



Unlocking Employee Motivation through Personality Testing

By Ken Lahti, Ph.D.

Remember that really smart coworker, the one who had so many answers they could be running the company... but who put in minimal effort and seemed unconcerned with promotions? Or your boss who had such brilliant ideas for product improvements ...but who couldn't manage to motivate those around him to actually get anything done? We have all seen people who we know could be wildly successful, if they just tried harder or were better fit for their role. Or people whose inability to maintain positive working relationships undermined their other contributions. What explains these strange gaps in performance? Can we know in advance who will best "fit" the job at hand and what motivates them to succeed?

Actually, yes. Decades of research shows that a lot of what motivates people is inside them. While money, opportunities for growth, and good leadership all matter for employee motivation, a big piece of motivation is based on who people are – their character or their personality. And for better or for worse, we are who we are, and our personality tends to be stable over time and across situations. This consistency in people creates an opportunity for organizations; by assessing personality characteristics in job candidates, employers can predict their motivation and make better informed hiring decisions.

Sounds good in theory, but does it really work? PreVisor's 2007 indicates pre-employment personality tests, when implemented and used effectively, predict key performance outcomes and improve organizational effectiveness. For example, when Starwood Hotels re-designed its hiring solution to include personality testing for the right attitude, it saw a two and a half times increase in performance for one customer facing role. A nationwide auto-parts distributor showed retention was improved by over 80 percent for high-scoring candidates. Among warehouse associates taking a customized job-fit test, 43 percent of those who scored high remained on the job after 90 days, whereas only 23 percent of those who scored low on the assessment were retained. Higher retention leads to reduced costs, higher productivity, and better organizational performance.

What's Motivation, anyway?

We hear about motivation all of the time – in school, at work, in sports, in the context of "motivational speaking." However, it is curiously difficult to pin down exactly what motivation is and how it works. While it has many definitions among scientists, motivation boils down to wanting something to be different. Motivation is an

energizing, mobilizing force related to striving toward goals and satisfying needs – everything from food to sex to self esteem. So what does this mean for organizations and employees? From an employee perspective, work is the environment where they strive toward and achieve many of life's goals. Motivation can lead people to work hard and manage their interactions with others. On the other hand, a lack of motivation can lead to carelessness and callousness at work. A recent CareerBuilder survey found 32 percent of workers called in sick with fake excuses in the last 12 months which is hardly a ringing endorsement of strong work ethic or job satisfaction.

Solving for Performance

From the employer's perspective, employee motivation impacts performance. Scientists describe performance as a function of a person's ability and motivation:

- **Ability** or "can-do" is based largely on general cognitive ability or intelligence. Cognitive ability contributes to acquisition of job skills and knowledge through experience. Tests of these areas predict job performance.
- **Motivation** or "will-do" is driven mainly by personality. Personality describes a person's disposition, interests, and recurring patterns of behavior.

Both ability and motivation are necessary for successful performance. By testing for personality, we can measure an important determinant of talent and success, one that is often overlooked in hiring processes that emphasize only technical skills, learning ability, or past achievements.

As a key predictor of success in many people-facing roles, personality is particularly important in management and senior leadership positions, where one individual can have a strong impact on the whole organization.

PreVisor's 2007 Business Outcomes Report showed senior leaders who scored high on director/senior manager assessment – which assesses both ability and motivation factors – were promoted at a 30 percent faster rate than those who scored poorly.

The Maze of Employment Testing

Employment testing combines the power of science and technology to help organizations make better informed hiring decisions. Professionally developed tests are routinely used during the hiring process to measure candidates' job skills, technical knowledge, learning ability, and motivation. The value proposition underlying scientific hiring practices is: individual performance drives organizational performance.

"It is important to remember that job success almost always depends on several different kinds of performance," said Dr. Charles Handler,

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Founder and President of Rocket-Hire, a consultancy specializing in online screening and assessments. “For example, an employee who is very good at customer service will be of little value if he/she frequently misses work. You can measure these traits by combining assessment tools that predict different types of job performance. For instance, combining a personality test with an ability test can increase the overall predictive ability of your selection system by a significant amount.”

Personality Testing: Science or Alchemy?

Personality testing is a decades-old application of behavioral science undergoing a renaissance among both employers and researchers due to improvements in technology and a deeper understanding of its potential value. At its best, personality testing reliably predicts on-the-job performance. At its worst, personality testing may involve companies using poorly researched but well-marketed tools or using good tools (e.g., designed for team-building) for the wrong thing (e.g., in hiring). Only by carefully aligning testing programs with hiring needs will employers maximize prediction and ROI.

Scientists have known or suspected for about 30 years that there are really just five major dimensions of personality, called the Big 5 Factors of Personality.

- **Openness** – appreciation for creativity, adventure, unusual ideas, and variety of experience
- **Conscientiousness** – a tendency to be planned rather than spontaneous, to show self-discipline, careful and seek achievement
- **Extraversion** – the tendency to seek stimulation and the company of others, energy, positive emotions
- **Agreeableness** – a tendency to be pleasant and accommodating in social situations
- **Neuroticism** – the ongoing tendency to experience negative emotional states

Within these broad factors, there are additional characteristics that can be tested, such as dependability, a part of conscientiousness, and stress tolerance, a part of neuroticism.

The effective use of personality testing in the hiring process can lead to a workforce that is more motivated, more disciplined, and better with customers.

