Employee Selection Tests
March 1998

- What are the recent trends regarding the use of assessments in employee selection processes?
- What types of tests do companies use to assess different levels of employees?
- What are the benefits and drawbacks of using employment tests as part of employee selection processes?
LITERATURE REVIEW

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BACKGROUND

Employment tests first entered the workplace in the 1930s and were popular until the early 1970s. Tests were often simple adaptations of personality and integrity assessments developed by the military; generally, the tests were widely available and few limitations existed regulating the way in which organizations could use them. However, with the rise of civil rights and changing attitudes regarding how intrusive any institution could be in questioning applicants, the popularity of these tests eroded by the 1980s.1

By the late 1980s, however, most of the legal issues surrounding employment testing had been clarified through nearly 30 years of court cases and testing “was again booming as executives struggled to compete in an unforgiving global economy that places a premium on quick thinking and teamwork.”2 In the 1990s, as businesses face issues such as a tight labor market, globalization, mergers and acquisitions and leadership shortages, companies are finding an increasing number of applications for employment testing, including the six uses presented on the following pages.

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1 Lorie Parch, “Testing…1,2,3,” Working Woman (October 1997): 74.
Pre-employment testing—Companies continue to revisit testing “as an effective hedge against the rising cost of employee turnover,” as a method of addressing high turnover rates, and also as a way to identify the increasing number of individuals who falsify employment applications.

DISTURBING STATISTICS

Costs of Hiring the Wrong Person
(Costs include wasted salary, benefits, Severance pay, headhunter fees, training costs and hiring time)

- For an entry-level employee, $5,000-$7,000
- For a $20,000/year FTE, $40,000
- For a $100,000/year FTE, $300,000

Average Cost per Hire

External Cost per Hire
(Total cost of hires, divided by number of both exempt and non-exempt external hires)

Source: Saratoga Institute

Falsified Employment Applications
- 17% of new hires misrepresent job qualifications
- 9% of new hires inflate their previous salaries

Selecting Employees for International Assignments—As companies continue to expand globally, they are sending an increasing number of employees overseas to work. The average cost of a typical three-year international assignment is $1 million; unfortunately, 50 percent of assignments are viewed as failures. Therefore, companies are turning to employment tests in order to help select employees who are most likely to succeed as expatriates.

3 Parch, “Testing…1,2,3,” p. 74.
5 Ibid.
Selecting Leaders—Companies are beginning to realize the importance that personality can play in one’s ability to succeed. According to a study conducted by The Center for Creative Leadership, “derailed executives” failed most often due to “an interpersonal flaw” rather than a technical inability.\(^7\) These flaws include the following:\(^8\)

- Being “authoritarian”
- Being “too ambitious”
- Conflict with upper management
- Poor working relations

As companies struggle to find individuals capable of leading their organizations in the changing business world, they are turning to employment test to help identify and develop leaders.

Employee Selection during Mergers, Acquisitions—Studies indicate that more than 60 percent of mergers and acquisitions fail in their intended purposes.\(^9\) Many experts attribute this high failure rate to “culture clash.”\(^10\) A critical element of the cultural integration process is determining which employees are most suitable for the new organization and the new culture. Therefore, companies are turning to employment testing to help identify employees who possess the competencies needed to make the new organization a success.

Selecting Teams—According to a survey conducted by The Center for Effective Organizations at the University of Southern California, 68 percent of Fortune 1000 companies use self-managed or high performance teams.\(^11\) Because “teams fail if their members cannot work together—a function of personality and attitude, not of specialist know-how,”\(^12\) many companies use employment testing to help create effective work teams.

Career Development—Many employers are also turning to employment tests to ensure that employees are performing jobs where they are challenged and satisfied. As the majority of individuals receive very limited vocational guidance, a great number of employees often find themselves questioning the satisfaction they will gain from their current career track. Given the swiftly changing organizational structure of today’s corporations, employees often undertake this self-examination as a result of redeployment initiatives or organizational restructuring; they may also endeavor a review as part of an organizational inplacement program. Consequently, employers are turning to employment tests to aid employees in reviewing their future career directions and goals.

Further information regarding the use of employment tests in these areas is presented in the following section. (For detailed information regarding different types of employment tests, see Appendix A).

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8 Ibid.
10 Ibid., p. 67.
**Uses of Employment Tests**

**Pre-Employment Testing**

In 1997, the American Management Association (AMA) surveyed its members concerning their use of employment tests. According to the survey, 35 percent of responding companies use some form of employment tests (not including drug tests and medical examinations) to assess job applicants. The major benefits and drawbacks associated with pre-employment testing are presented below and on the following page.

### Benefits of Pre-Employment Testing

- **Cost-Savings**—In view of the cost of hiring and training employees, an organization must attempt to hire the best individuals available if it expects to realize a good return on its hiring investment. Tests can produce substantial savings by helping employers select employees who are more capable, better motivated and more likely to remain on the job.

- **Bias**—Good tests, by definition, are fair to all applicants irrespective of their gender, ethnicity, race, religion or cultural backgrounds. Equally important, good tests appear to be fair so that people are not uncomfortable taking them and can accept the testing process.

- **Image**—Testing can project a positive image of the employer both internally and to the public at large. An objective, unbiased and properly conducted test fosters a constructive relationship between management and employees on the premise that all employees receive equal access to available opportunities. The reputation of an organization is also enhanced when it appears invest significant effort into getting the recruitment decision right.

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**DRAWBACKS OF PRE-EMPLOYMENT TESTING**

- **Cost**—A quality testing program involves a substantial investment. To validate tests, organizations might need to employ external experts to conduct a detailed functional job analysis and develop data from which statistical inferences can be drawn. An employer must either establish an internal testing unit or draw upon outside resources to select, administer and appraise tests. The short-run cost of establishing an effective quality testing program can be high.

- **Rejection**—Supervisors and other employees may not readily accept a testing program because some perceive it as intruding upon their jurisdiction. All members of the organization must buy into the testing process for it to work well. Acceptance by employment candidates is yet another concern as sizable segments of the public fear tests.

- **Over-reliance**—An employer who screens out a majority of applicants or hires solely on the basis of test scores places too much emphasis on tests. Because tests are usually scored objectively, employers might become convinced that tests always distinguish accurately among individuals.

  However, even the best selection methods work well only on average. A candidate who performs poorly on a test may not necessarily make a less effective employee than one who performs well. If a test is designed, selected and administered properly, candidates who do well on it are more likely to perform well on the job.

- **Dangers of Legal Action**—If a test is proved to have an “adverse impact” on protected groups—such that it measures a different pass rate for different minority groups—an employer may be charged for discrimination and incur significant monetary damages.

 Certain pre-employment practices used by companies are seen as particularly innovative or successful; four such practices, listed below, will be discussed in further detail on the following pages.

