



How organisations get the best out of psychometric testing

In conjunction with

PersonnelToday

network hr
EXECUTIVE
SEARCH

Introduction

Is there a topic that polarises views more in the HR arena than psychometric testing and behavioural profiling?

The tools have been around for years, with case studies ranging from the armed forces to corporate banking, but seemingly the more widely they are used the more vehement personal opinion becomes.

From a recruiter's perspective, in this increasingly transparent world it is true to say that the focus has shifted from identification to qualification, and the skill of a true exec search professional now goes far beyond market mapping and headhunting to the derivation and application of astute assessment methodologies.

What cannot be ignored, regardless of your view, is that they are here and here to stay, and if the old adage really is true that knowledge is power then surveys such as this – kindly conducted by Personnel Today on our behalf – are vital in increasing the overall awareness and understanding of their commercial application.

Psychometric profiling is only one part of the overall strategy, but an increasingly prevalent and integrated part. Once you have established that an individual has the skills to do the job, and the knowledge to do the job, the final question must always be will they actually do the job? Do they have the drive, the motivation, the maturity, the temperament and the underlying beliefs to turn skills and knowledge into success?

Our interest extends beyond recruitment, however, and the survey throws up interesting questions around the application of profiling tools within wider talent management and learning and development (L&D) strategies.

Psychometric profiling opens doors and asks questions that should ultimately lead to a more accurate matching process and a more successful hire.

It also uncovers a general lack of training across HR professionals in dissecting, analysing and interpreting the results of profile testing. In summary, this survey highlights a continued appetite for understanding and an increasing desire by HR, L&D and Talent Management professionals to add psychometric profiling to their toolkit.

Chris Rowlands has spent more than 12 years in the Search & Selection arena. An economics graduate of Lancaster University, Chris joined the Executive Network Group in October 2004 and was appointed a Director of Network HR Recruitment, a wholly owned subsidiary, in January 2014.

Chris Rowlands, Director



Reed Business Insight carried out this survey for Personnel Today and Network HR during January and February this year, in the form of a quantitative online survey of more than 350 HR professionals. Around one-fifth of the sample were managers, and more than one-third worked for organisations with more than 250 employees. For more information contact www.rbinsight.co.uk

Executive summary

Psychometric assessment tools have now become a mainstream tool, relied on by three-quarters of the respondents to a survey by Personnel Today in conjunction with Network HR Executive Search.

Confidence in psychometrics is even higher. Our survey of more than 350 HR professionals found that 78% felt psychometrics were a powerful tool for recruitment selection, while 88% said they either had “quite a lot” or “a lot” of confidence in the results these tools could produce.

Once the preserve of senior hires, it is clear that the use of psychometrics is spreading to more junior staff and covering a broader remit than just recruitment. Almost 40% of junior roles now require a psychometric test, while a growing proportion of respondents reported using these tools for talent management, team development and personal development.

88%

said they either had “quite a lot” or “a lot” of confidence in the results

40%

of junior roles now require a psychometric test

23%

use bespoke test from external provider

The increased spread of psychometrics reflects a more general trend towards employers hiring on attitude and potential, rather than purely looking at qualifications and experience. Competence and ability tests are still the most popular selection tests used by recruiters, but 39% of respondents to our survey ranked personality, attitude or behaviour tests next in line.

Where there is reticence about using psychometric tests, this was often around cost or a lack of understanding of how the results might be applied. This was also reflected in the level of training undertaken for tests – almost one-third of organisations did not require test facilitators to take specific training before running tests.

