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REPORT ON BUSINESS

Prospective hires put to the test

By WALLACE IMMEN
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More companies are turning to psychological testing of job candidates as they try to better predict who will be strong performers and a good 'fit,' WALLACE IMMEN finds

Would you prefer to be an astronaut, an acrobat or a research technician?

Such a question wouldn't seem to have much to do with Brigitte Catellier's bid to become vice-president of legal affairs for Astral Media Inc. in Montreal.

But Ms. Catellier had to give real thought to that and hundreds of other questions put to her during a gruelling day of psychological testing that was a mandatory part of her application for the coveted position.

She took turns laughing out loud and frowning with increasing frustration as she sat through eight tests over seven hours, capped by more than two hours of further probing by an industrial psychologist, trying to figure out what her potential employer was looking for in the questions about her personality, preferences and management skills.

But it was really no laughing matter. "I was told very directly there are two candidates and you are both doing the same tests. We're going to evaluate the results before we make a final decision on who we hire," says Ms. Catellier, who apparently passed with flying colours and got the job in September.

Astral Media is not the only company that has turned to psychological testing as a key component of its hiring decision-making.

Such final exams of aptitude, psychological traits and other qualities are becoming increasingly common not only for job seekers but also for managers seeking promotions, as companies try to find ways to better predict which employees are most likely to be the strongest performers, most suited to the organization and add the most long-term value to it, says Richard Wajs, president of TWC International Executive Search Ltd., an executive search firm in Toronto.

"The key reason is to ensure a fit with the corporate culture and the executives the person will be dealing with," Mr. Wajs says.

Last year, Development Dimensions International, a Pennsylvania-based consulting firm, found that 83 per cent of 1,500 hiring managers it surveyed from 348 companies around the world, including Canada, use some sort of pre-hiring testing.

And the number of companies requiring testing for all hiring has nearly doubled since 1999, DDI's study showed, prompted by a desire to predict high performance and reliability in the wake of corporate downsizing and management scandals.

While there was no breakout of Canadian companies, Mr. Wajs says testing is becoming as much a part of the hiring process in this country as traditional face-to-face interviews, particularly for companies with 100 employees or more.

Within a few years, such testing will become the final arbiter of who gets any job offer, predicts Jordan Peterson, an associate professor of psychology at the University of Toronto.

As the DDI survey points out, managers who hire on the basis of face-to-face discussions alone often find a candidate's personality in interviews can differ radically from what the person is like on the job.

In fact, the survey found corporations consider one in five executive hires to be bad decisions because the executive was not able to perform to expectations or had conflicts with existing management.

That's the reason Astral decided four years ago to use psychological testing for all hiring, says Arnold Chiasson, Astral's vice-president of human resources.

"This helps us not make mistakes, and we have made mistakes from time to time in the past," Mr. Chiasson says.

Before the company turned to testing, there were a few hires who did not fit in well and were "constantly banging heads and stepping on toes" of other people in the organization, he says.

But he adds he knows of no such problems with people hired in the four years since the testing has been required.

At Astral, every job candidate must take a series of seven to 10 tests measuring verbal and numerical skills and critical thinking, as well as psychological traits, such as dominance, tolerance, emotional intelligence and the need for social participation, he says.

Candidates for management positions get additional tests on problem-solving, priority-setting, delegation and clarity of communication, he adds.

"This is not something we do to the individual, it is something we do with the individual," Mr. Chiasson says.

"Even though you conduct three or four or five interviews with the person, they are only a few minutes long and may not measure all the things that you need to check," he adds.

"The idea is that, at the end of the process [if] we go forward with hiring the individual, both parties really know what they are getting into."

Prof. Peterson says that's the right way to go.

"Companies that use procedures that measure intelligence and innate skills will have such a competitive advantage that everyone is going to be using them," predicts Prof. Peterson, who this

year gave a series of lectures on psychological testing that will be offered as a course next year to students at the University of Toronto's Rotman School of Management.

Traditional job interviews are proving to be poor predictors of success, he says, because the questions asked are not standardized, so interviewers are not gauging the same things and in the same ways in every candidate.

"Managers who remain convinced that they can learn everything they need to know based on personal interviews are victims of a classic human bias," Prof. Peterson says.

