

What Human Resources Needs to Know—

Personality Tests are Simply Too Broad to Predict On-the-job Performance

by Larry M. Cash, Founder, Pathfinder Career System

The Big 5

Personality Traits

1. Openness
2. Conscientiousness
3. Extraversion
4. Agreeableness
5. Neuroticism

Panel of Prominent Personnel Psychologists

Use of Personality Tests

“Why are we looking at personality as a valid predictor of job performance when the validities are still close to zero?”

Personality tests attempt to measure a broad range of basic traits, such as the *Big Five Personality Traits* or *Emotional Intelligence*. Although these tests may provide useful information about a person, psychological research has consistently proven that personality measures do little to predict how well a candidate will perform on the job. Personality tests are simply too broad to predict on-the-job performance.

Evidence supporting the predictive power of personality tests in the hiring process has been called into serious question. Correlations between personality characteristics and measures of job performance are not strongly related. Talent management professionals need to re-evaluate the merits of the tools they are using for “high stakes” testing.

A recent article by Peter Capelli (a leading authority on managing workplace talent & Professor of Management, Wharton School) reviews the history of using personality tests for hiring and promotion decisions. He notes the fact that “during the 1960s – 1980s personality-based assessments largely disappeared from the lists of best *practices* in human resources.” However, as strange as it seems, there was a resurgence of interest in, and use of, personality testing in the 1990s. The central issue that led to the dis-favour of personality tests 40 years ago (i.e. lack of predictive validity) still remains an unresolved issue.

A panel of prominent personnel psychologists, (former editors of top-tiered journals), recently collaborated on an article discussing the usefulness of “personality test type” in personnel selection. One clear theme that emerged from their work was that the validities of personality measures are so low that to use them for employee selection should be questioned. Research studies have statistically demonstrated significant relationship between some personality factors and certain areas of job performance. However the practical overall usefulness of these relationships remain as weak as those reported 40 years ago. This finding led one author to question, *“Why are we looking at personality as a valid predictor of job performance when the validities are still close to zero?”*

It is noted that blind enthusiasm for the use of personality testing has stemmed from practitioners ignoring the basic data that personality assessments are poor predictors of job performance. It should be noted that Robert Guion’s statement over 40 years ago still hold true today: *“In view of the problems...one must question the wisdom of using personality as instruments of decision in employment procedures.”*

Unfortunately, as Capelli asserts, “the least valid of the personality measures are the ones most employers are likely to use.” The most popular personality tests being used for hiring purposes utilize broad-based approaches, such as the Big Five Personality traits and emotional Intelligence, but these have had limited success. For example, meta-analytic research has found that these tools account for less than 6% of variance in sales effectiveness. Most personality tests are very broad in scope, whereas the areas of job performance are fairly narrow and behavioural specific for each job. Researchers have posited that the specificity of a predictor (e.g. an assessment measure) should match the specificity of a construct, or the area of job performance the predictor is designed

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to predict. It stands to reason that a test designed to predict specific and precise work behaviours and outcomes would predict those specific work behaviours and outcomes better than a test designed to reveal a general and broad sense of an individual’s personality. [Such measures employ a one-size-fits-all approach, which (similar to clothing) does not provide a very good fit in most cases.]

The best instruments measure narrow, specific job-related behavioural constructs relevant to job performance rather than broad, personality constructs. The goal should be to “develop a human metric” that best predicts job performance in specific roles. Pathfinder Career System champions research designed to measure 26 competencies, 75 behaviours, 35 Career Themes and 10 Values that predict specific job behaviours. The criterion-related validation approach (coupled with a sophisticated actuarial mathematical modeling for predicting complex human behaviours, e.g., quotient for predicting job success) which is the statistical demonstration of the relationship between scores on an assessment and the job performance of sample workers, should be at the core of a successful selection method.

Interestingly, when Morgeson (2007) and critics discussed ways to improve selection methods, all agreed that one way to increase validity is to develop tests that consider the outcome, criteria, and on-the-job behaviour the end-user wants to predict. The shared opinion—by developing assessments and metrics that keep these factors in mind would result in an improved assessment and increased test validity.

The Predictive Power of Pathfinder’s Career Selection System

The *Pathfinder* assessment system was designed by taking an actuarial approach to predict job success.* The aim of most published personality measures is to perfectly represent a theory of personality. Researchers agree, regardless of whether they propose using *compound* behavioral competencies or *narrow* pure behavioral scales, companies need to measure more than personality traits when predicting job performance. As a result, the Pathfinder Career System consistently has greater predictive power than existing *off-the-shelf* published personality measures.

* *The Pathfinder Career System makes use of Job Component Validity:*

American Psychologist, 2004

“Expert judgment in any field is unlikely to predict complex behaviors as well as formal, actuarial methods when even a small domain of research is sufficiently provided to permit identification and reliable measurement of key behavioral variables useful for prediction.”

“Using the job component validity (JCV) model, could revolutionize hiring. Essentially it is a single standardized system that could select almost anybody for anything in one-thousandth the time and cost.”

David Knudson, President
HRI of Alberta,
Science Daily, 2006



the finest career assessment
available for predicting
**job fulfillment and
career success.**

Personality Test Differentiation

Individual Assessment
vs
Work-Related Measure

Personality Test...