- **Practice #1:** Emotional Intelligence Tests
- **Practice #2:** Handwriting Analysis
- **Practice #3:** Behavioral Interviews
- **Practice #4:** Team Interface Assessment

“[Our] culture is very test-biased and testing-dependent, so keeping pre-employment testing in check often is difficult. We test every type of human behavior imaginable starting from the first grade. Employment hiring and workplace human behavior vary in different professional settings. Organizations that hire based on sound human resources practices that have developed over time within the organizations are much better off in the long run than with any form of pre-employment testing.”

--Thomas M. Hirons, industrial sociologist
Professors Peter Salovey of Yale University and John Mayer of the University of New Hampshire coined the term “emotional intelligence” in 1990 to describe qualities such as knowing and understanding one’s own feelings, empathy for others’ feelings and regulating emotions “in a way that enhances living.”


\textbf{Company A} has incorporated the concept of emotional intelligence into its selection process. The individual contacted at \textbf{Company A} indicates that several competencies relate to the five components that make up emotional intelligence. The relationship between the components of emotional intelligence and competencies is presented below.

\begin{itemize}
  \item \textbf{Stress Management} \hspace{1cm} \textbf{Adaptability}
  \begin{itemize}
    \item \textit{Impulse control}—thinking before acting
    \item \textit{Stress tolerance}
    \item \textit{Flexibility}
    \item \textit{Problem solving}
    \item \textit{Reality testing}
  \end{itemize}
  \item \textbf{Interpersonal} \hspace{1cm} \textbf{General Mood}
  \begin{itemize}
    \item \textit{Empathy}
    \item \textit{Relationship building}
    \item \textit{Social responsibility}
    \item \textit{Happiness}
    \item \textit{Optimism}
  \end{itemize}
  \item \textbf{Intrapersonal}
  \begin{itemize}
    \item \textit{Independence}—working by oneself within a team
    \item \textit{Self-actualization}—knowing one’s desires and goals
    \item \textit{Self awareness}—knowing one’s feelings and reasons for those feelings; dealing with emotions in a positive way
    \item \textit{Self regard}—comparing oneself in a realistic way with co-workers
  \end{itemize}
\end{itemize}

(Continued)
Company A utilizes Multi-Health System’s BarOn EQ-i™ assessment device in order to measure the emotional intelligence quotient (EQ) of job applicants. The company conducts a series of interviews and selects four or five final candidates for a position; the company then administers the BarOn EQ-i™ assessment to test the final candidates’ emotional intelligence. The recruiting specialist at Company A indicates that the company does not base any hiring decision solely on the results of the assessment. However, the results do sometimes help determine the placement of candidates according to the competencies revealed in their assessments.

Company A also utilizes MHS’s BarOn EQ-i™ to benchmark its current staff. The company is assessing individuals whom teams identify as key leaders in their functional areas. The company plans to use the results of these assessments to re-develop job descriptions for all positions in the company. The recruiting specialist at Company A notes that thus far, individuals that peers identified as leaders have had above-average EQs.

Further information regarding MHS’s BarOn EQ-i™ can be obtained by contacting the individual listed below.

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In Europe, handwriting analysis has been accepted as a legitimate field of scientific study for years and it is used as a psychological assessment technique with applications in corporate and clinical settings. In France and Switzerland, 80 percent of the largest companies use handwriting analysis in employment selection. In Israel, the technique is used more often than any other form of personality assessment. In Germany, it is common for employment advertisements to request a handwritten resume.

Most American human resources professionals remain skeptical of the practice. Professor William Brown of Babson College in Wellesley, Massachusetts, scoffs at the idea of using handwriting analysis to assess personality. He says that it is “kind of mystical—a little like reading tea leaves or looking at the entrails of a chicken or sniffing out witches in Salem.” Council research indicates that this skepticism among Americans is rooted in the following factors:

- American psychologists are largely unaware of the volume of research available on the topic
- Few American universities offer training in the field
- Unqualified handwriting analysts have proliferated in the marketplace

Despite American skepticism, research indicates that the use of handwriting analysis for selection, assessment and team-building purposes is spreading throughout corporate America; an estimated 5,000 U.S. companies currently use this practice.

### ADVANTAGES OF HANDWRITING ANALYSIS

- Avoids the problem of “test-wise” individuals who, through experience, cunning or coaching, have learned to outsmart tests—Cooperation, honesty and self-understanding from the test subject are not required for success.
- Reduces cost and time required for testing—While a battery of personality tests and several hours of interviews with a psychologist can cost as much as $1000, job candidates need take only a few minutes to jot down a short essay which is analyzed for approximately $225.
- Avoids potential legal problems—To date, no lawsuits have been brought against employers who use graphology. Furthermore, the Equal Employment Opportunity Commission has ruled that graphology evaluation is not constrained by testing standards criteria that may limit the use of other types of psychometric assessments.
While behavior-based interviewing surfaced in the 1980’s, many companies have yet to embrace it. According to Mark Van Clieaf, an executive search consultant with Price Waterhouse, while 80 percent of hiring decisions are based upon interviews, only 10 to 15 percent of interviews have any structure or rigor. Experts believe that structured, behavior-based interviews are one of the best indicators of future job performance. Further information regarding the practice is presented below.

**What is it?**

“Behavioral interviewing is a structured interviewing strategy built on the premise that past behavior is the best predictor of future performance in similar circumstances. The interviewer probes for behavioral evidence of what the candidate said, did, felt and thought, and what the results were.” Behavioral interviewing allows employers to assess applicants in several different areas, including:

- Technical or job-specific knowledge and skills
- General abilities (communication skills, customer service orientation, etc.)
- Behavioral traits or competencies (initiative, results orientation, risk taking, etc.)

**Why bother?**

Experts agree that structured behavioral interviewing has a much better chance of accurately predicting job performance than other types of interviews. Higher accuracy rates translate into significant cost-savings for companies in terms of real costs for right hire (See table below.)

<table>
<thead>
<tr>
<th>Type of Interview</th>
<th>Cost per hire †</th>
<th>Total cost for 100 hires</th>
<th>Right hire % of 100</th>
<th>Real cost for right hire</th>
</tr>
</thead>
<tbody>
<tr>
<td>Traditional Interview</td>
<td>$7,500</td>
<td>$750,000</td>
<td>14%</td>
<td>$53,571</td>
</tr>
<tr>
<td>Team Interview ‡</td>
<td>$7,500</td>
<td>$750,000</td>
<td>35%</td>
<td>$21,429</td>
</tr>
<tr>
<td>Behavior Interview</td>
<td>$7,500</td>
<td>$750,000</td>
<td>55%</td>
<td>$13,636</td>
</tr>
</tbody>
</table>

† The cost per hire figure used ($7,500) is an arbitrary figure
‡ Similar to traditional interviewing, but conducted by two or more interviewers at the same time

Source: The Tax Advisor, September 1996

Companies also report the following as benefits associated with behavioral interviewing:

- Acquires relevant information to make a hiring decision
- Ensures a fair selection process
- Ensures a good match between candidate and job
- Ensures that interviewers ask job-related questions
- Meets legal guidelines
- Provides a systematic process
- Provides objective data
- Results in shorter training and lower turnover

(Continued)

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27 Ibid.
PRACTICE #3: BEHAVIORAL INTERVIEWS (CONTINUED)

How does it work?

