

JUST HOW EFFECTIVE IS PRE-EMPLOYMENT TESTING?

Regular readers of this newsletter will know that approximately 40 to 50% of North American companies use some form of pre-employment testing. Larger companies are more likely to use a pre-employment test than smaller ones and according to *The HR Scorecard: Linking People, Strategy and Performance* (Harvard Business School Press), top performing companies are more likely to use pre-employment testing than poor performing companies (see McQuaig newsletter #12). Click the following link for more details: [McQuaig Newsletter #12](#)

But just how effective is pre-employment testing – specifically, with respect to personality based assessments? And what can companies do to increase its effectiveness?

Test publishers, such as The McQuaig Institute®, provide testimonials and case studies of companies who have decreased turnover and increased productivity by using their assessment tools, but at a macro level, how effectively do personality assessments predict performance?

A study out of the University of Waterloo answers these questions by exploring the effectiveness of personality assessments. The study: *Personality Predictors as a Measure of Job Performance* provides a meta-analysis of 13,521 job applicants covered in 494 studies who were assessed using tools based on The Big Five* personality factors.

A key finding was that **how** the instrument was used made a huge difference in its ability to predict performance. Here is a summary of the findings:

If the personality measure was used in an “exploratory” way – for example, you assess the candidate’s personality to better understand him/her – the validity coefficient was .12 – about as effective as an unstructured interview.

If the personality measure was used in a “confirmatory” way– for example, you believe that your sales people should be extroverted and the assessment confirms this – the validity coefficient jumps .29 – more than twice as effective.

If the personality measure included a job analysis tool (such as The McQuaig Job Survey®) that objectively determined the personality measures deemed necessary for success, the validity coefficient increased significantly again to .38 – a level that is considered very respectable by most professionals.

Keep in mind that these studies measure the personality assessment “in a vacuum” and not combined with other methods, such as behavioural interviewing. We know, here at McQuaig, that you increase validity of assessments much further by linking the assessment to behavioural interview questions.

* many Four and five-factor assessment tools, such as The McQuaig Word Survey®, capture the core aspects of the Big Five personality factors.

For more information contact: Michael Gravelle
Managing Director
The McQuaig Institute®
mgravelle@mcquaig.com
(800) 387-5455 ext.361
(416) 941-9418 ext.361