

# Character Testing

*in the*

# WORK FORCE

**Can personality tests help you find—and keep—the right employees for your practice?**

**By Missi Nadeau**

MYRA JOHNSON had a problem familiar to managers in the health-care industry. As the director of human resources for Heritage Community, an organization that runs several senior-care facilities in Kalamazoo, Michigan, she was faced with a 50 percent employee turnover rate. According to Johnson, “turnover is an issue in health care, especially in the long-term care industry.” Concerned over this statistic, Johnson studied the problem and found that the primary reason for turnover was poor work habits, such as tardiness and failure to show up for work. In an industry based on the relationship between caregiver and patient, poor work habits not only affect the organization, but patients as well.

Ms. Johnson could have accepted the problem as a product of the tight labor market created by the robust economy. But she had a different viewpoint. “We are

responsible for caring for somebody’s loved one; there’s no way we were going to drop our standards.” So, she turned to a management consultant, who suggested that she consider pre-employment testing of job applicants to screen out persons whose poor work habits might cause problems on the job.

#### From blue chip to HMO

Pre-employment testing of job applicants has long been used in the retail industry and other traditional business corporations looking to find high-quality managers and front line employees. As health care has changed, pressure to provide high-quality yet cost-effective care has inspired managers to consider testing job applicants as a way to reduce costs related to poor work habits and to raise patient satisfaction.

According to Don Sosnowski, the director of the American Polygraph Association in Chattanooga, Tennessee, there were about two million pre-employment polygraph tests given per year before 1988. The Employee Polygraph Protection Act of 1988 prohibited the use of this instrument for employee



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**Myra Johnson is the director of human resources for Heritage Community, an organization that runs several senior-care facilities in Kalamazoo, Michigan. She says the cost of hiring employees makes the testing worthwhile. "If one test keeps a person from turning over in thirty days, it's worth it."**

screening in most industries. This law contributed to the rise in demand for pre-employment integrity tests—pencil and paper questionnaires that were originally designed to predict employee theft. These instruments became known as honesty tests, and their use sparked controversy among psychologists and other professionals in the testing industry. Opponents of integrity testing argued that the ability of the tests to predict theft was poor, and raised the potential for worthy applicants to be rejected from job positions.

According to Stephen Guastello, an associate professor of industrial organizational psychology at Marquette University in Wisconsin, early versions of integrity tests lacked validity; that is, there were few convincing studies showing performance on the tests was correlated with employee theft. "The construct (of integrity) had not been legitimized in a way acceptable to standards of psychological testing," he says. Supporters of integrity testing emphasized that any selection process, such as job interviews and pre-employment testing, was subject to error, and worthy applicants will be rejected even without using such instruments.

In 1989, the American Psychological Association responded to the debate and formed a task force to review

integrity tests. A report was issued in 1991, stating that the preponderance of available evidence supported the predictive ability of these instruments. However, the task force report cited the need for more research and encouraged test publishers to continue to improve the quality of the tests.

Since that time, industry experts observe that the focus of the tests has changed. David Arnold is the general counsel and the vice president of research at Reid Psychological Systems, a Chicago-based publisher of pre-employment screening tests. According to Arnold, the label integrity test "is a misnomer." He prefers to describe the tests as predicting "counterproductive behaviors." Counterproductive behaviors are poor work habits that can cost a hospital or medical practice substantial dollars and decrease patient satisfaction. Counterproductive employee behaviors include more than stealing drugs or money from an organization. Equally important are work habits and personality characteristics that can cause problems with co-workers or patients, leading to decreased productivity and lost customers. For example, such habits or characteristics might include snippy behavior with coworkers, lack of empathy with patients, and disrespect toward supervisors.

## CHARACTER TESTING

*Continued from previous page*

### Resource Rx

Experts agree that finding a reputable test publisher is the main ingredient to developing a successful integrity testing program. The following is a list of test publishers and clearinghouses that can help employers locate resources on integrity testing.