Step 1: Perform Job Analysis
- Review position descriptions, performance standards and business plans that impact the position
- Identify a list of “success factors”—the knowledge, skills, abilities and traits that distinguish top performers in the position.
- Determine which success factors are needed immediately upon hire and which can be developed

Step 2: Plan the Interview
- Develop interview question for all mandatory success factors.
- Sample interview questions:
  - When were you most persuasive in overcoming resistance to your ideas or point of view?
  - Describe an incident in which you had a disagreement or clash with someone
  - How did you get three of your best assignments during the last three years?
  - Who was the most difficult or frustrating person with whom you have worked?
  - When did you feel most pressured or stressed in your work?
  - Describe the occasion when you felt best about your ability to draw out and solicit information from another person.
  - What do you feel have been the most significant accomplishments with the past year?
  - Describe a situation in which you had to hand off work to someone when you did not really want to.
  - How do you go about organizing your work and scheduling your own time?
  - When was the last time you made a decision that backfired?
  - What did you do in your last position to contribute toward team success?

Step 3: Conduct the Interview
- Suggested model for interview:
  1. Establish rapport and obtain background information (5-7 minutes)
     - Ask rapport building questions
     - Communicate how you plan to conduct the interview
     - Ask questions to get background information
  2. Obtain behavioral information on mandatory success factors (40-45 minutes)
     - Ask a directing question and get an overview of the situation
     - Get background information on the situation
     - Probe for details
     - Close
     - Repeat the same process for each success factor
  3. Describe the position (5 minutes)
     - Describe duties, responsibilities, deliverables, etc.
     - Give examples of work to be performed
     - Answer candidate’s questions
  4. Sell the position and the company (5 minutes)
  5. Close the interview (3 minutes)
     - Determine candidate’s interest
     - Describe next steps

Step 4: Evaluate Candidates
- Assess candidates against success factors; document the evaluations and make hiring offer

SELECTING EMPLOYEES FOR INTERNATIONAL ASSIGNMENTS

As businesses become increasingly focused upon globalization, increasing numbers of employees are being asked to accept international assignments. Recent studies reveal that the average annual cost for an international assignee is approximately $250,000, including compensation and allowances. For assignments in cities such as Hong Kong, Tokyo, and Paris, the cost can run as high as $500,000.\textsuperscript{28} Considering that many overseas assignments continue for three years, a company’s investment is considerable. What is worrisome is that the failure rate on international assignments is 50 percent. Failure from an overseas assignment comes in many forms, including the following:\textsuperscript{29}

- Company departure closely following home country return— the number of people who quit within one year of their return to the U.S. is more than 60 percent\textsuperscript{1}
- Cost overruns
- Early return of assignee
- Incomplete projects
- Missed objectives
- Negative impact on future assignments

Experts view employee selection processes as a pivotal lever in improving the success of international assignments. According to a 1996 survey sponsored by Windham International and the National Foreign Trade Council (NFTC), most companies interview candidates for international assignments. While relatively few companies currently support assessment programs to assist them in determining the suitability of employees for overseas assignments, the survey also indicates that the use of formal assessment programs is rising. (See graphs below).

Assessing Suitability of Employee and Spouse for Assignment

<table>
<thead>
<tr>
<th>Assessment Method</th>
<th>% Respondents</th>
</tr>
</thead>
<tbody>
<tr>
<td>Manager interview</td>
<td>95%</td>
</tr>
<tr>
<td>HR interview</td>
<td>48%</td>
</tr>
<tr>
<td>Internal assessment program</td>
<td>15%</td>
</tr>
<tr>
<td>External assessment program</td>
<td>11%</td>
</tr>
</tbody>
</table>

Respondents provided multiple answers

Employers Utilizing Formal Assessment Programs for Expatriate Assignments

<table>
<thead>
<tr>
<th>Year</th>
<th>7%</th>
<th>21%</th>
<th>26%</th>
</tr>
</thead>
<tbody>
<tr>
<td>1994</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1995</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1996</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Source: Windham International/NFTC

\textsuperscript{28} Author Unknown, “Making the Most of Overseas Assignments,” \textit{The Des Moines Register}, 2 July 1995, p.2.
It is especially important for companies to establish an assessment program for selecting employees for international assignments because “time and again, professional competency has proven a poor predictor of overseas assignment success.”30 However, the following competencies have been shown to influence success in international assignments:31

- Intercultural adaptability
- Flexibility
- Good interpersonal skills
- An interest in new experiences
- Family members who share these qualities

There are several assessment inventories available that can assist companies in their selection of employees for international assignments. Information regarding two providers of such services is presented in the table on the following page.

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30 Ibid.
31 Ibid.
Since its founding in 1978, SRI’s core services have been to provide organizations the highest quality resources for all areas of international personnel assessment, selection and development. SRI conducts rigorous, research-based, behavioral assessments of expatriate employees and their spouses for global management assignments.

SRI’s services include the following:

- **Foreign Assignment Exercise (FAE)**—a research-validated, stand-alone, international self-assessment tool which enables individuals and their spouses to determine whether an international assignment is in their best interest, both professionally and personally.

- **Supervisor International Evaluation Instrument (SEI)**—enables supervisors to conduct preliminary evaluations of potential international employees, providing companies critical information for making reliable selections regarding international assignments.

- **International Assessment Protocol (IAP)**—asses the suitability of individuals for international assignments; identifies strengths, limitations and potential problems areas; provides recommendations for development; and evaluates the ability of individuals, spouses and family members to adjust to relocation in foreign cultures.

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Cornelius Grove & Associates was founded in 1990 and is dedicated to assisting potential expatriates to do the following:

- Adapt effectively to changing environments
- Manage effectively in the worldwide marketplace
- Communicate effectively across ethnic, cultural and national boundaries
- Redesign organizational systems for global effectiveness and leadership development

One way in which CGA does this is through its expatriate candidates selection and assessment program. The firm works with companies to identify expatriate candidates and then facilitate a self-evaluation by the candidates and their spouses. One part of the evaluation is the Cross-Cultural Adaptability Inventory (CCAI). CCAI is a self-scoring instrument that gives feedback to individuals about their potential for effectiveness in an unfamiliar culture. The CCAI enables individuals to learn about personal qualities and skills that research has associated with satisfaction and success abroad. Also, the CCAI allows individuals to plan to develop qualities or skills that they are lacking.

The CCAI considers the following four psychological dimensions in its assessment of individuals:

- **Emotional Resilience**
  - Deals constructively with stress
  - Copes well with ambiguity
  - Is open to risk and adventure
  - Bounces back from frustration, confusion, loneliness, etc.

