

Analysis of psychometric assessment in recruitment



Using A Case Study On “ Tesco

Introduction

Psychometric is the field of study concerned with the theory and technique of educational and psychological measurement, which includes the measurement of knowledge, abilities, attitudes, and personality traits. The field is primarily concerned with the study of measurement instruments such as questionnaires and tests.

Since the early part of the 20th century, the psychometric tests have been used and were originally developed for use in educational psychology. These days, we can see mostly the psychometric assessment as a part of the recruitment or selection process. These sorts of tests are conducted by occupational psychologists and their aim would be providing the most suitable job seekers and the candidates for promotion with a reliable method.

The main attributes would be like intelligence, aptitude and personality for measuring a candidate in psychometric assessment. The employer would be able to understand how well you work with other people, how well you handle stress, and whether you will be able to cope with the intellectual demands of the job. These tests have attracted a lot of controversy, because of questions about their validity, but their popularity with employers has continued to increase.

Research Rationale

The interest in psychometric assessments in relation to recruitment has been increasing.

Psychometric assessments increase the probability of selecting the right candidate for the job. It is understood from the Research on a wide range of organisations and positions that the use of psychometric assessments, in particular ability tests, increases the success.

It is important to note that testing must be reliable and should give the same result over time, valid and test what they claim to be testing and have a proven track record when deciding on an assessment.

The rationale behind the development of this tool is that those who have high levels of both linear and lateral thinking, i. e., diagonal thinkers, are far more likely to succeed in the advertising industry.

The cognitive skills are evaluated from the abilities and the reasoning assessments which are to be applied in the workplace. These assessments provide an indication of how a person performs on the job as well as their potential for growth in the organisation. Tests typically used in this form of assessment are those which evaluate verbal, quantitative, and abstract reasoning. These have long been recognised as important indicators of a person's potential for performance and development in the workplace.

In addition to ability and reasoning assessments, there is personality assessments, which assist in evaluating the fit of a person's characteristics with the organisational culture as well as the competencies required to do the job. Such attributes often assessed are:

- interpersonal interaction in the workplace
- style of thinking

- consistency of work performance
- emotions and self attitude
- Coupled with ability assessments, a personality assessment provides an overall indication about motivation and ability to perform in a given role.

Psychometric testing is now used by over 80% of the Fortune 500 companies in the USA and by over 75% of the Times Top 100 companies in the UK. Information technology companies, financial institutions, management consultancies, local authorities, the civil service, police forces, fire services and the armed forces all make extensive use of psychometric testing.

Company Background:

Tesco is one of the largest food retailers in the world. There are 2, 318 stores operating around and over 326, 000 people employed. It also has stores in the rest of Europe and Asia. It also provides online services through its subsidiary, Tesco. com. There are four banners operating in UK which is the company's largest market: Extra, Superstore, Metro and Express.

Approximately 40, 000 food products as well as clothing and other non-food lines are sold out in Tesco superstores. The company's own-label products are at three levels, value, normal and finest. Own brand accounts for approximately 50% of sales.

There are gas stations in many stores for the customer's convenience for which it has become one of the Britain's largest petrol independent retailers. It has other retailing services

in UK which include Tesco Personal Finance and Tesco. com. Tesco Personal Finance, a joint venture with the Royal Bank of Scotland which has over 3. 4 million customers, provides various financial products and services.

The company has operations in the rest of Europe, including the Republic of Ireland,

Hungary, Poland, Czech Republic and Slovakia. Tesco's Republic of Ireland business operates in the region of 82 stores, and around 60 stores in the Hungarian market. Tesco's Polish operations include former HIT operated stores. It operates around 66 hypermarkets and supermarkets in this country. In the Czech Republic and Slovakian markets, Tesco operates 22 and 23 hypermarkets respectively. Tesco also operates stores in Asia, including Thailand, South Korea, Malaysia and Taiwan. The company operates 64 stores in Thailand and 28 stores in the South Korean Market, while in the Taiwanese and Malaysian markets; it has three stores in each nation.

Ref: [www. tescopl. com](http://www.tescopl.com)

Tesco's selection involves choosing the most suitable people from those that apply for a vacancy, whilst keeping to employment laws and regulations. Screening candidates is a very important part of the selection process. This ensures that those selected for interview have the best fit with the job requirements.