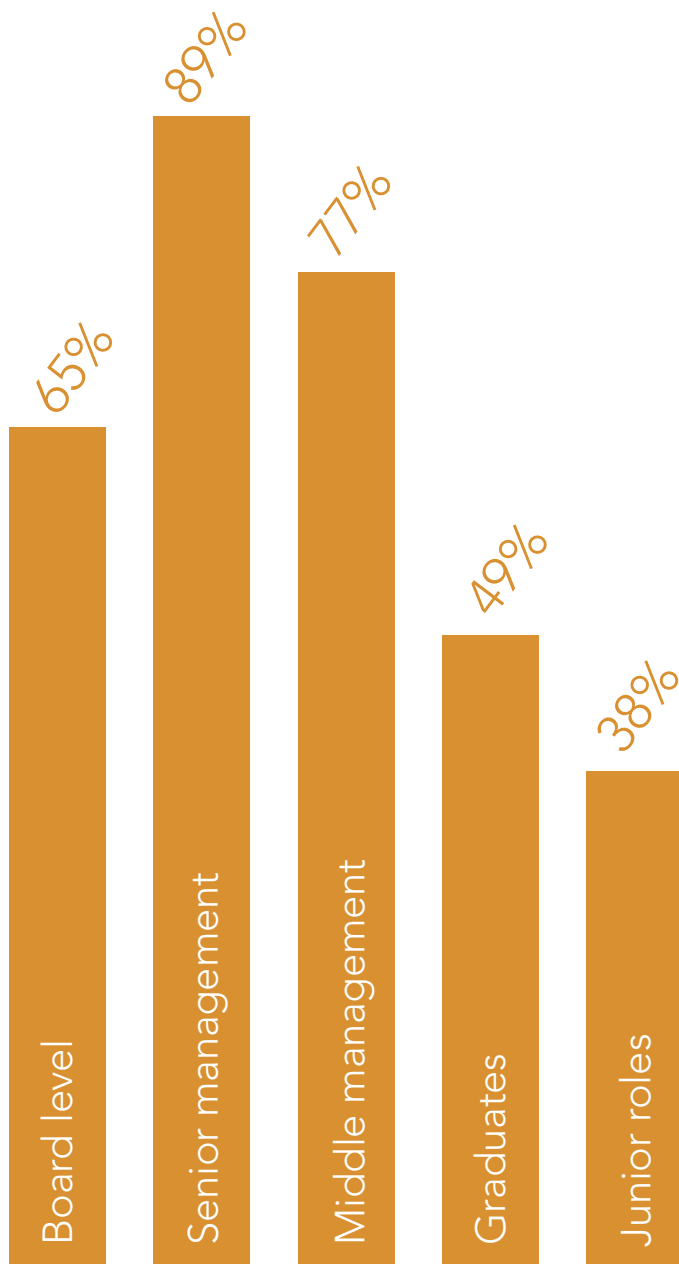
Most organisations preferred to buy tests off the shelf from an established publisher, although 23% and 18% respectively said they used either bespoke tests or tools that had been tailored to their organisation.

Within HR itself, perhaps surprisingly, four-fifths had not taken a psychometric test for their current role. Those that did, felt comfortable with the process, however, and more than three-quarters received feedback based on their test results.

Overall, there was noticeable confidence in using the tests in conjunction with other selection methods such as competency tests and structured interviews, as well as an appetite for expanding their use across the organisation beyond recruitment.

Which roles are tests used for?

While psychometric tests continue to be popular for roles at either board level or senior management, there is a distinct broadening of their use.



Organisations clearly have confidence in the usefulness of psychometrics for middle management jobs – 77% of respondents said they would utilise psychometrics for these roles.

65% used psychometric testing for board-level roles

89% usage was highest for senior management

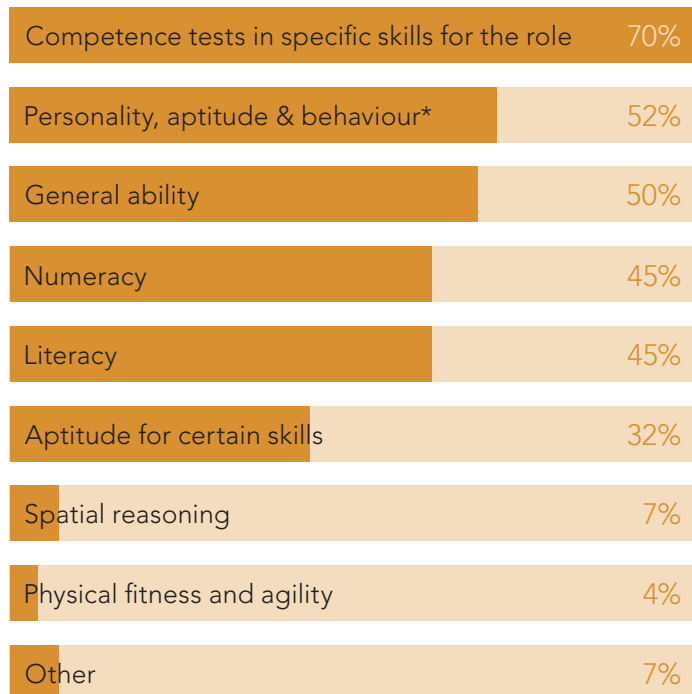
But use is growing for both graduate and junior roles...

