

HIRING

# The Problem with Using Personality Tests for Hiring

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A decade ago, researchers discovered something that should have opened eyes and raised red flags in the business world.

Sara Rynes, Amy Colbert, and Kenneth Brown conducted a study in 2002 to determine whether the beliefs of HR professionals were consistent with established research findings on the effectiveness of various HR practices. They surveyed 1,000 Society for Human Resource Management (SHRM) members – HR Managers, Directors, and VPs – with an average of 14 years' experience.

The results? The area of greatest disconnect was in staffing— one of the lynchpins of HR. This was particularly prevalent in the area of hiring assessments, where more than 50% of respondents were unfamiliar with prevailing research findings.

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## WHAT HR MANAGERS GET WRONG ABOUT HIRING RESEARCH

The most common items answered incorrectly as part of a 2002 survey of SHRM members.

PERCENTAGE ANSWERING INCORRECTLY OR INDICATED THEY WERE UNCERTAIN  
(THE CORRECT ANSWER IS 'FALSE')

<b>84%</b>	Companies that screen for values have better performance than those that screen for intelligence
<b>82</b>	Conscientiousness is a better predictor of job performance than intelligence
<b>69</b>	Integrity tests have high degrees of adverse impact
<b>68</b>	Integrity tests are not very effective in practice because so many people lie on them
<b>58</b>	Being very intelligent is actually a disadvantage for performing well on a low-skilled job
<b>58</b>	Being intelligent is a disadvantage in low-skilled jobs
<b>51</b>	There are four basic personality dimensions, like in MBTI

Several studies since have explored why these research findings have seemingly failed to transfer to HR practitioners. Among the causes are the fact that HR professionals often don't have time to read the latest research; the research itself is often present with technically complex language and data; and that the prospect of introducing an entirely new screening measure is daunting from multiple angles.

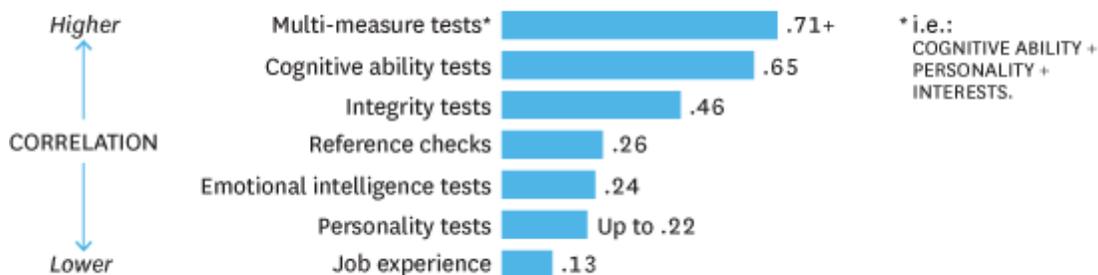
At the same time, anyone who has ever been responsible for hiring, much less managing, employees knows that there is a wide variation in worker performance levels across jobs. Therefore, it is critical for organizations to understand what differences among individuals *systematically* affect job performance so that the candidates with the greatest probability of success can be hired.

### So what are the most effective screening measures?

Extensive research has been done on the ability of various hiring methods and measures to actually predict job performance. A seminal work in this area is Frank Schmidt's meta-analysis of a century's worth of workplace productivity data, first published in 1998 and recently updated. The table below shows the predictive validity of some commonly used selection practices, sorted from most effective to least effective, according to his latest analysis that was shared at the Personnel Testing Counsel Metropolitan Washington chapter meeting this past November:

#### THE MOST EFFECTIVE HIRING SELECTION PRACTICES

And those that don't work so well, based on validity coefficients ranging from 0 to 1. The higher the number, the higher the correlation between test scores and predicted job performance.



SOURCE BASED ON DATA SHARED BY FRANK L SCHMIDT IN A NOV 6, 2013 ADDRESS TO PTCMW AS AN UPDATE TO: SCHMIDT, F. L. & HUNTER, J. E. (1998).

HBR.ORG

So if your hiring process relies primarily on interviews, reference checks, and personality tests, you are choosing to use a process that is *significantly less effective* than it could be if more effective measures were incorporated.