work with a job description provided by the client and select the appropriate tests to provide the guidance they’re looking for”. “ In general, what you’re examining is personality match to the job, work ethic and leadership characteristics.” avoiding turnover saves money, said Gary Richards, Operations Manager of J. R. Custom Metal Products, a West Wichita manufacturing company “ Companies sometimes don’t realize the cost of turnover, but it is a pile of money,”

CASE#2

Selecting the most suitable applicants for the job of law enforcement officer is a costly endeavour. Personnel costs consume about 85 percent of the local law enforcement agency budget (Bradford, 1998). The New York Police Department estimates that each new officer costs about \$500, 000 (Decicco, 2000). According to Cochrane et al. (2003), it costs a large metropolitan police department approximately \$100, 000 to train each new police recruit. Further, Fitzsimmons (1986) reported that it costs a major city almost a half million dollars for each hiring error that results in an unsuitable officer. Millions of dollars have been lost through litigation because of discriminatory

hiring practices (Horstman, 1976). Beyond the monetary loss and waste of human resources that accompany an erroneous hiring decision and, more importantly, is the significant liability to both the public safety and the integrity of the hiring agency of selecting an applicant that is unqualified for the job of law enforcement officer. Additionally, not selecting a suitable individual for reasons unrelated to the essential functions of the job (e. g., age, sex, ethnicity, etc.), intentionally or not, reflects a major social injustice and is illegal (e. g., employment discrimination). The financial investment in getting a probationary officer on the street as well as the financial liability of selecting the wrong individual for the job highlights the importance of the selection process. Psychological screening alone costs more than \$150 per police officer applicant (Ash, Slora, & Britton, 1990) and is a standard practice in most law enforcement agencies (Varela, Boccaccini, Scogin, Stump, and Caputo).

Considerations when conducting Psychological testing

1. The test takers perception of a psychological test can impact the outcome of the test. For example, Researchers have consistently found that confidence can and does matter to ability-test performance (e. g., Ackerman and Kanfer, 1993). Here, we focus on this kind of S-E, which is defined as applicants' beliefs in their capabilities to perform well on cognitive ability employment tests.

2. Even if ability measures are correlated with academic and work performance, perhaps test scores only matter to a certain point. For example, people with exceptionally high scores may not perform any better than those with merely high scores. Under these circumstances, the

relationship between test scores and performance would be curvilinear and there would be a "ceiling" on scores beyond which having a higher score would not correspond to increased performance.

Psychometric tests-which gauge a person's personality, aptitude or intelligence-are recognized as legitimate predictors of job performance. Personality tests, for example, deliver a general view of an individual's habits, attitudes and values. How well you handle new employees during their first three months on the job determines whether they become productive, long-term staff members or washouts.

Conclusion

Any organisation conducting a psychology test should understand that, although these tests are highly effective, they should be used in a multi-faceted selection process.

Research suggests that although recruitment can be undertaken without psychological testing, it is essential; often critical to screen prospective employees with the help of this method. For example, certain organisations such as the Police force, Government security agencies, NASA etc. have this as mandatory selection criteria.

Annie Murphy Paul, author of *The Cult of Personality: How Personality Tests Are Leading Us to Miseducate Our Children, Mismanage Our Companies, and Misunderstand Ourselves*. "The reality is that people are complicated, contradictory, and changeable across time and place." The tests strike the Texas State Employees Union's Gross as a possible means of hunting for compliant workers. He wondered how much taxpayer money the cancer <https://assignbuster.com/the-use-of-psychological-testing-in-recruitment/>

centre spent developing such a tool and calls it “ a fancy product looking for a problem.” The key question but if the tests are valid and reliable in identifying successful employees, they’re likely cost-effective, given the money institutions pay out as a result of turnover and lawsuits from disgruntled ex-workers. Whether they’re valid and reliable is the key question. M. D. Anderson already thinks so. Shibu Varghese, M. D. Anderson’s vice president of human resources, says that so far, people who have scored high on the test have gone on to do particularly well on performance evaluations. Christiane Spitzmuller, a University of Houston industrial psychologist, acknowledges some inappropriate tests have caused problems. But she says the majority of personality tests don’t, particularly if they’ve been constructed after measuring job performance, then empirically collecting data on a set of questions that predict a relationship between the two. She foresees the use of such tests only increasing in the future.

Parking lot