

The Significance of Psychometric Tests in the Recruitment Process for an Organization to Induce its Effectivity

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Abstract: This study focuses on the significance of psychometric testing in the recruitment process of an organization and the study will include primary research based on a tool which will be designed and distributed amongst the respondents to gather their responses and the data analysis will be done based on those responses.

Keywords: Psychometric, Recruitment, Testing.

1. Introduction

Organizations usually use psychometric tests to assess the satisfaction of a job vacancy and a potential candidate. This helps the firm to determine the suitability of an applicant by evaluating attributes such as their skills, talents and motivation. The expertise obtained from these assessments provides useful guidance to decision-makers in choosing the best applicant for the position by essentially matching the work criteria to the candidate's intellectual and emotional ability.

Getting the correct employee is only one of the cases in which an organization should use psychometric tests. The knowledge obtained from this examination may also be used during an organization's everyday functions. This knowledge carries with it a deeper degree of comprehension of human nature and helps one to make wise judgments. It helps us to see how people respond to each other and enables us to make intelligent assumptions about how they will behave when faced by various circumstances. For example, acquiring analytical intelligence about workers and utilizing the expertise to successfully direct them may potentially be the most useful tool in an enterprise for a company trying to handle its personnel better.

Knowledge of workers such as their talents and belief structures not only enables leaders to efficiently assign responsibilities, it enables them to bring people together in order to optimize collaboration and profitability, anticipate future areas of tension, recognize capacities that are either lacking or performed and eventually align all staff with the overarching goal of the enterprise. Psychometric assessments allow the company to consider the specific employee's elements as a whole, not just as a means to an end. Through recognizing that each individual is comprised of their own specific skills,

interests, ideals, priorities and personality characteristics, leaders are willing to adjust the work atmosphere and strategies that promote creativity, cohesion and efficiency within their workers.

Not only are psychometric tests helpful when handling workers at an individual level, they may also play a crucial role when formulating and creating successful teams. These assessments will be used to forecast possible differences of personalities, forecast how team leaders may communicate with each other, and detect any problems so they can be resolved by adding extra support or training programs. Though this does not impact staff on a person from the outset, knowing the teams' complexities would enable management to build a conducive atmosphere that respects the team's and its members' practices. Ultimately working in an accommodating environment can trickle down to the employee level and eventually increase their dedication and work satisfaction (EDMONDSON, A. C. 1998).

Getting at the advantages that psychometric assessment can offer to a company is a small-scale measure of the promise it has for the entire organization. However, as valuable as psychometric research can be, it is only as successful as every other tool as it is used. This is the duty of the top leaders of the organization to produce the requisite improvements and modifications so the maximum potential benefit of psychometric testing can prevail.

Organizations may derive a lot of benefits from psychometric tests and should utilize certain forms of tools to enhance their employee comprehension. Which would help build a company best positioned to leverage their staff's strengths and produce a more integrated workplace to support the achievement of corporate progress overall.

Now-a-days, making predictions is essential: we need to anticipate the climate, sports results, monetary information, and so forth. It just bodes well that the business world is going with the same pattern. To this end, vast organizations have been utilizing the uses of psychometric tests for quite a while now, to foresee individual behavior before recruiting, advancement, and other necessary activities.

The Society for Industrial & Organizational Psychology (SIOP) cites from their research that an active 68% of

organizations engage in various forms of job skill testing. This transcends to about 29% when it comes to one or more forms of psychological measurement and around 20% for cognitive ability tests.

These ability tests, in combination form the essentials of a psychometric test, something when used correctly, enhances the chances of organizational success. Having said that, there are several uses of psychometric tests in an organizational context [2].

Psychometric tests applications in an organization:



What is the use of psychometric tests in recruitments?