- **Flexibility/Openness**
  - Avoids snap judgments
  - Enjoys different types of people
  - Maintains an open mind
  - Is curious about unfamiliar ways of being in the world

- **Personal Autonomy**
  - Is self-starting and self-directing
  - Has strong values and sense of identity
  - Demonstrates respect for self and others
  - Functions without constant reaction and reinforcement from others

- **Perceptual Acuity**
  - Empathizes
  - Notices own impact on others
  - Is alert to verbal and nonverbal cues
  - Takes into account others’ feelings and the overall social context

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SELECTING LEADERS

Recent Council research indicates that most companies now, both in the United States and abroad, are experiencing some sort of “leadership gap” within their executive ranks. As companies struggle to identify and develop individuals who can adequately fill that gap, most are looking for individuals who possess competencies beyond technical skills. In 1997, the Corporate Leadership Council partnered with Boston, Massachusetts-based Cambria Consulting in the analysis of leadership competency models from more than 50 companies that were either Council members or Cambria clients. The analysis revealed that most companies in the sample had derived markedly similar leadership competency models and most companies stress non-technical competencies for leaders. The top ten leadership competencies identified are presented in graph below.\(^\text{32}\)

<table>
<thead>
<tr>
<th>Competency</th>
<th>Percentage of Models Featuring Competency</th>
</tr>
</thead>
<tbody>
<tr>
<td>Drive for Results</td>
<td>83%</td>
</tr>
<tr>
<td>People Development</td>
<td>71%</td>
</tr>
<tr>
<td>Conceptual Grasp/Big Picture Awareness</td>
<td>64%</td>
</tr>
<tr>
<td>Team Player</td>
<td>62%</td>
</tr>
<tr>
<td>Flexibility</td>
<td>58%</td>
</tr>
<tr>
<td>Integrity/Honesty</td>
<td>58%</td>
</tr>
<tr>
<td>Learning Orientation</td>
<td>54%</td>
</tr>
<tr>
<td>Strategic Thinking</td>
<td>54%</td>
</tr>
<tr>
<td>Setting of Vision and Direction</td>
<td>53%</td>
</tr>
<tr>
<td>Creation of High-Performance Climate</td>
<td>51%</td>
</tr>
</tbody>
</table>

\(^*\) Based on analysis of 52 leadership models drawn from Corporate Leadership Council membership and Cambria database.  
Source: Cambria Consulting

Presented on the following page is another example of how companies are using the practice of emotional intelligence assessments. In this example, American Express Financial Advisors use emotional intelligence as part of its leadership development program.

American Express Financial Advisors uses components of emotional intelligence (emotional competency) in its talent assessment process. The company assesses all of its executive–level employees’ leadership potential. Two of the three indicators of success used in this assessment are based upon emotional competency. The three indicators are listed below:

- Professional and technical knowledge
- Interpersonal relationships
- Self-awareness

Thus far, American Express has evaluated 85 executives; many executives scored very high in professional and technical knowledge, but low in interpersonal relationships and self-awareness. Since the company began utilizing this evaluation process, several of its executives have left the company and two individuals were removed from their positions. Ms. Kate Cannon, Director of Corporate Leadership Development, indicates that while these executive changes were not solely based on emotional competence, it was a major factor.

According to American Express, “Emotional competence is the capacity to create alignment between goals, actions and values. It is achieved through development of self-leadership and interpersonal effectiveness, and results in business and personal success.” American Express also identifies emotional competency as the set of competencies presented in the table on the following page.
### AMERICAN EXPRESS FINANCIAL ADVISORS, INC.’S COMPONENTS OF EMOTIONAL COMPETENCE

<table>
<thead>
<tr>
<th>Self-Leadership</th>
<th>Interpersonal Effectiveness</th>
</tr>
</thead>
<tbody>
<tr>
<td>➢ <strong>Personal efficacy</strong></td>
<td>➢ <strong>Ability to develop relationships</strong></td>
</tr>
<tr>
<td>✓ Acting courageously</td>
<td>✓ Act with integrity</td>
</tr>
<tr>
<td>✓ Being assertive</td>
<td>✓ Be empathetic</td>
</tr>
<tr>
<td>✓ Being creative</td>
<td>✓ Be open to others</td>
</tr>
<tr>
<td>✓ Being resilient</td>
<td>✓ Develop and maintain trust</td>
</tr>
<tr>
<td>✓ Coping effectively</td>
<td>✓ Keep confidences</td>
</tr>
<tr>
<td>✓ Creating balance</td>
<td>✓ Listen attentively</td>
</tr>
<tr>
<td>✓ Creating physical health</td>
<td></td>
</tr>
<tr>
<td>✓ Knowing how to play</td>
<td></td>
</tr>
<tr>
<td>✓ Maintaining a sense of humor</td>
<td></td>
</tr>
<tr>
<td>✓ Managing one’s career</td>
<td></td>
</tr>
<tr>
<td>✓ Managing resources</td>
<td></td>
</tr>
<tr>
<td>✓ Nurturing spiritual health</td>
<td></td>
</tr>
<tr>
<td>✓ Setting goals</td>
<td></td>
</tr>
<tr>
<td>✓ Solving problems effectively</td>
<td></td>
</tr>
<tr>
<td>✓ Thinking critically</td>
<td></td>
</tr>
<tr>
<td>➢ <strong>Self-awareness</strong></td>
<td>➢ <strong>Ability to sustain relationships</strong></td>
</tr>
<tr>
<td>✓ Acknowledging personal responsibility</td>
<td>✓ Acknowledging and valuing others’ points of view</td>
</tr>
<tr>
<td>✓ Affirming one’s self worth</td>
<td>✓ Identifying and managing implicit contracts</td>
</tr>
<tr>
<td>✓ Being aware of one’s emotional experience</td>
<td>✓ Matching style to others</td>
</tr>
<tr>
<td>✓ Identifying and acting on one’s values</td>
<td>✓ Providing support to others</td>
</tr>
<tr>
<td>✓ Learning from experience and one’s own history</td>
<td>✓ Resolving conflict effectively</td>
</tr>
<tr>
<td>✓ Maintaining perspective</td>
<td></td>
</tr>
<tr>
<td>✓ Managing internal conflict</td>
<td></td>
</tr>
<tr>
<td>✓ Managing stress</td>
<td></td>
</tr>
<tr>
<td>✓ Seeking social support</td>
<td></td>
</tr>
<tr>
<td>✓ Understanding and modifying self-talk</td>
<td></td>
</tr>
</tbody>
</table>

### Additional leadership competencies

- Emotional competence coaching skills
- Managing change
- Modeling emotionally-competent behavior

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34 Copyright © 1994 IDS Financial Services
SELECTING EMPLOYEES DURING Mergers, ACQUISITIONS AND CULTURAL CHANGE

Although many companies turn to mergers and acquisitions as avenues for growth and increased competitive advantage, a 1995 *Business Week* study covering 30 years of mergers and acquisitions concluded that there is a negative correlation between merger activity and profitability. A 1996 study by the British Institute of Management concluded that “the major factor in failure was the underestimation of difficulties of merging two cultures.” Given this evidence regarding the significant impact of cultural fits in merger/acquisition success, some companies have turned to employment testing to identify employees who possess the competencies needed to make the new organization a success. There are two common approaches to this problem.