49% graduate

38% junior roles

One organisation said it only used psychometric testing for apprenticeship vacancies, because applicants generally had no experience to draw on at interview, so this was a good way to spot potential.

What type of tests do organisations use, and for what?



*psychometric testing

Although the use of and confidence in psychometrics has increased, competency tests are still the most popular form of test used in recruitment and selection. Seventy percent of respondents said they used these tests to gauge whether applicants had the specific skills needed for the role.

Ability tests also continue to be popular, used by half of respondents, as do tests for numeracy and literacy, each cited by 45%.

That said, personality, aptitude and behavioural tests – which would come under the psychometrics banner – were used by 52% of respondents, reflecting a desire to measure potential or cultural fit as well as skills.

Other tests used by organisations in selection included spatial reasoning, physical fitness, and presentation skills.

45%

test for
literacy and
numeracy

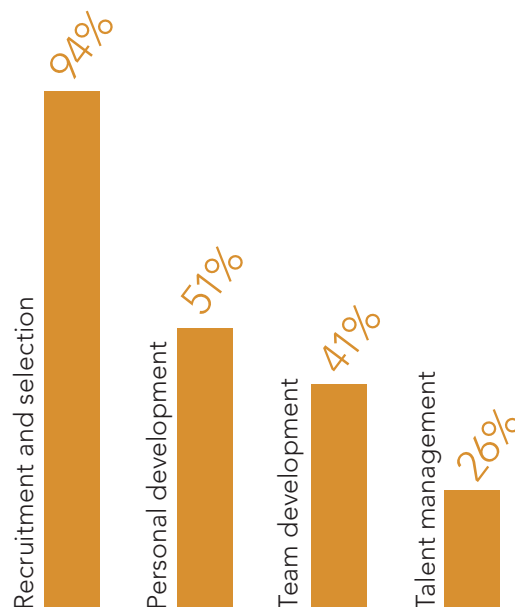
52%

test personality,
aptitude and
behaviour

Long established in the hiring process, it is no surprise that recruitment and selection ranked top in terms of how organisations use psychometrics tools – used by 94% of respondents.

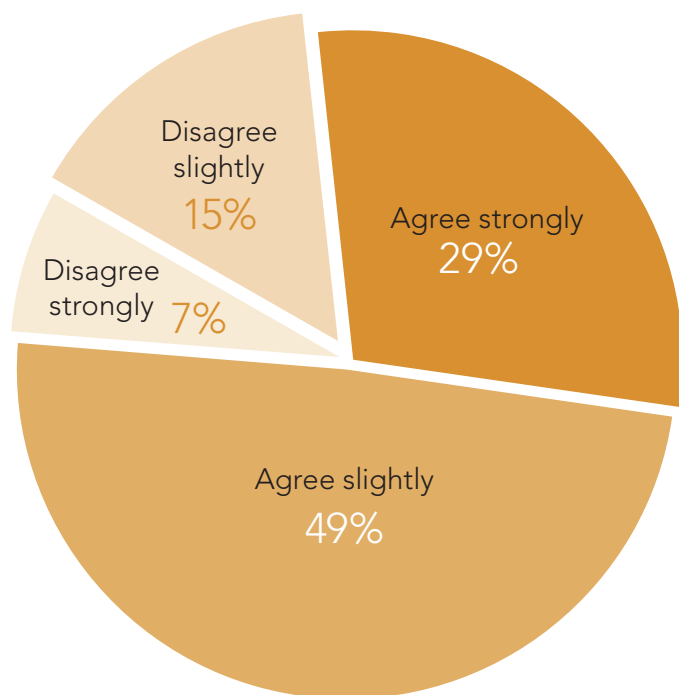
However, more than half of organisations that took part in our survey used psychometric profiling for personal development. This could encompass employees getting to know their own personal working “styles” so they can learn to manage better or build confidence in areas they feel are lacking.

Team development was another popular focus for psychometrics, used by 41% of respondents. This might include long-established tests such as Myers Briggs Type Indicator, which profiles people’s behavioural preferences in decision-making, and allows managers to see where there might be strengths and weaknesses on their team.



Talent management was cited by 26% of respondents, suggesting an appetite to build up a fuller picture of the workforce through learning more about their behavioural preferences and styles, supporting decisions about promotion and succession planning of staff in the long term.

“Psychometric profiling is a powerful tool in recruitment”

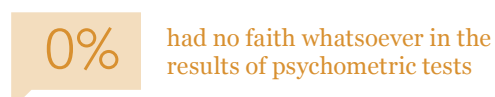


Just under four-fifths of respondents to the survey agreed with the statement that “psychometric profiling is a powerful tool in recruitment selection” – 29% strongly, and 49% slightly – reflecting a high level of confidence in this method of assessment.