In 2002, Sara Rynes, Kenneth Brown, and Amy Colbert conducted a study that should've raised red flags and eyebrows in the business world. It determined whether the ideologies of HR professionals remained consistent with established research findings on the effectiveness of various HR practices. The survey consisted of 1,000 Society for Human Resource Management (SHRM) members – Managers, VPs, and Directors with an average of 14 years' experience.

The results identified staffing as an area of great disconnect, an HR lynchpin. It was particularly prevalent in the area of hiring tests where more than 50% of respondents cited unfamiliarity with prevailing research findings.

WHAT HR MANAGERS GET WRONG ABOUT HIRING RESEARCH (TRUE/FALSE)	
Cited below are the most common items answered incorrectly as part of the mentioned survey.	
PERCENTAGE ANSWERING INCORRECTLY OR INDICATING UNCERTAINTY (CORRECT ANSWER IS "FALSE")	
84%	Companies screening for values have better performance than those measuring intelligence.
82%	Conscientiousness is a more accurate predictor of job performance than intelligence.
69%	Integrity tests are ineffective because people lie on them.
58%	Intelligence is a disadvantage in low-skilled jobs.
51%	Like in MBTI, there are 4 basic personality dimensions.

Source: Sara Rynes, Kenneth Brown and Amy Colbert

Be aware that all the statements mentioned above are wrong via both statistical studies and hard research. And yet, HR practitioners seem to believe otherwise – a majority of them nonetheless.

For anyone who's ever been responsible for hiring, you must

know that there's a wide variation in workforce performance across jobs. This makes it important to understand the differences among individuals that *systematically* affect job performance, ensuring candidates with the greatest probability of being successfully hired.

The table below covers the predictive validity of some commonly used selection practices, sorted from most effective to least effective according to research shared at the Personnel Testing Council Metropolitan Washington Chapter in 2014.

Below are some inherent advantages to systems for psychometric testing in the organization:

Interview Independence: Recruiting plans are most frequently concerned with filling the positions with the best candidates for the job; interviews by themselves do not calculate ability. Using psychometric testing offers you a comparison – a quantitative analysis of the outcomes of certain candidates, and the company is already performing on past recruits as well.

Price & Time Efficient: In the outset of the approval phase the usage of psychometric assessments reduces the necessity to navigate over a mountain of submission formats. It's better to partner for the screened best as applicants in a intensely crowded talent market than choosing them from scratch.

Inherent Traits: A highly designed psychometric study is impossible to compete against common opinion. The findings in certain situations represent the candidates at question. Those findings are potentially an internal perspective on how he or she would communicate with the office, connect with it or develop it. In addition to the essential technological dimension, this would involve behavioral traits.

Standardized Testing: In the simplest of words this is a rational method of research. Although larger organizations conduct tailor-made training of their specifics, candidates dealing with the study go through precisely the same procedure and without discrimination. This is a strong contrast to interviews, which rely strongly on the state of mind of the respondent-always susceptible to fluctuation.

2. Literature Review

Cultural Fitment: Recruitment is not just about recruiting great personalities with the potential to fit into the position of a career. Although a vital necessity, it is important to determine how the applicant matches in with the majority of the staff currently associated for you, or better yet-how well they blend with the atmosphere of an organization. The profit was also reported to influence the turnover of workers.

If we expand on the last issue, cultural fitment has been, by and wide, a vital component in personifying the ideal individual in terms of suitability for company, work position or management. It reflects the philosophy that a good employee in one company might not automatically have a powerful role in another (Gerring, J. 2007).

A slight example would lie with Marissa Mayer and her inability to step into the position of Yahoo 's CEO. Despite her

unsuccessful tenure at Yahoo's helm, Marissa – a previous Google VP – was a great choice, having been part of the three-person team to introduce AdWords, accompanied by her powerful presence with Google Search.

Some might claim that her loss at Yahoo came down to an educated person's reluctance to become part of the corporate structure – someone with little or no restructuring skills, leadership expertise in managing large companies, and management knowledge. It was mismanagement of the similarities. Another question aims to tackle the psychometrics.