Conceptual Underpinnings Of The Research:

Psychometric assessment can be followed in a straightforward way at the early stages of recruiting to take off the candidates who seem to be not suitable for the job or, using a more sophisticated approach, to provide guidance on career progression to existing employees.

Psychometric tests are divided into two main categories. Personality Questionnaires, which try to measure aspects of your personality, and Aptitude and Ability tests which try to measure your mental abilities.

The characteristics of our behaviour can be indicated through the free self-assessment tests offered online or in newspapers and magazines, the most accurate results – and in-depth feedback – can only be attained through the full validated assessments used within organisations, which have been carefully developed by psychologists, based on rigorous research, and are licensed for use only by trained and accredited practitioners.

SHL is one of the world's largest, which has designed and developed around 250 assessment tools. SHL were the developers of the industry standard OPQ (Occupational Personality Questionnaire). OPQ has been used in organisations around the world for the past 20 years. The company also provides free online self-assessment versions of its tools at its sister site, shldirect.com, samples of which are currently published in the Guardian Work supplement every Saturday.

The IPA are also careful to see that their online self-assessment tool is used only as an indicator of diagonal thinking, to encourage those to apply who might otherwise be concerned that they do not have the appropriate ‘
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background' for a career in advertising. They explain that the test is not designed to 'screen out' applicants; rather to ensure that a more diverse mix of people is encouraged to apply to the industry, based on their special thinking ability, rather than their background or training.

Purpose:

My purposes of doing this research using the study are:

1. To study about the effectiveness of psychometric assessment.
2. To analyse the psychometric assessment using a case study.
3. To study how successful is psychometric assessment in the recruitment process.
4. To know the advantages and disadvantages of the psychometric assessment.

Research questions:

1. How useful is psychometric assessment?
2. What are the advantages and disadvantages of psychometric assessment?
3. Are the employers and the candidates happy with this assessment?

Scope:

The scope involves understanding how the psychometric assessment works and how useful it is. And the study also includes the advantages and disadvantages of the psychometric assessment.

The study covers the following topics:

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1. The study covers the importance of psychometric assessment in recruitment process.
2. The satisfaction of the employers, employees and the candidates.
3. Analysis of the psychometric assessment in recruitment process.
4. This study is done in a retail industry situated in UK.
5. Involves role of employers and employees of the organisations in research.
6. Involvement of candidates who have attended the assessment but are not working in the organisations.

Research Methodology:**Research Strategy:**

In this research study I have selected quantitative research methods and interviews of the employers, employees and the candidates who have gone through the assessment but are not working and the questionnaires.

Questionnaires are the most commonly and widely used technique for data collection as everyone would be comfortable to give a survey through the questionnaires. And also I would find out the reliability and validity of the psychometric assessment in recruitment process.

Saunders (2003), questionnaire is an effective way in collecting the responses from the large number of people before the quantitative analysis. The type of questionnaire will surely affect the response rates, reliability and validity of the data collected.

Sampling:

Sampling is that part of statistical practice concerned with the selection of individual observations intended to yield some knowledge about a population of concern, especially for the purposes of statistical inference. Each observation measures one or more properties (weight, location, etc.) of an observable entity enumerated to distinguish objects or individuals. Survey weights often need to be applied to the data to adjust for the sample design”

Ref: Cochran, W G (1977) Sampling Techniques, Wiley

A sample design is a definite plan for obtaining a sample from the given population. It is determined before the data is collected. The employers and the employees are considered in the study and all the respondents that have been selected for the purpose of the study would be sampled. Hence, this sample size of the population shows the capable population in the research.

Sampling all the employees and the employers randomly would be the main techniques I would use in my research in order to find the solutions to my questions. The sample would be of 40 to 50 employees and the candidates who have gone through the psychometric assessment which states their views and opinions on the assessment. Therefore the advantages and disadvantages also would be cleared.

Data Collection:

Collection of relevant data or information is very important to take up any research study. Without data, researchers cannot get the appropriate results they wish to get. “ One of the most far reaching decisions a researcher must make is the way in which the data will be collected”, (Floyd J. Fowler, 2002).

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There may be lots of information available directly and sometimes information should be extracted from other sources. No source can provide fully relevant and accurate information. The quality of information also depends on various factors. The approaches for data collection are broadly divided into two sources, primary sources and secondary sources.