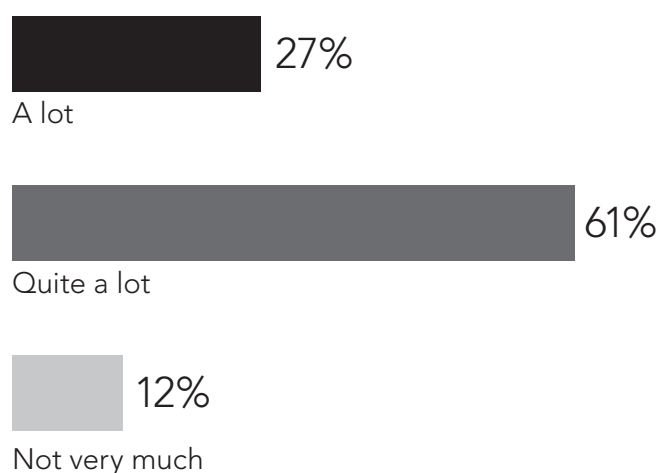
Those that reported using psychometrics also placed a great deal of trust in the results of the tests. Eighty-eight per cent said they either placed “a lot” or “quite a lot” of faith in what the tests produced.



Only 7% strongly disagreed with the statement that psychometric profiling was a powerful tool in recruitment.



How much faith do you have in the results of the psychometric tests used in your organisation?



A number of verbatim answers provided clues to organisations’ distrust of the tests. Among the responses of those that did not use psychometric tests were the following statements:

“Pointless recruitment method”

“CEO doesn’t believe in them”

“No expert practitioners on site”

“Cost and perceived bias of tests against minorities”

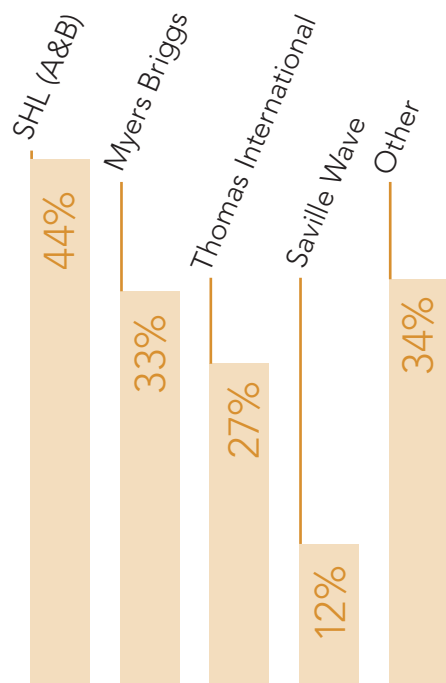
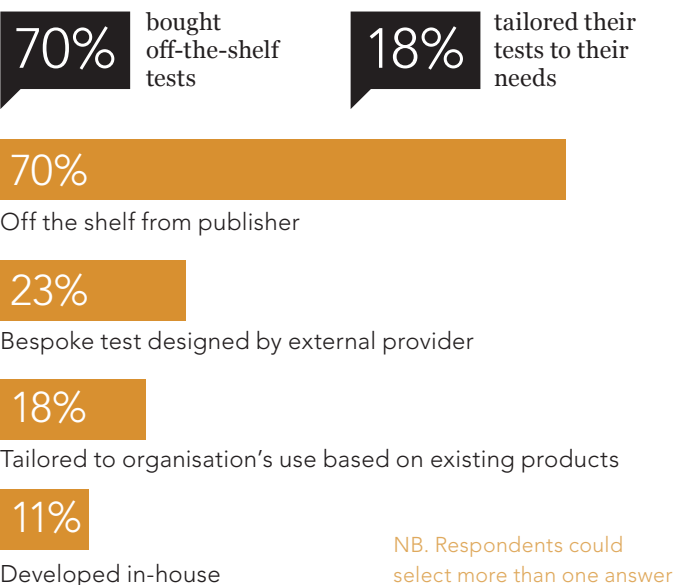
Off the shelf or bespoke?

Despite the myriad reasons employers use psychometric tests, and the many differences in business culture and type, 70% of those organisations that took part in our survey bought their tests off the shelf from a publisher.

Just under a quarter preferred to use a test that had been designed bespoke to them by an external provider.