1. For acquisitions, companies may use psychological tests to assess employee’s adaptability to the acquiring company’s culture.  

   **CASE IN POINT**
   
   The organization profiled as **Company B** in the Corporate Leadership Council’s 1997 report entitled *Integration After Mergers and Acquisitions* employed Wood Dale, Illinois-based consultants RHR International to conduct psychological assessments of the direct reports to the presidents of the acquired company’s business units. The tests revealed that a large proportion of the acquired company’s employees did not possess the ability to adapt to Company B’s culture. Contact information for RHR International is provided below.
   
   **RHR International**
   220 Gerry Drive
   Wood Dale, Illinois 60191
   Telephone: 630-766-7007
   Fax: 630-766-9037
   Internet: http://www.rhrinternational.com

2. For mergers, companies may ask a consultant to assess the overall organizational culture of each entity. The consultant facilitates a conversation between the senior management of each entity in order to determine the proposed form of the merged organization’s culture. After this assessment is completed, employees may be assessed individually to determine their “fit” with the new culture. Companies often use these assessments to consolidate staff and select employees that will model the culture of the newly merged organization.

(continued)

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36 Ibid.
Moreover, in the race for global market share, companies who seek to increase profitability and growth by changing corporate culture and leadership styles are utilizing employment testing as a means to determine “cultural misalignments.”

**Case in Point: Cultural Misalignment at Royal Dutch Shell**

At Royal Dutch/Shell, the top 100 Shell executives took the Myers-Briggs personality test. The results illustrated a wide cultural divide between the decision-making approaches of senior management and line managers. This finding enabled the company’s leaders to understand and address the inability of the lower ranks to grasp the need for a fundamental cultural change.

### Opposite Ends of the Personality Spectrum

<table>
<thead>
<tr>
<th>Thinkers</th>
<th>Feelers</th>
</tr>
</thead>
<tbody>
<tr>
<td>86 percent of the top 100 managers at Shell were classified as “thinkers,” people who make decisions based on logic and objective analysis.</td>
<td>60 percent of the six-person committee of managing directors were classified as “feelers,” people who make decisions based upon values and subjective evaluation.</td>
</tr>
</tbody>
</table>
SELECTING TEAMS

**Practice #4: Team Interface Assessment**

An increasing number of organizations are placing a greater emphasis on teamwork, both as a standard work system and for handling specific projects. Some organizations combine behavioral interviews and work simulations to select potential team members, while others evaluate individuals based upon previously determined “team performance areas.” One widely-used system is the *Interplace* assessment system designed by Dr. Meredith Belbin. Dr. Belbin’s model centers upon the premise that “It is a serious mistake to assume that there is a single type of team person. What is needed is a mix of types.” This model differs from other approaches in the focus it places upon the importance of different team roles. This emphasis enables organizations to select individuals and form effective teams by combining the appropriate mix of candidates. Dr. Belbin’s research identified the nine “team personality types” listed below.

**Belbin Team Types**

<table>
<thead>
<tr>
<th>Type</th>
<th>Characteristics</th>
</tr>
</thead>
<tbody>
<tr>
<td>Coordinator</td>
<td>Mature, confident, balanced</td>
</tr>
<tr>
<td>Plant</td>
<td>Creative, imaginative, unorthodox</td>
</tr>
<tr>
<td>Resource Investigator</td>
<td>Extrovert, enthusiastic, exploratory</td>
</tr>
<tr>
<td>Shaper</td>
<td>Dynamic, challenging, outgoing</td>
</tr>
<tr>
<td>Monitor-Evaluator</td>
<td>Serious, strategic, discerning</td>
</tr>
<tr>
<td>Teamworker</td>
<td>Mild, perceptive, accommodating</td>
</tr>
<tr>
<td>Implementer</td>
<td>Practical, tolerant, conservative</td>
</tr>
<tr>
<td>Completer</td>
<td>Painstaking, careful, conscientious</td>
</tr>
<tr>
<td>Specialist</td>
<td>Single-minded, self-starter, dedicated</td>
</tr>
</tbody>
</table>

*Note:* This does not imply that the ideal team size is nine as most individuals will have one or two team roles to which they are ideally suited.

**Advantages of Team Interface Assessments**

- Focuses upon individual’s strengths which often has a significant positive effect on an individual’s self-esteem
- Enables organization to evaluate the strengths and weaknesses in the pool of available talent
- Increases understanding of team roles, thereby reducing conflict
- Enables organization to select teams which make the most effective use of available talent
- Augments the teams’ ability to allocate tasks effectively

Source: [http://www.aslgroup.com/aslmgt/interplace/interplace.htm](http://www.aslgroup.com/aslmgt/interplace/interplace.htm)

**Contact Information:**

**Dr. Meredith Belbin**  
BelBin Associates  
The Burleigh Business Centre, 52 Burleigh Street  
Cambridge CB1 1DJ  
UNITED KINGDOM  
Telephone: 011-44-1223-360895  
Fascimile: 011-44-1223-368746  
Electronic Mail: peter@belbin.com

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Utilizing Occupational Preference Testing to Facilitate Career Development

With the changes in the employment social contract and the increased mobility of talented workers, companies are becoming increasingly interested in providing tools to facilitate optimal long-term career paths for valued employees. In order to help employees match their skills and personality characteristics to their occupations, many companies employ occupational preference testing. This form of testing typically assesses a range of personality traits or “preferred styles” which affect an individual’s performance in their job. Questions may profile individuals on the value they associate with job characteristics such as those listed below.

- Variety
- Social interaction
- Altruism
- Economic security
- Achievement
- Power
- Independence
- Creativity
- Risk-taking
- Lifestyle
- Learning

Case in Point: Career Interest Inventory

Waldroop Butler Associates recently developed an assessment instrument that measures people’s interests in work specific tasks. The Business Career Interest Inventory (BCII) identifies eight core sets of activities used by jobs in the business world. Scoring is based on the activity combinations that an individual prefers as compared with the firm’s database of 650 business professionals tracked over a 12-year period. The eight core activities are listed below.

- Application of technology
- Quantitative analysis
- Theory development and conceptual thinking
- Creative production
- Counseling and mentoring
- Managing people
- Enterprise control
- Influence through language and ideas

Further information regarding this assessment system can be obtained at:
www.careerdiscovery.com

Contact information for two additional firms offering similar services from a more general perspective (i.e. non-business) is listed below.