#### THE ASSOCIATION OF TEST PUBLISHERS

**Compiles a directory of association members and test products. Also publishes the Model Guidelines for Pre-Employment Integrity Testing. The Association has a Web site: [www.testpublishers.org](http://www.testpublishers.org)**

#### REID PSYCHOLOGICAL SYSTEMS

**Publishes the Reid Healthcare Assessment Series, a comprehensive line of employment assessments and profiles tailored to the health-care industry. The company has a toll-free number for information on their products (1-800-922-7343).**

#### NCS/LONDON HOUSE

**Publishes the Quality Healthcare Employee Inventory (QHEI). The QHEI assessment helps to identify applicants who can demonstrate courtesy, responsiveness, and concern toward patients, clients, families, physicians, and co-workers. The company has a toll-free number for information on their products (1-800-221-8378).**

#### AMERICAN PSYCHOLOGICAL ASSOCIATION

**Provides information on professional standards for the ethical use of tests. Can help with referrals to experts on pre-employment integrity testing. The organization has a toll-free number (1-800-374-2721) and a Web site: [www.apa.org](http://www.apa.org)**

Other experts agree with Arnold's assessment. "The nature of the tests has mutated over the years," says Guastello. Industry experts now consider pre-employment integrity tests a measure of job-related personality characteristics, such as conscientiousness and dependability.

While there are few available statistics concerning the industry as a whole, Arnold estimates that there has been a 10 to 15 percent growth rate in the use of these tests. However, tests designed to predict counterproductive behaviors in traditional industries, such as retail sales, were not a good fit for medical settings such as physician offices and hospitals.

This is an important issue, as employment laws require that test questions be relevant to the job position. Asking job applicants for a nursing position about taking money from cash registers is not job relevant. Moreover, traditional screening tests did not cover areas such as patient care attitudes. In 1999, test publishers came out with pre-employment screening tests specific to the health-care industry. For example, the Reid Healthcare Battery, published by Reid Psychological Systems, covers areas such as caregiving, customer service, compliance with rules and procedures, punctuality, and conscientiousness.

### The right test for the job

What should employers look for in an integrity test? A test should not unnecessarily invade an applicant's privacy. That is, questions asked on a test must be relevant to the job position. William Harris, the executive director of the Association of Test Publishers in Washington DC, also recommends employers make sure a test conforms to federal laws relevant to pre-employment testing. A test publisher must show that a test does not adversely affect groups of people on the basis of race, sex, religion, national origin, age, handicap, or other classifications protected by law. David Arnold of Reid Psychological Systems assures that the use of pre-employment screening tests "is no different than the issues surrounding other hiring practices." Moreover, he says that research shows these tests do not unfairly discriminate between groups of people and that they meet standards set by regulatory agencies, such as the Equal Employment Opportunity Commission.

As legal counsel to Reid Psychological Systems, Arnold reports that integrity tests have successfully stood up to legal challenges in state administrative agencies from California to New York.

Familiarity with state laws is important when deciding to use an integrity test, since a few states set limits on the use of these instruments. According to Arnold, Massachusetts has a polygraph statute that also prohibits the use of written instruments that make a diagnostic opinion of integrity. Rhode Island does not preclude the use of such tests, but a test cannot be the only determinant of an employment decision.

Arnold adds there are legal issues that favor employers using integrity tests. A legal doctrine known as negligent hiring has been used in lawsuits to hold employers responsible for crimes committed by their employees. According to Arnold, "customers in the health-care industry are vulnerable." Un-

## CHARACTER TESTING

Continued from previous page

scrupulous employees may take advantage of sick patients. Using integrity tests to find conscientious workers may help protect a health-care organization in the event it is sued because of an employee's conduct.

Second, an employer must look at the characteristics of each test. Harris, of the Association of Test Publishers, recommends that employers make sure that a test is reliable and valid. Reliability is the ability of a test to consistently perform over time. David Arnold suggests that a test should be 90 percent consistent. Validity is the test's ability to measure the concept that it is designed to evaluate. For example, a test publisher should provide proof that a pre-employment screening test for conscientiousness and dependability actually measures these personality traits.

To evaluate a test's validity, Marquette University's Guastello suggests that employers review test questions to see if they are relevant to the job position. Second, employers should request a test publisher to show research correlating performance on the test in question with actual job-related behavior. For example, such studies might compare applicants' test scores with supervisor performance reviews. Arnold notes that validity correlations between test scores and criterion measures, such as performance reviews, should be at least 80 percent. For Guastello, test validity is not an issue "as long as the test publisher's claim sticks to conscientiousness and what that personality construct can deliver in the workplace."

To help potential consumers evaluate integrity tests, the Association of Test Publishers established a set of guidelines for these instruments. *The Model Guidelines for Pre-Employment Integrity Testing* provide specific technical and ethical guidelines for both test publishers and test users. The Association also publishes a directory of members and products to help consumers locate the services they need.

