



Psychological Testing in Employee Selection- An Introduction Overview approach

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I. Abstract

This paper shows psychological test or assessment is a written or verbal assessment to determine a person's personality, behavioral, neuropsychological, intelligence-related, and other traits. These assessments are in the form of questionnaires, and answers reveal different traits of a person. Organizations are also conducting these tests to make better decisions regarding promotions while selecting leaders among their existing employees, identifying reasons behind failures, and estimating the possibility of mishaps. In this paper presents overview the how to select employee in corporate sectors using psychological testing along with various intelligence test performed.

Keywords: employee selection, HRM practices, psychological testing, intelligence, limitation, overview approach,etc

II. Introduction

Every individual is different. Differences lie in the area of skills, cognitive abilities, personalities, motivation and vales. These differences enable an individual to outperform in some or the other junctures of life including professional sphere.

The importance of attracting superior employees, together with low unemployment rates has led to intense competition for the best applicants in a wide variety of occupations (O'Leary, Lindholm, Whitford and Freeman 2002). The managing director of McKinsey and Company, Rajat Gupta, describes the search for outstanding people as the „war for talent“ (Singh 2001).

One of the critical elements in ensuring outstanding organizational performance, is the selection and development of excellent staff. There are various measures undertaken by the organisation to get the right person for the right job.

In organizations the HR systems are evolving and revolving around the following areas like:

- Recruitment and Selection
- Learning and development
- Performance and Compensation Management
- Career and Succession planning
- Coaching and counseling
- Leadership Development
- Talent management and Employee Engagement

Innovative practices are being followed across the industries to map the right talent and get them on board for the organisation effectiveness to achieve the business objectives. The process involves considerable amount of time and money with efforts to locate the right fit for the right job.

The companies dwindle with various un-certainties like;

- **Job performance**
- **Retention with the selected position**
- **Meeting physiological and psychological needs of the employee**

Various techniques have been adopted by the employers to ascertain their facts about the prospective employee desirable traits for the identified job functions. Few of the techniques followed are resume screening, interview, background/referral check, references. However, many times the risk of error in interpreting the right candidate for the job is higher when the judgment of the hiring manager is colored with some prejudices or past experiences. Many methods have been suggested in the literature and have been practiced over the years by the recruiters/hiring managers to bring down the error count and increase the probability of correct required selection.

Psychometric testing has been one such niche area where the deliverables are effective but impact has always been under the scanner. The time and pressure to meet the deadline of getting the right fit qualified candidate is even higher in the modern world competitive scenario. The time and effort required to channelize a new recruiting system is far more challenging.

Psychometric testing means measuring the mind. Individual skill, abilities, values, attitude, motivation, personality, intelligence, all in sum plays a vital role in his/her success at the job. Psychometric testing aims at measuring these factors which all contributes to individual performance at workplace. Psychometric testing helps in providing the objective assessment of the candidate by measuring his attitude, motivation, personality, skills, reasoning ability. It provides over all measure of candidate's suitability for the suggested profile. Psychometric testing provides a scientific and objective basis for the candidate assessment. The format could be online or paper-pencil test deciding on the time and money desirable for the effort.

III. Categories of Psychological Testing

There are different types of test used for the applicant assessment by the organisation. These tests are used to measure how people differ in their motivation, values, priorities and opinions with regard to different tasks and situations.

Academic Aptitude Test: Aptitude tests, for example, could help to provide a better, more realistic and current view of a candidate's abilities than a formal certificate of education. The aim of this test is to serve as an aid in the guidance of senior pupils with regard to subject and career choice.

Verbal and Numerical testing

Various jobs require beginners to proficient level of verbal and numerical ability. This method is used to identify the extent of ability an individual possess to meet the job requirement. These test forms the basis of screening process for most of the organisation recruitment process.

Interviews: Structured and Behavioural

Structured interview approaches are being followed in most of the organizations where the objective is to ask the respondents predefined set of questions. The behavioural interview technique is used by employers to evaluate a candidate's experiences and behaviours in order to determine their potential for success.

Structured-Objective Rorschach Test (SORT): The SORT is based on the traditional Rorschach Test and its aim is to obtain psychologically meaningful data by means of which a broad overall picture of the individual can be obtained (Spangenberg, 1990). Together with data from other tests, this can then be used for counseling, selection and the prediction of job success.

Personality Test: Personality tests are based on either trait or type approach of personality theory. These are utilized to identify the personality traits of an individual which has a correlation to the performance at the workplace. In terms of personality, the tests can give an indication of the working style favoured by a candidate and how they interact with both their environment and fellow workers. Few very prominently used personality tests are:

- **-Sixteen Personality Factor Questionnaire (16 PF)**
 - **Big Five Model**
 - **Minnesota Multiphasic Personality Inventory (MMPI)**
 - **SHL Occupational Personality Questionnaire (OPQ)**
 - **Thomas Personal Profile Analysis (PPA)**
 - **Myers-Briggs Type Indicator (MBTI):**

IV. Benefits of Psychometric Testing

Cost Effectiveness in Long Run:

The cost associated with hiring the right employee for the organisation is significant. Recruiters make several attempts to screen the right candidate for the right job but many times the results are not as per the expectation. The integration of psychometric process into online recruitment system of the organisation brings down the screening time and cost. (Mary Cowiett, 2009) (13) Online testing has helped transform the business from one that was burning £1 million a day to one that is cash positive according to Mathew Lowery, Head of talent management, Cable & Wireless, 2009

V. Bringing Quality into Hiring Process:

Talent Q, a psychometric specialist in US, claimed that the relationship between the talent and business performance is still remained unmeasured by as many as 70% of the organisation. (Mary Cowiett, 2009)

"Comparisons between hiring and attrition show that experience is the least reliable predictor of success in a new job," says Roger Philby, founder of Chemistry Recruitment. (Mary Cowiett, 2009). He claims there are five areas recruiters need to examine: intellect, values, motivation, behaviour and experience. He says the first four are the most important and the hardest for employers to measure in an interview, but they are something psychometrics can pick up.

A survey was conducted by Society for Human Resource Management titled "Personality Test for Hiring and Promotion of Employees" in the year 2011 to identify the usage of psychometric testing by the employers.

The survey aimed at the key areas like: use of personality test by the organisation for hiring, locating job clusters where personality testing is used. The survey finding revealed that 80% of the organizations did not used personality testing for employee hiring. Organizations that uses the personality testing, is using it for the mid-level managers (56%), executives (45%) and entry-level exempt jobs (43%) Usage of personality testing is viewed as identifying the person job fit behavior by the hiring managers. (SHRM Poll: Personality Tests for the Hiring and Promotion of Employees, December 2011)

V. Limitations to Psychometric Testing

Employees see psychometric tests as an annoying part of the selection process, but one they have to put up with, according to research produced for Human Resources magazine. Some 62% of a poll of almost 2,000 staff said they were aware of the technique, but while 30% of these were not in favour of them, 77% said having to sit a psychometric test would not make a difference to them applying for a position. Only 19% said that knowing they would have to take such a test would make them less likely to apply. [Voice from the Floor, psychometric Testing, Human Resource, May 2008]

There is a danger, though, that psychometric tests may become a commodity item, that they will be available so cheaply and so easily over the Internet that organisations will use and abuse them in equal measure (McHenry, 2001).

Selling psychometric tests to top management (validity; reliability; ROI). There is no knowledge, faith or awareness in psychometric tests- People do not understand which type of psychometric assessment tools to use for which purpose.

Motivated distortion, also known as faking or dissimulation, refers to the possibility that test takers may adopt a response set strategically contrived to impart a particular image (Cattell, Eber, & Tktsuoka, 1970; Hogan & Hogan, 1992).

Candidates trying to cheat the system remain a problem "There are massive trade-offs between the time candidates are prepared to spend doing such tests online – the general rule is between 15 and 20 minutes - and the accuracy of the results that come out," says Phil Brown, service director of recruitment process outsourcing at e-HR specialist Northgate Arinso. "A more common problem is that for the tool to be effective it should be sharply focused on what organisations are looking for. This means there is a need to constantly re-benchmark tests against the existing talent in an organisation, in order to avoid skills gaps or over-delivery."

VI. Lot of resources required to administer tests

Lack of knowledge of HR professionals, recruiters and managers in interpreting results of tests and how to use the outcomes. Cook (1997) is also of the opinion that psychometric tests are still sometimes used by people who are not well informed about the issues of measurement and bias. He refers to the fact that the task of the profession is made more difficult by a lack of sophistication among users in the field. According to him, contrary to what was found in the present study, it is clear that tests are still used by some people without a deep understanding of the nature of assessment and the problems associated with it.

Lack of statistics showing value for money

Most managers, however, have no training in psychometrics, they may not understand the constructs being assessed, and they may hold unwarranted views about tests (Guion 1998)

VII. Conclusion

While organisations are utilizing different combinations of psychological assessment for employee selection processes,

- there seems to be certain bias which governs the outcomes of aptitude and achievement.
- organisation needs to comply with ethical practices in use of psychometric assessments.
- organisations are also considerate of economical feasibility of the utilising psychological tests in talent acquisition process
- they must ascertain the fact the psychological tests assist in selection process while providing more information on applicant and should not be the only mode of selection/rejection tool for job applicant.
 - organisation needs to ascertain to employ certain as per test directives only. As few of the organisations utilizes certain development-oriented tests for employment screening which is not recommended. Organisations at times are using certain tests in pre-employment screening like the

Myers-Briggs Type Indicator (MBTI), which is quite popular with many organizations, it should not be used for employee selection. Organisations need to be aware of legal compliances for considering psychometric testing in pre-employment screening. (Dattner, Ben, How to Use Psychometric Testing in Hiring, Harvard Business Review, September 12, 2013)

- Organisations need to be aware of legal compliances for considering psychometric testing in pre-employment screening. (Dattner, Ben, How to Use Psychometric Testing in Hiring, Harvard Business Review, September 12, 2013)
- Organisations need to employ experts on the assessment and report analysis for the use and interpretation of psychometric tests.

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