Occupational Personality Questionnaires
Saville & Holdsworth
575 Boylston Street
Boston, Massachusetts 02116
Telephone: 800-899-7451
Fax: 617-236-2092
Internet: www.shlgroup.com

Career Decision Making
Blessing/White
23 Orchard Road
Skillman, New Jersey 08558
Telephone: 908-904-1000
Fax: 908-904-1774
Internet: www.blessingwhite.com

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LESSONS LEARNED/CRITICAL SUCCESS FACTORS

A great deal of confusion exists concerning the legality of pre-employment testing. Liability issues, particularly in the United States, have discouraged many employers from using employment tests because employers are held legally responsible for using discriminatory tests, even if they employed a consultant. Moreover, it is all too easy to fall into a legal trap as so many organizations have unscientific scoring procedures and the testing industry is unregulated.

However, all major professional human resources associations, professional testing associations, case law and the Uniform Guidelines of 1978, support the proper preparation and use of pre-employment tests. Therefore, the key to choosing and using pre-employment testing wisely is an awareness of the legal issues surrounding these tests. The information provided below is designed to aid companies in increasing their awareness of these issues and selecting appropriate vendors for employment tests.

CRITICAL SUCCESS FACTORS

- Ensure that the test has bearing on the specific position you are hiring for; job specific tests are most successful at identifying the qualities an individual must possess to do a job well
- Use tests developed specifically for the workplace; these tests tend to be more accurate predictors of employees’ on-the-job performance than the more general psychological tests originally developed for clinical or educational settings
- Know the laws in your state; states such as Massachusetts, Minnesota, Rhode Island and Wisconsin have severely restricted or outlawed various types of personality tests
- Use a “battery” approach in which testing is just one element of the selection process; accurate candidate evaluations result from extensive examination and interviewing
- Maintain uniformity in the selection process; if a company tests one applicant and not another, it opens the door to a potential lawsuit.

QUESTIONS TO ASK WHEN SELECTING AN EMPLOYMENT TESTING VENDOR

☑ What types of studies has the company done to formulate its test?
☑ What groups did the company use in its studies?
☑ What control groups did the company use in its studies?
☑ What was the level of detail in the studies?
☑ Does the test publisher track EEO and ADA data? Reputable companies will update their statistics, continuously track adverse impact and update norms. (“Adverse impact” on protected groups measures a different pass rate on tests in any given criteria for different groups. If a company is sued and the test manufacturer cannot show that each scale avoids adverse impact, the company may incur significant monetary damages.)
☑ Do the test distributors ask you to “benchmark” successful employees’ test results to those who are failing and use those results to select future employees? If so, the company should be aware that if sued by the EEOC for discrimination, any statistician can quickly invalidate benchmarking because the statistical sample used is too small for scientific validity.

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42 Ibid.
APPENDIX A:

TYPES OF EMPLOYMENT TESTS

- Personality/Psychological Tests
- Honest/Integrity Tests
- Cognitive Ability Tests
- Skills Tests
- Drug Tests

PERSONALITY/PSYCHOLOGICAL TESTS

Personality tests “attempt to assess non-cognitive, underlying characteristics of individuals;” the tests “measure the emotional adjustment, social relations, motivations and interests of the individual test taker.”

According to the Society for Human Resources Management, between 5,000 and 6,000 U.S. employers use personality assessments; William Swartz, a Scottsdale, Arizona-based executive recruiter, reports that at least half of Fortune 500 companies now use personality tests of some sort. The trend towards personality testing is especially popular for higher-level positions.

Typically, the cost of personality testing starts at approximately $35 for standardized tests and can run as high as $1,000 for a comprehensive assessment by an industrial psychologist. There are three different types of tests: projective, objective and performance/situational. Further information regarding the different types of personality tests is presented on the following page.

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### Projective

“Tests in which the test taker interprets ambiguous stimuli that may elicit a number of different responses evidencing the test taker’s fantasies and emotional associations.”

- Projective tests are not frequently used in the corporate setting.
- The results of projective tests purport to predict, for example, whether a job applicant is likely to engage in drug use or can handle stress.

#### Examples:
- **Rorschach Inkblot Test**—Trained psychologists or psychiatrists analyze an individual’s responses to blots—vague shapes that are roughly suggestive of things ranging from animals to sexual organs—in several different ways, including by content, by parts of the blot used and by perception of movement.
- **Thematic Apperception Test**—Requires a subject to interpret a picture by telling or writing a dramatic story; interpretation of the responses by a psychologist provides information about emotional and personality traits of the test taker.
- **Human Figure Drawing Test**—The test taker draws a person on a blank sheet of paper and then draws a figure of the opposite sex on a second sheet; interpretation of the drawings by a psychologist provides information about emotional and personality traits of the test taker.

### Objective

Tests that are “often called ‘pencil and paper tests’ or self-report inventories and usually consist of a set of simple questions.” There are two types of objective personality tests: normative and ipsative.

- **Normative:**
  - Most widely used personality assessment; usually consist of a set of true or false questions.
  - **Examples:**
    - **Minnesota Multiphasic Personality Inventory (MMPI)**—The MMPI has over 500 questions and provides an overall psychological portrait of the test taker. An individual taking the inventory reads the instructions and proceeds through the test without being observed or questioned by a psychologist. The MMPI was originally developed in the 1940s for use by clinical psychologists in assessing patients for psychopathological tendencies; in recent years, however, the use of the test has been expanded significantly as employers have used the test to assess suitability of job applicants.
    - **Myers-Briggs Type Indicator**—A test that characterizes individuals into 16 personality types according to how the person responds to the test questions. The test purports to measure such personal characteristics as whether the test taker is introverted or extroverted, sensitive or intuitive, thinking or feeling, and perceptive or judging.
    - Other popular normative personality tests include Catell’s 16 Personality Factor Questionnaire, the Occupational Personality Questionnaire and the California Psychological Inventory.

- **Ipsative:**
  - Similar to normative tests except the ipsative questions require the subject to choose between two responses that correspond to different personality traits.
  - **Examples:**
    - **Gordon Personal Profile**
    - **The Gordon Personal Inventory**
    - **Edwards Personal Preference Schedule**

### Performance/Situational

Tests that “require a person to perform a given task or react to a given ‘real life’ situation. The test taker is then assessed on the way in which he or she responds.”

