

By Mark Lefcowitz Senior Process Engineer

In today's competitive job market, organizations increasingly resort to personality and technical skill tests to streamline their hiring processes. The combined use of these tools produces questionable results. More importantly, their growing use in the workplace demonstrates an overall lack of understanding of the basic principles of human psychology, large and small group dynamics, and the importance of building leadership and problem-solving skills at the frontline level. In addition to these significant limitations, the unfortunate trend of using personality and technical skill tests in the hiring process comes with serious ethical dilemmas and legal implications.

It is a classic example of penny-wise, pound-foolish decision-making by corporate managers and executives.

Limitations of Personality Tests

Personality testing aims to evaluate traits such as extroversion, agreeableness, and emotional stability. Personality tests are popular with companies, with 89% of Fortune 100 companies using them for preand post-hire purposes. The Myers-Briggs Type Indicator (MBTI) is the most widely recognized personality test, used by more than 88% of Fortune 500 companies. However, one primary concern is their validity and reliability.

Many personality assessments lack robust scientific support, leading to inconsistent results influenced by candidates' moods or external circumstances. Of the "Big Five" traits (Openness, Consciousness, Extroversion, Agreeableness, and Neuroticism), the best predictor was Consciousness, which accounted for only 20% of the variance between high and low performers. The remaining 80% of the variance came from unknown factors (NLI, 2023). This inconsistency raises questions about their effectiveness in accurately gauging an individual's fitness for a particular role within a specific company.

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Cultural bias is critical. Many personality tests are developed based on normative data that may not adequately represent diverse populations. As a result, candidates from different backgrounds may be unfairly evaluated, perpetuating discrimination and inequality in the hiring process. Moreover, each company's corporate culture – and the expertise and personalities of the individuals making the internal hiring decisions – determines how these tests are interpreted and which traits are favored over all the others.

There are long-standing concerns that both personality and skills testing are susceptible to faking. In the case of personality testing, candidates have provided responses they believe align with employers' expectations rather than their true selves. There exists a uniform premise that cheating, in fact, occurs. The unresolved issue is whether such behavior impacts hiring decisions (Robie, Brown, & James, p. 492)I The use of embedded social desirability scales has been criticized (Fine & Pirak, p. 51).

This undermines the integrity of the assessment process and raises ethical concerns about authenticity evidence from experimental conditions has shown that while faking can artificially inflate personality-based integrity test scores between a quarter and half a standard deviation (mean d= .38) (Fine & Pirak, p. 52)

Limitations of Skill Tests

Similarly, skill tests focus on evaluating specific competencies relevant to job performance, but they have drawbacks. One significant limitation is their narrow focus; these tests often assess isolated skills rather than the broader abilities required for a job. This can lead to overlooking candidates who possess a wide range of talents but may not excel in a particular test scenario.

Test anxiety and cognitive issues like dyslexia can also impact performance, as candidates under pressure may not demonstrate their true capabilities. Moreover, skill tests often emphasize hard skills while neglecting critical soft skills—such as communication and teamwork—essential for success in collaborative work environments. Organizations risk hiring technically proficient individuals who may struggle with interpersonal dynamics by ignoring these competencies.

Legal implications further complicate the use of skill tests, for example:

Approximately one out of every ten individuals suffer from dyslexia, putting them at a severe disadvantage when taking standardized and timed tests. It is estimated that more than 40 million US adults have dyslexia, with only 2 million of them receiving a diagnosis (Zauderer, 2024).

Federal Law, 42 U.S.C. § 12101(a)(5) specifically notes:

"Individuals with disabilities continually encounter various forms of discrimination, including outright intentional exclusion, the discriminatory effects of architectural, transportation, and communication barriers, overprotective rules and policies, failure to make modifications to existing facilities and practices, exclusionary qualification standards and criteria, segregation, and relegation to lesser services, programs, activities, benefits, jobs, or other opportunities." (ADA,gov, 2024)

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This law is mirrored or exceeded in all 50 states. Organizations may face legal challenges and potential liabilities if a skill test is found to disadvantage certain groups disproportionately. Additionally, employers must ensure their assessments are valid, reliable, and relevant to the job, or they may expose themselves to legal repercussions.

Ethical and Legal Concerns

Both personality and skill tests present ethical dilemmas related to privacy and consent. Candidates often feel uneasy about disclosing sensitive information that may not be relevant to their job performance. Additionally, a lack of transparency in how test results are used can lead to mistrust among candidates, impacting an organization's reputation.

Legal frameworks governing employment practices also impose strict requirements on the use of these assessment tools. The Equal Employment Opportunity Commission (EEOC) mandates that any selection process must be job-related and consistent with business necessity. Failure to demonstrate the validity of personality or skill tests can lead to discrimination claims and potential legal challenges.

Organizations must navigate these ethical and legal challenges carefully, as reliance on personality and skill tests can result in biased hiring practices that harm candidates and expose employers to significant risks.

The Importance of Soft Skills and Conflict Resolution

Given the limitations and concerns surrounding personality and skill tests, organizations must prioritize the development of essential soft skills and conflict resolution abilities. Soft skills, including effective communication, teamwork, and adaptability, are increasingly recognized as critical components of professional success. Navigating varying perspectives and working collaboratively is essential in a diverse and dynamic work environment.

Conflict resolution skills are critical. Conflicts are inevitable in any workplace, and employees who can address disputes constructively contribute to a healthier and more productive work environment. These skills involve active listening, empathy, and negotiation—qualities not typically measured through traditional testing methods but crucial for fostering a positive workplace culture.

Leadership and management skills are primarily learned on the job, and mentoring from above is rarely applied evenly or at all. Front-line supervisors must, therefore, develop these skills and receive both training, active managerial oversight, and mentoring.

Organizations must focus on training and development programs that enhance soft skills and conflict resolution strategies. This holistic approach allows employers to cultivate a technically skilled workforce and be equipped to handle interpersonal challenges effectively.

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Conclusion

There are no shortcuts in recruiting, molding, mentoring, managing, and leading employees. The bane of scoring automation is that the business rules applied within them are opaque to the user, generally taken at face value. The algorithms producing the score and statistical outcomes are accepted without examining or understanding the programming logic. It is another instance where slick marketing and promises of easy answers to complex questions and difficult decisions have led to successful marketing. It is yet another instance of a "shiny object" that encourages managers and corporate leaders to adopt the low-cost shortcut that leads them in the wrong direction.

Interpersonal soft skills and understanding conflict analysis and resolution techniques are at least as important as technical acumen. Organizations should prioritize them more than they currently do. These skills cannot be assessed through personality or skill set testing. They require situational and problem questions, followed by further probing questions; they require an interpersonal exchange between the hiring organization and the individual candidate.

By moving beyond reliance on assessment instruments and fostering an inclusive and equitable hiring process, employers can better identify candidates who will contribute positively to their teams and organizational culture. This commitment will enhance hiring practices and promote a fairer and more just employment landscape. They will lead to the creation of a more adaptable and resilient workforce.

* Note: A pdf copy of this article can be found at: https://www.mcl-associates.com/downloads/an arguement for dispute resolution skills.pdf

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