"They remember all the times they really thought someone was a star and it worked but they don't remember all the times when the person who was supposed to be a star was mediocre."

And "as the economy becomes global, companies are going to have to identify high performers to compete," Prof. Peterson adds.

Though Canada has been lagging the United States and Britain in the amount of testing organizations do, that is about to change dramatically, predicts Steven Stein, chief executive officer of Multi-Health Systems Inc., the largest Canadian publisher of employment tests.

"Canadians have always been reticent about testing. It's because of the kind of society. We have always been more egalitarian, we want to feel that everyone is equal," Mr. Stein says.

But he says that is shifting because businesses are facing strong competitive pressures to identify top performers.

Predicting long-term performance through tests has become possible because, in recent years, scientists have learned much more about brain functions and what traits identify successful people in business, Prof. Peterson says.

At the same time, tests have become simpler to administer and score because they can be done on computers.

David Towler, director of sales and marketing for Creative Organizational Design, a Kitchener, Ont.-based company that devises employment tests, says another reason for switching from reliance on interviews to testing is that the new generation of employees has been heavily influenced by media to know how to manipulate answers.

"Potential employees are becoming extremely adept at being interviewed and skilled at parroting back all the right phrases," Mr. Towler says.

"Interviews are all different depending on the circumstances and the persons. The advantage of tests is that they are standardized. "

They can also provide a much better check on such qualities as honesty, which are difficult to determine in an interview.

"If you sit someone down and ask point blank how much they have stolen from their employers, they will say nothing," he says.

In fact, the widely used psychological tests are deliberately designed to glean whether people are trying to appear to be something they are not, Prof. Peterson adds.

Multiple questions that ask similar things are scattered throughout the tests and inconsistencies will flag people who are trying to fake the answers, he says.

Mr. Wajs says psychological tests can also identify issues that need to be followed up in interviews.

"For instance, if the tests show a person doesn't delegate authority or has a hard time making decisions, the recruiter can hone in on those points."

Increasingly, testing is not being used just for hiring; it is also being applied to those in management positions seeking promotions or to identify gaps in executives' performance, says Michael List, a partner in Verity International in Toronto, which administers tests on behalf of companies.

"What testing can highlight are areas in which people need further training," Mr. List says.

"For instance, a lot of people get promoted with little experience in management. Their technical skills may be great but they are lacking in people skills."

Employers are also interested in the cost savings that come from the right hire the first time out, Mr. Stein says.

Multi-Health has done research to identify the traits shared by the top performers in large U.S. companies -- and testing helps find people who have those qualities, he says.

"We've found that with psychological testing, we are able to increase both the level of performance and long-term retention of employees."

There is no single test "that is the perfect test because people have 20 billion brain cells and one test can only measure a fraction of human capacity," says Irene Taylor, a leadership consultant with Praxis Partners in Toronto, which does testing for many Canadian law firms.

"Experience is showing, for instance, that a formula for excellence in law is someone who scores highly on an IQ test and does well on a test of motivation," Ms. Taylor says.

A test of emotional intelligence is emerging as a key factor in identifying professionals who have skills in handling people and will be interested in developing their talents throughout their career, Ms. Taylor adds.

Meanwhile, Ms. Catellier says she found the testing she underwent turned out to be a tremendous opportunity to learn about herself.

"Having a chance to read the report on my results, it was exactly me," she says.

"I showed the results to my husband and he laughed and said: 'This psychologist knows you better than I do.' That's really something, when you think about it."

Testing and the law

Where does the law stand on psychological testing for jobs?

It's a question more companies are asking, says Ottawa-based Russell Zinn, a partner at Ogilvy Renault LLP and a specialist in employment law, particularly Canadian subsidiaries of U.S.-based companies, where testing has become widespread.

In fact, no laws specifically regulate the use of personality or aptitude tests, nor have there been any Canadian court challenges of them, Mr. Zinn says.

Nevertheless, companies that want to use them should be careful on a couple of fronts.

First, human rights legislation in all provinces prohibits the use of testing to identify a disability that could be used as a reason to disqualify someone for a job, Mr. Zinn says. So if a company decided not to hire someone on the basis of test results, it could open itself to a discrimination complaint and an argument that test results do not connect to what is needed to be able to do a job.