On the cultural conformity line, in an effort to boost job effectiveness, Marissa put an end to Yahoo's famous home-politics operation. It ended with elevated uncertainty, decreased efficiency and increased cost of real estate.

As far as L&D initiatives are concerned, the Market Effect and Return on Investment (ROI) rate in an Adecco survey as the two most wanted metrics by CEOs. Yet just 8 percent of the companies currently surveyed note market effect from L&D; that also falls by another 4 percent as it comes to calculating ROIs. In addition, 32 per cent of 500 L&D practitioners listed as part of the Workforce Learning Survey with the real task of communicating ROI and market effect to senior leadership. This poses concerns about L&D expenditures and their distribution, and may discourage practitioners from completely leveraging their projects at all times.

Nevertheless, the modern emergence of assessment technologies appears to have overcome this drawback, at least to some degree. So we should look more carefully at how the use of psychometric assessments enhances comprehension, teaching, and professional growth programmers.

The cut-e Appraisal Barometer – an international study of 2776 respondents from about 37 countries showed that Irish organizations, together with other organizations from Malaysia, the Netherlands and Sweden, allow more use of psychometric assessments in learning & growth than other geographies. Employers use so to fully appreciate the abilities that still reside inside the company.

The overarching philosophy behind this is to establish better career pathways for workers in the Irish business, and promote the community that makes them effective. Although traditionally utilized at the end of the recruiting cycle, most of the psychometric test data went relatively unused post-hiring. The Irish were among the first to consider the usefulness of psychometric research, and such assessments are intended to add value to the previously assumed ability, especially in optimizing ROI or identifying training needs.

Evaluations are also now introduced during the recruiting process, the findings of which are subsequently used to provide applicants more details on the position assigned and to offer input on the suitability, skills and growth areas of the same. Nevertheless, major companies often utilize talent acquisition tools that analyze pre-hired evaluation data to build preparation schedules and connect workers to positions identified within the company.

Nonetheless, every organization that seeks to build training and growth programs for the employees has to know how to better recognize and evaluate the training needs. This assists leadership in finding differences in current preparation and what will be expected in the future. Categorically, the leadership should look at three specific needs, and maybe three evaluation approaches to determine key training criteria for each company.

A. Industry Requirement

Though basic, as you attempt to narrow things down to the basics of a training program, they become a problem. It is important that every employee needs various degrees of business expertise through stages within an enterprise. The need here comes from the manner in which the company blends with business itself.

An illustration may be in a production community to claim they produce components for high-tech appliances that include awareness about where the components are heading, how the manufacture about such appliances organized by certain firms impacts the market as a whole, to the form of appliances that are designed.

B. Jobs Criteria

They are specifically linked to the workers that are part of the organization. The job-related preparation requirements are targeted at increasing the job's final performance. It may be for a technical device to create an error-free component, or for a completed call with the customer. The secret to developing a training system here resides in which parts of the work are part of managerial or administrative roles, and which is part of on-the-job preparation.

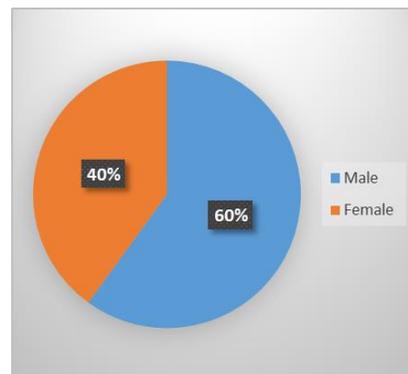
3. Data Analysis

Questionnaire

Name:

Sex

Male	60
Female	40



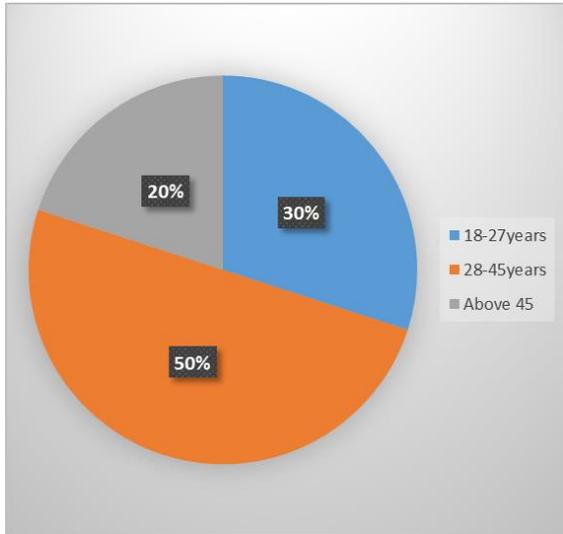
Data interpretation:

A survey was conducted amongst 100 respondents and as a

result of the survey, it can be concluded that 60 respondents are male while 40 are females.

Age:

18-27years	30
28-45years	50
Above 45	20

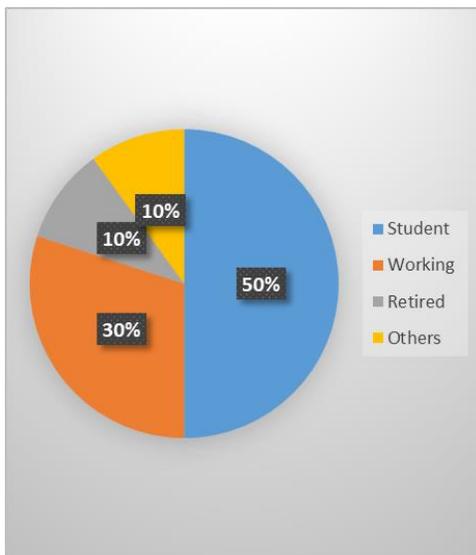


Data interpretation:

A survey was conducted amongst 100 respondents and as a result of the survey, it can be concluded that 30 respondents are of age group 18-27years and rest 50 respondents are of age group 28-45years. The remaining 20 respondents are of age above 45years.

Occupation:

Student	50
Working	30
Retired	10
Others	10

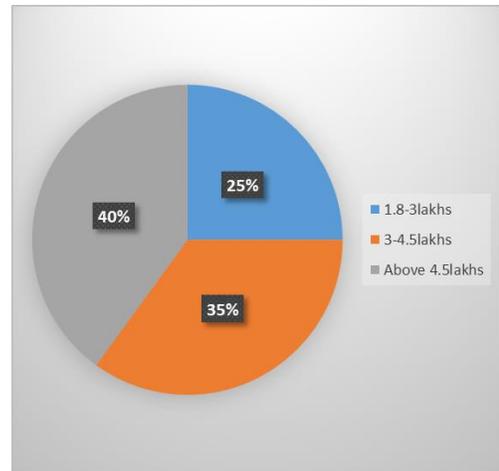


Data interpretation:

A survey was conducted amongst 100 respondents and as a result of the survey, it can be concluded that 50 respondents are students while 30 respondents are working class and rest 10 are retired people and remaining 10 are others.

Annual income:

1.8-3lakhs	25
3-4.5lakhs	35
Above 4.5lakhs	40

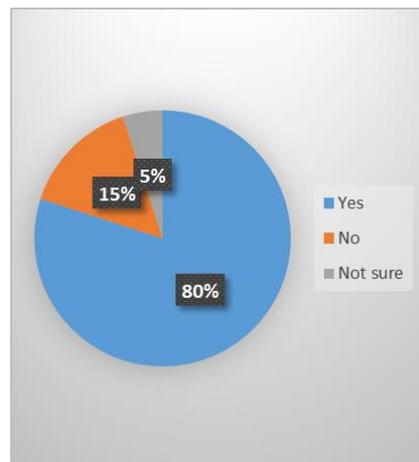


Data interpretation:

A survey was conducted amongst 100 respondents and as a result of the survey, it can be concluded that 25 respondents have annual income between 1.8-3lakhs while 35 respondents have it between 3-4.5lakhs while remaining have it above 4.5lakhs.