Data Analysis:

Lewis-beck, Michael S-Data analysis (1995) state that Data analysis is a process of gathering, modelling, and transforming data with the goal of highlighting useful information, suggesting conclusions, and supporting decision making. Data analysis has multiple facets and approaches, encompassing diverse techniques under a variety of names, in different business, science, and social science domains

The data collected using research methodology can be transferred to simple graphs, pie charts and tables to give the clear idea of result. Using this we can analyse data collected and it will be easy for us to identify the problems facing , advantages and disadvantages of psychometric test and it will be easy to analyse, how good is psychometric test for Tesco.

Psychometric analysis is the analysis of psychological tests and measurements to ensure that scores are as reliable and valid as possible.

Psychometric analysis can be applied to improve or validate almost any instrument that measures human behaviour, performance attitudes, abilities, or personality traits. Psychometric analysis is essential when an instrument produces a score that is used for high stakes decisions in organizations, such

as hiring, performance review, assessment of potential, culture audits or management effectiveness.

Ref: J Cohen, 567 pages, tabs.

Primary Data:

Primary data is very essential to researchers to carry out the research study.

There are different methods to collect data from primary sources.

Researcher selects the appropriate method suitable for the study. There are various sources to collect primary data such as:

- Interviews
- Focus Group Interviews
- Observation
- Case Questionnaires
- Studies
- Diaries
- Critical Incidents
- Portfolios
- HR records
- Manager experiences
- Previous psychometric test analysis.

Secondary Data:

Every method of data collection will provide both quantitative and qualitative data. Secondary data is also very important to carry out the research study.

Secondary data is the information that has been published before.

Encyclopaedias, textbooks, articles, newspapers, government statistics etc

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are considered secondary information sources (Cooper and Schindler, 2001). It is also important to researcher to gather information through secondary data and relate it to the primary data to achieve the objectives.

Using of secondary data has many advantages. One of the biggest advantages is that it saves time and money if it is on target. Secondary data also provides help in determining the directions for the primary data collection. It provides the information regarding the kinds of people to approach for the research study. It serves as the basis for comparison with other data.

(<http://mason.gmu.edu/~jharvey/ch8/sld005.htm>)

In spite of many advantages it also has some disadvantages. Secondary data may not be on target with the problems of research. The biggest drawback is it can lack in providing the quality and accurate data. In this study I will also collect secondary data which was necessary for the research study. The secondary data will be collected from the company documents, websites, profiles etc. This data was further correlated with primary data.

Validity And Reliability:

Validity is the extent to which a test measures what it claims to measure. It is vital for a test to be valid in order for the results to be accurately applied and interpreted. Validity isn't determined by a single statistic, but by a body of research that demonstrates the relationship between the test and the behaviour it is intended to measure.

(<http://psychology.about.com/od/researchmethods/f/validity.htm>)

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Data collected from secondary is useful for research and it has a limited validity and reliability. But data from primary research has high validity and very close to accurate (reliability) as the data can be collected directly from the object on which we are researching. As in my research the data will be collected by questionnaires and one to one interviews and the actual data from personal manager and the managers who work for Tesco the data is reliable. Therefore data processing methods, questionnaire structure and the responses consistency has an important role in creating problems for the validity of the data or research. To confirm the validity of the data semi structured interviews were also conducted within the organisation.

Access:

As I work for a retail company called COSTCO, I have made some mates in retail industry, who are presently working for TESCO and are supporting and participating in this research study. And also the HR manager for Cardiff group Mrs Tina Chessman and two managers for Tesco express Mr Mark Hughes and Nagavender Reddy Katapally who was a UWIC student has agreed to help me out. So using this social network in Tesco and some retail experience I have in a retail industry is an access for me for collecting the relevant primary data.

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Some Of The Books, Journals, Reports Referred:

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- How to master psychometric tests – 2nd edn : Parkinson, Mark
- How to pass graduate recruitment tests: psychometric tests used in graduate – Bryon, Mike.
- Human Resource research methods/Dipak Kumar Bhattacharya – Dipak Kumar Bhattacharya
- Intelligence : the psychometric view – Kline, Paul
- Psychometric assessment of the individual child – Savage, Robert Douglass
- Ø Effective Interviewing – 3rd : Fletcher, John

Websites:

1. [www. Tescopl. com](http://www.Tescopl.com)
2. www. google. com

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