Recently enacted federal and provincial privacy requirements also require testers to get the express consent of those being tested and ensure results be kept confidential, adds Brian Grosman, a partner in the employment law firm Grosman Grosman and Gale LLP in Toronto.

The law also requires employers to make clear why a test is being given, Mr. Grosman says. "With some of these psychological tests, it is not obvious what they are testing for."

And what if a job candidate refuses to take a test? An employer has the legal right to make any applicant meet certain requirements as a condition of employment, Mr. Zinn says. However, a candidate who didn't get the job could potentially file a human rights complaint.

Mr. Zinn says he cautions corporate clients that, were they to face a court challenge, they'd have to be able to prove the tests were a true measure of what they were purporting to measure and everything being tested was essential for a position.

But Mr. Zinn says testing could also be a way to legally defend a hiring decision if an employer could show tests were based on objective scientific criteria and applied equally to everyone.

Testing 101

On many tests, there are no right or wrong answers -- but there are strategies for approaching them that will work to your advantage.

Experts say honesty is important. These tests are designed to ask key questions about your personality and motivations in a number of different ways, so you are likely to be caught out if you try to give answers you think an employer wants but that don't represent your true self.

However, it can help to review what kinds of questions you might expect to encounter in pre-employment testing so that you'll be ready to answer them.

Intelligence quotient

In use for about a century, we've all taken IQ tests in school. These are most often multiple-choice tests that determine how well you acquire verbal and mathematical knowledge, and how accurately you apply what you know.

Sample question: Which number does not belong: 4, 17, 18, 32? The answer is 17, the only odd number.

What it demonstrates: Your IQ score is based on an average. Scoring 100 means you are technically higher than 50 per cent of the people taking the test. An IQ of 130 is higher than 95 per cent of the people taking the test.

How to approach it: There are often multiple choices of answers that can be similar. Read the question carefully to determine which answer is the best.

Emotional intelligence

Based on research by psychologist Dr. Daniel Goleman, who claims a combination of self-awareness, empathy and social skills is as important as factual knowledge in achieving success.

Sample question: Rate on a five-point scale from strongly agree to disagree: 'Even when I do my best, I feel guilty about the things that didn't get done.' Strongly agreeing indicates you are a perfectionist, which an employer might prize, but it could also be seen as obsessive, which could affect your ability to work with others.

What it shows: Proponents claim the combination of self-awareness, empathy and social skills these tests measure are vital to leadership.

How to approach it: Accentuate the positive. Your responses are designed to make you aware of how your emotional reactions may limit you and how being aware of them can increase your enthusiasm and ability to make connections with others.

Personality test

More than 100 tests are on the market that ask questions about anger, anxiety, pain, honesty and integrity to rate a person's approach to life and relationships.

Sample question: Rate yourself on a five-point scale from strongly agree to disagree: I am a reliable worker; I can be careless at times; I tend to be disorganized.

What it measures: Traits, for instance, extroverted or introverted; agreeable or inflexible; creative or conservative.

How to approach it: Don't try to be something you are not. The questions are asked with dozens of variations and a skewed result will suggest you are trying to hide something.

Behaviour-focused interview

A manager will have candidates describe how they have handled management challenges.

Sample question: "Tell me about a particularly frustrating individual or situation and how you handled it."

What it shows: Ability to handle crises in the past is considered a strong predictor of future performance.

How to approach it: Come in prepared with detailed examples of successful decisions and interventions to crises that you have experienced in previous jobs. Be aware of your weaknesses and be ready to describe how you're working to improve them.

Executive function

A relatively new type of testing based on scientific studies of the brain's prefrontal area. Successful decision makers tend to have lots of activity here because it is responsible for mental operations, such as planning, decision making, attention to tasks and memory.

Sample question: A collection of objects or words appear on a computer screen. Develop a strategy to determine which belong together, then remember the relationships in a fast series of video-game like tasks.

What it shows: Determines how quickly and accurately your brain can process and apply what you learn.

How to approach it: Concentrate on the task at hand and use your instinct. Remember, speed counts. A familiarity with computer games is an asset.

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