

# Why is personality testing important to recruitment?

**HOGAN**  
ASSESSMENT SYSTEMS

## 1. *Why is personality testing important to recruitment?*

Effective recruiters use personality assessment to enhance their decision-making about the potential of applicants. No recruiter wants to spend time on a low potential applicant. The more information available, the more efficient and accurate a recruiter can be with referrals. For example, screening candidates with the Hogan Personality Inventory (HPI) in a retail company reduced turnover by 50%, improved productivity in an insurance company by 48%, decreased lost time accidents among hospital workers by 20%, and increased financial sales in a bank by \$308,000.00 per year per sales representative. A major telecommunications company used the HPI to hire technical support personnel. Using an HPI-based profile of high performers, persons who fit the profile were two times more likely to be receive high ratings for customer focus, and over two times more likely to receive high ratings for overall performance; conversely, 38% of incumbents who did not meet the profile soon left the company.

## 2. *Wouldn't cognitive testing be enough?*

Cognitive test scores tell us how quickly a person can learn. They tell us nothing about a person's integrity, creativity, punctuality, interpersonal style or ability to provide customer service, handle pressure, or work as part of a team. Two large, peer reviewed, meta-analytic studies of leadership report a correlation of .27 between intelligence and leadership, and a correlation of .48 between personality and leadership. In a famous review of over 85 years of selection research, Schmidt and Hunter show that adding a measure of Conscientiousness to a measure of cognitive ability improves validity by 18%; adding a measure of integrity improves validity by 27%; conversely, *adding a measure of cognitive ability to a measure of Conscientiousness yields very little increase in validity.*

## 3. *How does personality determine job performance?*

Personality predicts *how* a person will work—diligently, intelligently, cheerfully, and cooperatively. Personality affects the style or manner in which a person approaches his/her work; to the degree that a person must work with others—clients or fellow employees—this style matters greatly. Angry, moody, unhappy, stress prone employees contaminate the work place and ruin staff morale.

## 4. *What would be the effects of not using personality testing?*

The alternatives to using a personality test to screen job applicants—job interviews, background checks, resumes—yield random results. One might as well evaluate applicants using a coin flip. For example, a large logistics company hired 2200 employees using a recruiter and 2200 employees using the Hogan Personality Inventory (HPI). Those employees who were not screened were two times more likely to be fired for improper conduct, four times more like to be fired for fighting, five times more like to be fired for insubordination, and ten times more like to be fired for theft.

### **5. Why is personality testing coming under such criticism?**

About 30 years ago in the U.S., lawyers challenged the use of cognitive ability tests for personnel selection because certain minority groups receive systematically lower scores. Employers began using personality measures for selection because they are race and gender neutral. Hundreds of test publishers brought poor quality tests to the market—there are no barriers to entry and clients are rarely able to evaluate the psychometric qualities of tests—creating a commodity market stocked with products that don't predict job performance.

### **6. What are the key criticisms of personality testing?**

There are two key criticisms of personality testing: (1) The tests don't predict job performance; and (2) The tests are easily faked.

### **7. Is any of this criticism deserved?**

Because there are so many bad tests on the market, the criticism that the tests don't predict job performance is partially true—there are thousands of publishers selling tests that are technically incompetent, which means they don't predict job performance. There are only three or four technically competent tests on the market; these tests predict job performance quite well.

### **8. Is cheating or faking good impressions a problem?**

Joyce Hogan, Robert Hogan, and Paul Barrett published an important empirical paper that shows definitively that faking during the job application process is irrelevant for the Hogan Personality Inventory (HPI). The abstract is presented below:

“Real job applicants completed a Five-Factor Model personality measure as part of the job application process. They were rejected; six months later they (n = 5, 266) re-applied for the same job and completed the same personality measure. Results indicated that 5.2% or less improved their scores on any scale on the second occasion; moreover, scale scores were as likely to change in the negative direction as the positive. Only three applicants changed scores on all five scales beyond a 95% confidence threshold....For the small number of applicants whose scores changed beyond the standard error of measurement, the changes were systematic and predictable using measures of social skill, social desirability, and integrity. *Results suggest that faking on personality measures is not a significant problem in real world selection settings.*”

### **9. How does our product deal with this problem?**

We (Hogan Assessment Systems) have dealt with the problem by analyzing it carefully, using a very large sample of real job applicants, and showing quite clearly that faking is not an issue for the HPI.

### **10. What is the best way to choose a test?**

Test construction and validation is a technical process. The best way to choose a test with the appropriate psychometric qualities is to ask an expert in personnel selection—usually a person with an advanced degree in I/O psychology—for advice. The HAS website contains a check list that can be used to evaluate tests. Interested parties can download it for free.