- **Examples:**
  - **‘In-basket’ Test**—A job candidate is told to assume that he or she has been assigned to replace a company manager and given a specified time to cope with problems in the “in basket” on the manager’s desk. This basket contains a number of “items,” such as letters, memos and forms, which the candidate is instructed to assess and resolve. The candidate writes down the reasons for each action, and the responses are then scored on the basis of such factors as productivity, depth, thoughtfulness of response, flexibility, and sensitivity to human relations.
  - **Role-playing**—Job candidates assume the role of a manager facing certain problems and interact with “mock employees” or trained role players. Candidates’ performances are judged on behaviors demonstrated, advice given or in general how well they helped the employee solve the problem.
  - **Leaderless Group Discussion**—A group of applicants are asked to solve a problem; candidates are assessed on the behaviors they exhibit during the ensuing discussion in terms of their sociability, goal facilitation and performance.
HONESTY/INTEGRITY TESTS

Honesty or integrity tests are designed to measure individuals’ level of honesty; employers particularly use these tests when hiring employees whose job responsibilities include handling cash or merchandise.\(^{47}\)

In response to a 1988 Congressional ban on employers’ use of polygraph tests, more employers are using honesty or integrity tests.\(^{48}\) In 1995, the Office of Technology Assessment estimated that 5,000 to 6,000 businesses administered honesty tests annually.\(^{49}\) Items included in an honesty/integrity test generally fall along a continuum ranging from samples of behavior (overt questions asking for admission of wrongdoing) to signs or indicators that reveal underlying traits or characteristics that lead to the behavior being studied (personality-based questions).\(^{50}\) Tests differ from one another in terms of the degree of subtlety/obviousness the questions emphasize; as an illustration, five well-known integrity tests are presented on the continuum below.\(^{51}\)

Continuum of Five Well-Known Integrity Tests

- **Overt Questions**
  - Reid Report
  - Personnel Selection Inventory

- **Subtle Questions**
  - PDI Employment Inventory
  - Reliability Scale of the Hogan Personality Inventory
  - Personnel Reaction Blank

CAUTIONARY WORDS\(^{52}\)

Honesty/integrity tests have a wide margin of error. According Dr. David Arnold of Reid Psychological Systems, the Reid test only correctly classifies test takers approximately 83% of the time. The best way to pick a test is to hire an industrial psychologist, a labor lawyer or an academic to select the test that is best for the company. However, as this option may cost up to $100 an hour, companies may choose to do their own analysis. Two resources to aid in this analysis are listed below.

- **Honesty and Integrity Testing: A Practical Guide** (Linda Goldringer, Michael O’Bannon and Gavin Appleby) Applied Information Resources—describes all the facets of honesty tests, reviews 40 tests and includes a descriptive directory.
- **Association of Personnel Test Publishers’ Model Guidelines** (202-639-4314)—describes how to select tests and interpret scores.

(continued)

\(^{48}\) Christine Gorman, “Honestly, Can We Trust You?” *Time*, 23 January 1989, 44.
\(^{51}\) Ibid.
INNOVATIONS FROM THE FRONT—VOICE-ACTIVATED HONESTY TESTING

Truster, a new, inexpensive lie-detector test can be used over the phone or in person to measure changes in an applicant’s voice frequency. Voice-stress analyzers like Truster are used in more than 600 police agencies in the United States. Voice-stress software establishes a baseline of truthfulness in a conversation and uses this baseline to calibrate an applicant’s stress level when he or she lies.

Notable Caveats

- Don Weinstein of the American Polygraph Association states that he “has yet to see reliability studies for any voice-based stress evaluators.”
- Although the creators of the Truster technology claim that the program is 85 percent accurate in identifying stress that is indicative of a lie, formal studies are pending.

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COGNITIVE ABILITY TESTS

“Ability tests are designed to predict future success, both in job training and job performance; employers use these tests to obtain an indication of one’s potential to learn and perform particular job responsibilities.” 54

Ability tests are typically used for job applicants who are not professionally trained or who do not hold advanced degrees. There are two types of ability tests administered by employers:

1. **General Ability Tests**—measure general abilities such as verbal, mathematical and reasoning skills. These skills contribute to success in a wide-range of jobs. For example, many professional positions require an individual to read and comprehend written material, so an employer may administer a verbal ability test.

2. **Specific Ability Tests**—measure narrowly defined abilities that are directly related to specific areas of job performance. For example, an employer might ask applicants to take a mechanical ability test if they are applying for an engineering position or a job with an architectural firm.

Both types of ability tests are typically timed and in a multiple choice format.

SKILLS TESTS

“Skills tests can measure specifically what you know about and can perform in a particular job. These tests are designed to test one’s mastery of tasks. Employers administer skills tests when they are interested in filling a position with applicants who can ‘hit the ground running’ and perform the tasks of the job as soon as they start.” 55

Companies typically administer skills tests to applicants applying for non-managerial positions, as opposed to managerial or professional positions. Skills tests are usually in one of the following two formats:

1. **Written format**—In written skills exams, test takers are asked specific questions about performing particular job tasks. For example, a skills test for tax accountants may ask questions about filling out tax forms. For a personnel position, a test may include questions regarding how to conduct an interview.

2. **Work sample format**—For work sample exams, companies ask candidates to actually perform portions of the job. For example, an individual applying for the tax accountant position would actually complete a tax form. An individual applying for the personnel position would actually conduct an interview.

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55 Ibid.
Drug Tests

Drug tests indicate the presence of illegal drugs; an increasing number of companies are using drug tests to screen candidates for all job categories, including managers and professionals.

According to figures published by the American Management Association, more than 81 percent of major United States companies use drug testing. Reasons for such high usage among employers are represented by the distressing statistics presented below.

- One out of six workers has a drug problem
- Drug abusers are absent up to 16 times more often than non-drug-users
- Drug use can cost a company anywhere from $7,000 to $10,000 a year per drug user
- Drug users’ productivity is approximately two-thirds of their non-drug-using colleagues

The most common method for pre-employment drug testing has been urinalysis. However, some companies are finding that hair-follicle testing both easier to perform and more difficult for test takers to subvert. Many experts predict that “hair follicle-testing will become commonplace as a method of drug testing in the workplace within the next few years.” Information regarding hair analysis drug testing and how it compares to the more traditional method of testing, urinalysis is presented on the following page.

Drug Testing—A Necessary Component of an Overall Selection Strategy

Clearly, substance abuse may invalidate the results of many psychometric assessment tools. Consequently, employers need to view the use of psychometric testing as one facet of a larger program designed to improve decision-making regarding the selection of employees.

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**PRACTICE #7: HAIR FOLLICLE DRUG TESTS**

**Definition:**
“Hair follicle testing is a scientifically valid and reliable form of drug testing. Its premise is based on the fact that traces of drugs become permanently locked into the hair, and each instance of drug intake becomes permanently recorded on strands of hair in chronological order of when the drug was ingested in the body. Since human hair growth generally occurs at one-half inch per month, it is easy to establish when the drug intake occurred.”59

**Costs/Turnaround Time:**
- $50-$60 per test
- Initial test results are available in 24 to 48 hours; if the initial screening reveals the existence of drugs, the results of the second test to confirm the findings require another 48 hours to complete.