Q5. Do you think that psychometric tests have a lot of significance in the recruitment process of an organization?

Yes	80
No	15
Not sure	5

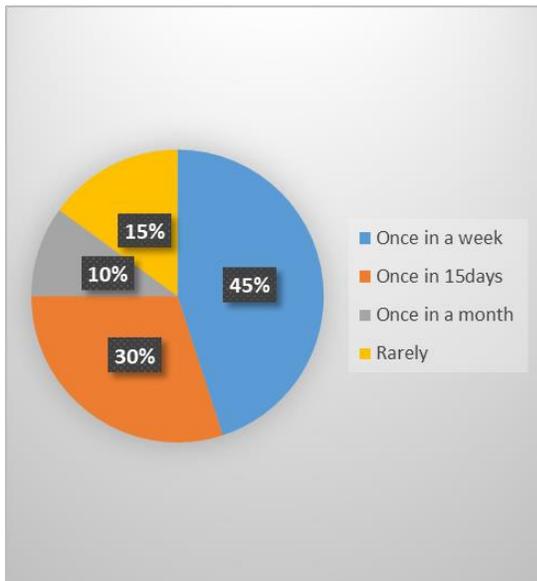


Data interpretation:

A survey was conducted amongst 100 respondents and as a result of the survey, it can be concluded that majority of 80 respondents think that psychometric tests have a lot of significance in the recruitment process of an organization.

Q6. Do you think that psychometric tests reflect the skills and talent of a candidate?

Strongly Agree	45
Agree	30
Disagree	10
Strongly Disagree	15



Data interpretation:

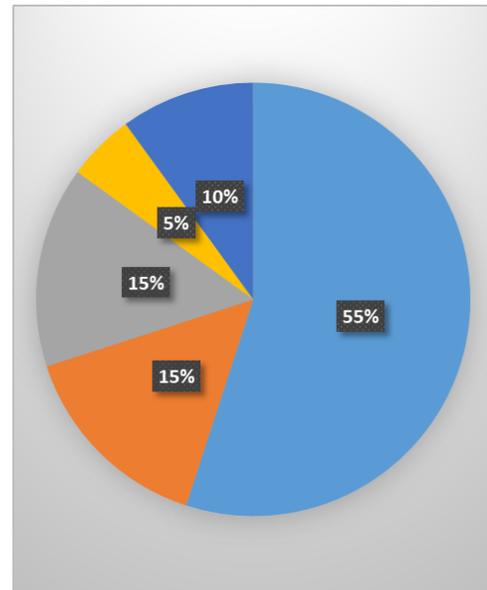
A survey was conducted amongst 100 respondents and as a result of the survey, it can be concluded that 45 respondents think that psychometric tests reflects the skills and talent of a candidate.

Q7. Do you think that organizational effectiveness can be improved with the inclusion of psychometric tests in the recruitment process?

Strongly Agree	55
Agree	15
Disagree	15
Strongly Disagree	5
Neutral	10

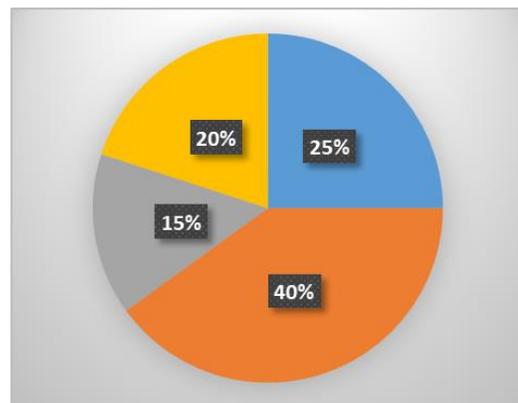
Data interpretation:

A survey was conducted amongst 100 respondents and as a result of the survey, it can be concluded that majority of 55 respondents think that organizational effectiveness can be improved with the inclusion of psychometric tests in the recruitment process.