- Describes a theory/model
- Academic in nature
- Not impacting business

The Pathfinder Career System measures...

- 85 statistically distinct Behavioral Attributes and Values
(few assessments measure more than 30)
- 35 Career Themes
(few measure more than 10)
- which interface with more than 2500 Occupational Titles
(few tests measure more than 200 career titles).

The *Pathfinder Career System* is the leader in **Career and Human Success Metrics** and the only behavioral tool that actually provides a single, very accurate "Career Success Quotient" for over 600 specific jobs.

There is no shortage of published research in leading academic journals that support the conclusion that even different sales roles require different behavioral skills and motivations for success.

Through the utilization of criterion-related validation studies using its proprietary predictive model, Pathfinder has led to increased individual productivity from 37% to 58%. *Pathfinder* was developed to be a unique assessment based on 600 hundred actuarial studies (i.e. rigorous statistical methods to assess risk in insurance and financial industries).

Personality tests that were designed to describe a theory/model, are academic in nature, and are not likely to impact business results. Many have become better known by their acronym. These include:

- 16PF (16 Personality Factor- IPAT)
- 6 FPQ (6 Factor Personality Questionnaire)
- CPI (California Personality Inventory)
- CPQ (Craft Personality Questionnaire)
- DPS (Dynamic Personality Shift)
- HWPI (Harcourt Workplace Personality Inventory),
- HPI (Hogan Personality Inventory)
- IPIP (International Personality Item Pool)
- JPRF (Jackson Personality Research Form)
- MPQ (Manchester Personality Questionnaire)
- MMPI (Minnesota Multiphasic Personality Inventory)
- NEO-PI-R (NEO Personality Inventory – Revised)
- OPI (Occupational Personality Inventory)
- OPQ (Occupational Personality Questionnaire; SHL)
- PIP (Personality Interview Profiler)
- RPQ (Rapid Personality Questionnaire)
- WPI Select (Work Personality Index Select)

Assessments that do not include *personality* in their name, yet are identified as personality tests in their literature and documentation that fall into this category include:

- Caliper Profile
- CDR Character Assessment
- Devine Inventory/Select Best
- DiSC14, Employee Screening Questionnaire
- Gordon Personal Profile Inventory
- MBTI (Myers-Briggs Type Indicator)
- Personal Style Inventory (PSI, two different tests with same name from different publishers)
- Profiles International Tests (ProfileXT, ProfileXTSales)
- Profiles Performance Indicator
- Profiles Sales Indicator
- Customer Service Profile
- ProfileEasy

“Was the measure designed to describe a theory or model (usually of personality) or predict future behavior?”

What evidence exists to show the measure can impact business results?”

The **Pathfinder Career System** assessment was specifically designed to predict success in careers or a business environment and plenty of case studies and testimonials are available to demonstrate how this approach has led to great success for clients.

References

- 1) MORGESON, et al., *ARE WE GETTING FOOLED AGAIN? COMING TO TERMS WITH LIMITATIONS IN THE USE OF PERSONALITY TESTS FOR PERSONNEL SELECTION*, *PERSONNEL PSYCHOLOGY*, 2007, 60, 1029–1049
- 2) Peter Cappelli is the George W. Taylor Professor of Management at The Wharton School and Director of Wharton's Center for Human Resources. He is also a Research Associate at the National Bureau of Economic Research in Cambridge, MA, served as Senior Advisor to the Kingdom of Bahrain for Employment Policy from 2003-2005, and since 2007 is a Distinguished Scholar of the Ministry of Manpower for Singapore. He has degrees in industrial relations from Cornell University and in labor economics from Oxford where he was a Fulbright Scholar. He has been a Guest Scholar at the Brookings Institution, a German Marshall Fund Fellow, and a faculty member at MIT, the University of Illinois, and the University of California at Berkeley.
- 3) *Assessment, Measurement, and Prediction for Personnel Decisions*, By Robert M. Guion.
- 4) *Testing & Assessment Guide*, www.911dispatch.com/jobs/eta_pub.html, Department of Justice and U.S...
- 5) William R. Calabrese et al. *Development and Validation of BigFour Personalit Scales for the Schedule of Non-Adaptive and Adaptive Personality*, vol. 24, no. w September 2012 *Psychological Assessment*
- 6) Oliver P. John, et al., *Paradigm Shift to the Integrative Big Five Trait Taxonomy*, Chapter 4, *Big Five Trait Taxonomy*, 1990
- 7) Murray R. Barrick, Michael K. Mount., *The Big Five Personality Dimensions and Job Performance: A Meta-Analysis*, *Personnel Psychology*, 1991, 44.

In a recent discussion with a VP, Human Resources, Talent Solutions, he indicated that their assessment representative reassured him that their correlation of .50 for predicting job performance was exceptionally good. I pointed out that a correlation of .50 assessed predictor of success, when compared to the on-the-job success evaluation meant their success would be predicted to be accurate 1 out of 4 times (.50 X .50 = 25%) ... when we reviewed their assessment's initial results with the company's own internal job performance rating 6 months after hiring, we could see that 75% of the time the assessment's predictive ability was wrong.