Once an employer has decided a test meets the above criteria, experts suggest they consider the utility of implementing a pre-employment integrity testing program. Will the test add value to the hiring process? For Myra Johnson, this was the hardest part in convincing management that this kind of program would be valuable to her organization. At an average cost of fifteen hundred dollars to hire and train a nursing assistant, spending fifteen dollars per test to find an employee that would be dependable and stay in the job was cost effective. She says "if one test keeps a person from turning over in thirty days, it's worth it."

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She adds that there are hidden costs of job turnover, including decreased co-worker morale and the negative impact on patients when there are frequent changes in caregivers. Management was sold on the idea, and Heritage Community decided to use the Reid Healthcare Battery to screen prospective job applicants.

Johnson recommends that a practice or hospital system look for a test publisher that has a long track record of experience with integrity testing. She also suggests that managers look for test publishers that provide strong customer support. For Johnson, good customer support includes legal counsel, as well as technical and training advisers for administering and in-

terpreting the tests. Arnold echoes this sentiment. He says "we aren't selling a test, we are selling a service." Organizations who purchase and use integrity tests should expect that there will be a long-term partnership with the test publisher.

### Integrity Testing in the Workplace

Who should administer integrity tests, and how do they work? Arnold says that, with proper training, office managers or human resources personnel are qualified to give the tests. While integrity tests are still published in a traditional paper and pencil format, advances in technology also add computer or telephone administration as options to streamline the testing process. The cost of a testing program varies with the needs of an organization and the hiring volume, but industry estimates indicate that testing costs between eight dollars and \$20 dollars per applicant.

Psychologists and test publishers agree that hiring decisions should not be made on test scores alone. Performance on an integrity test should be considered along with applicant interviews and other hiring procedures. However, the test publisher should work with the employer to determine what is known as a cut-off score. According to the Model Guidelines for Pre-Employment Testing, a cut-off score is the point at which an applicant is determined to meet or fail the criterion measured by the test. That is, an applicant who achieves above a certain score on the test will be considered for hiring because they demonstrate a desired level of conscientiousness.

For example, the Reid Report, an integrity test published by Reid Psychological Systems, has a cut-off score that rejects 20 to 25 percent of applicants. The amount of conscientious attitudes and dependable behaviors that an applicant should endorse in order to be considered for a job is determined by the needs of the employer. Arnold recommends that a rep-

## CHARACTER TESTING

*Continued from previous page*

utable test publisher will work with an organization to figure out where to draw the line on test scores. He adds that if a cut-off score is set too high and “you are not selecting any applicants, then you are not helping anybody.”

Opponents of integrity testing caution that faking answers is an important issue with these instruments. Potential job applicants may answer questions in a way that does not reflect their true attitudes, but what they expect the employer desires in an employee. Industrial psychologist Guastello noted that a study published in the *Journal of Applied Psychology* found that people were not able to fake conscientious attitudes, but if they were coached they did figure it out. Harris of the Association of Test Publishers, admits that early versions of integrity tests had obvious questions that were intended to flush out job applicants trying to present themselves in an overly positive light. He says “integrity tests have moved away from overt questions to more subtle item content.” Good integrity tests should have built-in questions to detect faking that are not obvious to job applicants.

Privacy of test results is another important part of a testing program. Employers should establish rules to ensure that an individual applicant's test score remains confidential. The Model Guidelines for Pre-employment Integrity Testing suggest that test scores be provided to company representatives on a demonstrated “need to know” basis. Scores should never be released to unauthorized individuals. High tech safeguards can protect the confidentiality of computer testing.

Once an integrity testing program is in place, experts recommend keeping track of results. After starting the testing program at Heritage Community, Myra Johnson found that job applicants who scored well on the test also received good performance ratings from supervisors. Test publishers should help employers analyze data to determine that a program is meeting hiring

goals. Annual reviews can ensure a continued good fit between the testing program and an organization.

Johnson says that job applicants have been agreeable to taking integrity tests, and that the program was relatively easy to implement. She notes another benefit of integrity testing. “It adds a little more professionalism to the hiring process. Using the tests indicates that we are serious about hiring the best people we can.” ■

*Missi Nadeau received her PhD in clinical psychology from the University of Michigan. She last wrote about treating depression in primary care in our March/April 1999 issue.*