A sizeable portion chose an existing product, but tailored it to their own organisation's needs – this was the case for 18% of respondents.

Only just over one in 10 chose to develop a psychometric tool in-house, reflecting the high level of psychological expertise and experience, as well as potential expense, required to build a reliable test from scratch internally.



NB. Respondents could select more than one answer

A clear trend from our survey was that the market for psychometric software is dominated by a small number of key players.

SHL, which produces a wide range of both competency and personality tests, accounted for 44% of the tests purchased by those responding to our survey.

Myers Briggs, which tests people's behavioural preferences, accounted for one-third.

Thomas International, which produces tests that gauge emotional intelligence and behavioural strengths and weaknesses (among others), was cited by just over a quarter (27%).

Saville Wave – a personality questionnaire created by the founder of SHL Professor Peter Saville – was bought by 12%.

Just over one-third of respondents bought tests from other suppliers.

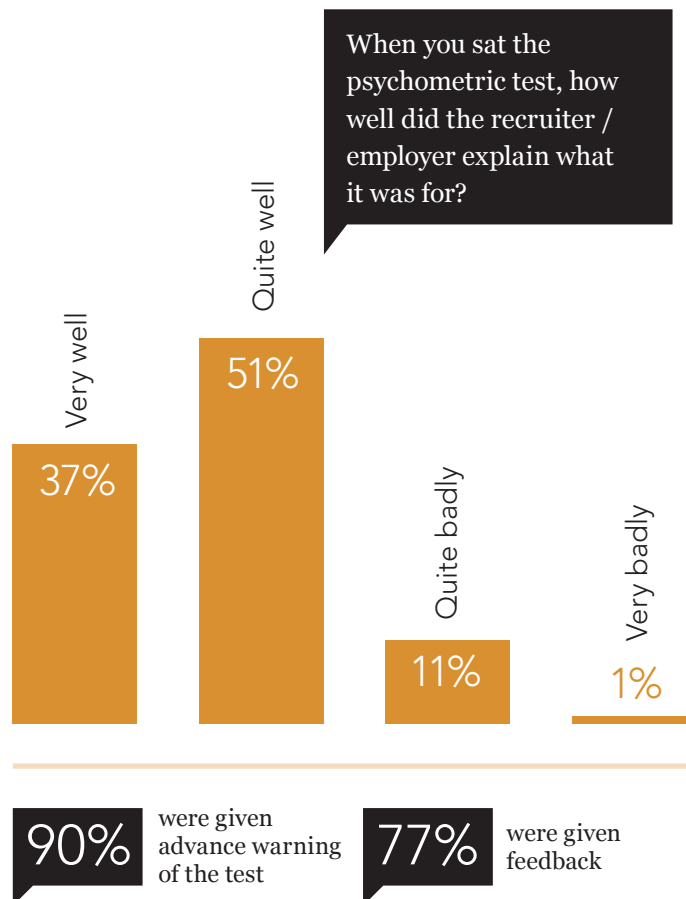
HR's own use of psychometrics

One of the surprise findings of our survey is that – despite high levels of confidence among HR professionals in the results produced by psychometric tests – a minority (20%) of those surveyed sat these tests as part of the selection process for their current role.

The overall preference to use skills tests over psychometrics applied to HR, too. Competence tests in specific skills for the role and general ability tests featured more highly than psychometrics in tests undertaken for respondents' current role.

Where HR professionals did sit a psychometric test for their current job, 90% were given advance warning, and 77% were given feedback.

The majority felt that the process was well handled – 88% felt the test facilitator explained this either "very well" or "quite well".



About Network HR Executive Search

Established in 2003, Network HR has carved an enviable reputation for flexible, client-focused recruitment solutions, having partnered with a broad and varied client base on projects across the UK and overseas.

The company is financially backed by the Pertemps Network Group – the UK's largest privately owned recruitment business with an annual turnover in excess of £700 million.

Since 2010 Network HR's activity has increasingly focused on the senior end of the HR employment market, with a significant portion of these assignments falling under the "Executive Search" banner as either a retained or exclusive recruitment partnership. This expansion led to the development of Network HR Executive Search as an independent brand, launched in 2014.

The Network HR Executive Search team have a passion for identifying, and attracting, the very best talent in the HR market. Assignments are delivered via an industry-leading technological platform that engages clients and candidates at every stage of the hiring process, and delivers a bespoke assessment solution on every campaign.

If you would like to hear more about our executive recruitment services, contact Chris Rowlands on chris.rowlands@networkhr.co.uk