**Advantages Over Urinalysis:**
- **Accuracy**—One problem with drug testing is that a person may test positive when he or she has been exposed to a related substance (like poppy seeds for opium). False positives may arise from other factors as well. However, the probability of causing interpretative false positive tests results through passive internal ingestion of drugs is less likely with hair analysis than with urinalysis because drug residue in hair is stable. That stability allows laboratories performing hair analysis to establish drug detection cutoff levels that exclude instances of passive internal drug exposures.
- **Nonintrusive**—For a valid sample of urine to be obtained, a same-sex collector should be present to observe the person giving the sample. This could be a humiliating experience for the individual being tested. The embarrassment factor is not present for the collection of a hair sample.
- **Retesting**—A hair test is unique from other drug testing methods because if the initial results are challenged, the test subject can provide a second, newly collected sample for analysis that can duplicate the original testing by sampling the same time period. That ability can reduce claims of sample mix-up or laboratory error. With urine testing, the two-to-three-day detection period for most drug use typically expires before the employee is informed of the test results, making it impossible to retest a new sample that would cover the original time period in question.
- **Storing and Shipping**—Samples of urine must be handled and shipped properly. Conversely, since hair is such a durable material, no special handling, storage, shipping or refrigeration is needed. Also, samples can be retained for years for reference.
- **Tampering**—Drug users cannot employ the same tricks to subvert hair testing that have become commonplace with urinalysis. Actions such as substituting clean samples, tampering with specimens, flushing the system with fluids or merely abstaining from drugs for three days will not affect the outcome of the hair test. The drug residue remains permanently in the hair. They cannot be washed or bleached out. Those with shaved heads will also be thwarted because the test can be performed using arm or leg hair.
- **Time Period/Historical Data**—Because the level of most drugs in urine decreases rapidly with time, urine tests generally detect drug use only for the previous two to three days. An exception is marijuana, which can be detected for up to 30 days after ingestion. Conversely, drugs remain permanently entrapped in hair as it grows. Therefore, a one and one-half inch hair sample provides a history of drug use for about the prior ninety days. In addition, hair follicle testing not only pinpoints the time when drugs were ingested, but also indicates whether drug use is increasing, decreasing or remaining the same.

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Disadvantages of Hair-follicle Testing:

- **Inconsistent hair growth rate**—Some find fault with hair-follicle testing based on the fact that the “average” hair growth has been set at half-inch per month. However, some people’s hair grows faster or slower than the average. Such a difference is crucial in the determination as to when the person ingested the drug.

- **Cost**—Hair follicle testing costs three times more than urinalysis; this is because the procedure is still in the early stages of technological development. The cost will continue to decline over the next few years.

- **Discomfort**—Although hair can be cut closely to the head to get a specimen, the preferred method is to pluck the hair out of the head in order to obtain intact hair roots. By cutting the hair close to the head, most recent drug use cannot be detected.

Legal Issues (According to the American with Disabilities Act)

- **Current illegal drug use**—Anyone who is currently using illicit drugs is not protected by the ADA. Human resources professionals should remember that currently means not just on the day that the drug test was given or within a matter of days or weeks before the test was administered. It means recently enough to indicate that the individual is actively engaged in such conduct. This part of the law allows HR managers more leverage when making an adverse employment decision.

- **Past or present casual use of illegal drugs**—Neither past nor present casual uses of illegal drugs is protected under the ADA.

- **Past addiction to illegal drugs**—Although hair follicle testing can detect the presence of drugs, it cannot ascertain whether an individual is or was an addict. In the event that the person tested was in the past addicted to illegal drugs, the ADA’s protection begins.
**APPENDIX B:**

**INDEX OF COMMONLY USED EMPLOYMENT TESTS**

*California Psychological Inventory*—A test that consists of 434 items designed to identify normal personality characteristics and helps companies determine management development and team-building ability.

*Cattell 16 Personality Factor Test*—A normative test which analyzes an individual’s scores for 16 primary personality traits based upon research regarding groupings of characteristics which are found together in individuals.

*Clinical Analysis Questionnaire*—A test designed to be used in conjunction with the 16 Personality Factor Test to provide an integrated view of an individual by covering both normal personality and pathology. The test aids businesses in the selection, placement and promotion of personnel by predicting important job-related criteria.

*Comprehensive Personality Profile*—A test that describes personality types in terms of an individual’s blend of ego drive (the tendency to be patient or impatient) and empathy (the tendency to be task-oriented versus people-oriented).

*Edwards Personal Preference Schedule*—Ipsative test that consists of approximately 225 pairs of statements, which are answered by the test taker. The individual is instructed to indicate which of the two statements is more characteristic of what the individual actually feels or likes. The preferences are combined according to 15 scales, which reflect “need” categories and the scales are entered onto a graph as a profile of the test taker’s personality.

*Executive Profile Survey*—A test designed to gauge self-attitudes, values and beliefs of individuals in comparison with those of over 2000 other top-level executives that make up the normative sample. The report presents the individual’s scores with accompanying narratives on 11 profile scales.

*Gordon Personal Profile/Personal Inventory*—Ipsative test designed to analyze individual indicators of nine major areas of personality including: ascendancy, responsibility, emotional stability, cautiousness, original thinking, personal relations, vigor and self-esteem. Individuals are asked to choose between two responses that correspond to different personality traits.

*Minnesota Multiphasic Personality Inventory (MMPI)*—The MMPI has over 500 questions and provides an overall psychological portrait of the test taker. An individual taking the inventory reads the instructions and proceeds through the test without being observed or questioned by a psychologist. The MMPI was originally developed in the 1940s for use by clinical psychologists in assessing patients for psychopathological tendencies; in recent years, however, the employers have adopted the test to assess suitability of job applicants.

*Myers-Briggs Type Indicator*—A test that characterizes individuals into 16 personality types according to how the person responds to the test questions. The test purports to measure such personal characteristics as whether the test taker is introverted or extroverted, sensitive or intuitive, thinking or feeling, and perceptive or judging.
APPENDIX B:

INDEX OF COMMONLY USED EMPLOYMENT TESTS (CONTINUED)

**Personal Profile System**—A test that determines whether a work environment is conducive to a particular worker through an instrument using a combination of four basic tendencies: dominance, influence, steadiness and conscientiousness.

**Rahim Organizational Conflict Inventory**—A test that identifies patterns people use to handle interpersonal conflicts with a boss, subordinates and peers.

**Thurstone Test of Mental Alertness**—A test that measures mental alertness and reasoning skills in the verbal and quantitative areas.

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Professional Services Note

The Corporate Leadership Council has worked to ensure the accuracy of the information it provides to its members. This project relies upon data obtained from many sources, however, and the Council cannot guarantee the accuracy of the information or its analysis in all cases. Further, the Council is not engaged in rendering legal, accounting or other professional services. Its projects should not be construed as professional advice on any particular set of facts or circumstances. Members requiring such services are advised to consult an appropriate professional. Neither The Advisory Board Company nor its programs is responsible for any claims or losses that may arise from any errors or omissions in their reports, whether caused by The Advisory Board Company or its sources.