Q8. Do you think that an organization can hire extremely motivated and efficient employee with the help of psychometric tests in the recruitment process?

Strongly Agree	25
Agree	40
Disagree	15
Strongly Disagree	20

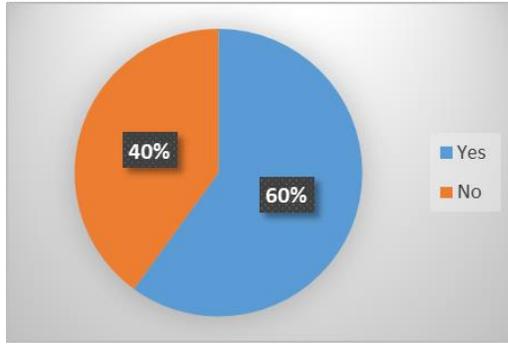


Data interpretation:

A survey was conducted amongst 100 respondents and as a result of the survey, it can be concluded that majority of the 40 respondents think that an organization can hire extremely motivated and efficient employee with the help of psychometric tests in the recruitment process.

Q9. Do you prefer and suggest the inclusion of psychometric tests in interviews and recruitment process of different companies?

Yes	60
No	40

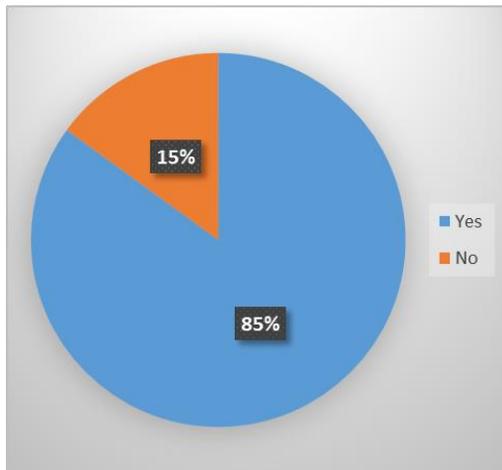


Data interpretation:

A survey was conducted amongst 100 respondents and as a result of the survey, it can be concluded that 60 respondents prefer and suggest the inclusion of psychometric tests in interviews and recruitment process of different companies

Q10. Do you agree that these psychometric tests can also help an organization to gain competitive advantage over its competitors by hiring talented and focused employees?

Yes	85
No	15



Data interpretation:

A survey was conducted amongst 100 respondents and as a result of the survey, it can be concluded that 85 respondents that these psychometric tests can also help an organization to gain competitive advantage over its competitors by hiring talented and focused employees.

4. Conclusion

In an employer point of view, even from the point of view of a small business owner even management, a job psychological examination may help you decide whether an employee provides a successful commitment to the organization. Employing an individual can be an expensive task for a small business and recruiting the incorrect person may be a tragedy.

Such psychological assessments often are provided by managers of workers who are already working in the business. For instance, the Myers-Briggs (discussed further down) is one of the psychological tests used in an industrial environment to "increase staff's understanding of individual differences and to encourage better communication between working team members," according to Leslie A. Miller and Robert L. Lovler in "Foundations of Psychological Testing."

A psychological job test gives the business owner a chance to determine whether the applicant fits the company well, as the Institute notes. Is he the right personality or ability? Has he the stamina or mental attitude to do the company a competent job? These are many forms of psychiatric tests that better address certain issues before an organization employs a new employee.

A psychological evaluation for staff who are currently employed in an organization allows managers not only encourage improved contact with employees but also decide which employees to hire and what jobs to assume and on which teams. Understanding the kinds of work reviews available may be an important factor of having an organization recruit or recruiting the best candidates to fulfill its workplace expectations and corporate culture.

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