For example, a major high-end retailer needed help to hire managers and staff whose personal motivation was to sell, not steal. Sales locations that were staffed with associates who scored high on a conscientiousness assessment experienced less shrinkage – almost \$50 000 less per year – than other locations. Across the chain’s 1,500-plus stores nationwide, this translated into nearly a \$78 million difference in annual shrinkage.

“It is important to choose assessment tools that predict the various kinds of performance that are most critical to the job,” Dr. Handler said. “As a general rule, it is good to focus on having assessment tools that predict both what candidates ‘can do’ and what they ‘will do.’ This usually means having a mix of assessment tools that measure ‘hard skills’ such as knowledge and problem-solving ability as well as ‘soft skills’ such as reliability and customer service.”

Uncovering the Research

Research clearly indicates that personality testing in the hiring process works best and is most predictive when job requirements are well

Starwood Hotels’ Recipe for Success

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One: Create a hiring assessment solution that finds high scoring candidates who are 2 and a half times more likely to be top performers than are low scoring candidates. Then prove it.

Two: Try not only to find ways to improve your performance and bottom line, but to simultaneously deliver service excellence. Add to the mix that you are a Fortune 500 and Forbes Global 2000 company with more than 145,000 employees in over 850 locations in 100-plus countries around the world.

Three: Toss in one more big challenge: Customer satisfaction is your main product and metric. Starwood Hotels & Resorts Worldwide, Inc. manages such internationally renowned brands as St. Regis, The Luxury Collection, W, Westin, Sheraton, and Four Points. Maintaining strong brand image is critical.

Now distill those ingredients. To achieve and maintain the highest guest satisfaction ratings, the hotel chain needs great people working throughout the company, with guest facing positions such as doormen, front desk, concierge, filled by outgoing, conscientious, service-oriented individuals.

Starwood pulled off this recipe by applying good science to the hiring process. Monica Hemingway, Ph.D., senior director of selection & assessment, has a degree in industrial-organizational (IO) psychology with years of experience in global assessment. She leads a team which includes two more IOs who work to fulfill the Starwood promise of service excellence.

About four years ago Starwood began to use more rigorous selection tools for hiring, first in North America and then a year later globally. They started by completing a thorough job analysis on roles within each region and division. While the results were largely the same, there were subtle differences between geographies that turned out to be important.

Hemingway’s assessment group then designed a selection process that relies heavily on personality testing.

“Starwood’s service culture is very strong,” she said. “We found through our data analysis that it was most effective for us to hire for attitude and train for skills. Experience doesn’t matter as much as whether or not you have the right attitude to deal with guests.”

Starwood piloted its first selection program with call center positions in North America. Success there led the organization to quickly develop a program for sales positions, which it rolled out internationally. Tests were adapted to each language and local culture, as needed.

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understood and characteristics most valuable to performance are assessed. How do we know which combination of characteristics will be most useful?

In a 2007 “Aha! Report,” Dr. Wendell Williams wrote, “There are hosts of personality tests on the market, all claiming to be helpful in making hiring decisions. But before hiring and recruiting professionals commit to using personality tests, they need to understand the difference between causation and correlation. In other words, does a good personality score really indicate good performance?”

Causation means that one thing causes another to happen. Throw chalk at the class bully and you can expect to be punished. The stimulus causes the punishment.

Correlation means that two things tend to occur at the same time, but one does not cause the other. Pocket protectors and mathematical ability are correlated or co-related, but having a pocket protector does not cause someone to be a math whiz. This is a very important thing to know when using a personality test to hire someone.

In the real world this translates into organizations finding people who not only have the necessary skills or abilities to do the job, but who really want to do the job under required conditions. Imagine two equally experienced sales manager candidates – same number of years in the field, same ability to create pricing models or presentations – but one of them scores high in agreeableness, while the other is Attila the Hun. Because of the criticality of people skills in this role, this difference in personalities would likely impact the performance of the sales organization. One manager may motivate the sales team and negotiate successfully with clients, while the other might terrorize everyone into submission or quitting.

If you are looking for the magic formula for hiring success, look to the science of assessment to help uncover the personalities of your future workforce. It will not only give you insight into their motivation, you also will be able to measure the dollar impact of better performance on your company’s bottom line. **TM**

A third selection program has recently been launched to hire for guest services positions in North America, with international pilot studies underway in Ireland, the United Kingdom, across Europe and parts of Asia Pacific.

Starwood uses many different types of assessments depending upon the job. Some form of personality testing is always part of a mix that may include bio-data, situational judgment inventories, simulations, or cognitive ability. All assessments are web enabled with some delivered in a proctored setting. Most are unproctored.

An important part of Starwood’s success is due to the fact that the organization doesn’t stop measuring once someone is hired. First, new hires are measured for retention and performance at three, six and 12 months post-hire. Supervisors rate employees against applicable job competencies. Second, employees are asked to rate their job satisfaction and engagement level. The third piece is completed through guest satisfaction surveys and objective hotel-based metrics, such as revenue. Data is then analyzed, correlated and reported. This detailed level of analysis allows the assessment group to make incremental changes for continuous improvement over time.

Since piloting their first selection tools four years ago, Starwood’s assessment group has found year-after-year improvement that it has tied to ROI. In a recent study of new sales people hired, the highest scorers achieved sales goals 5 percent higher than the lowest scorers, up to \$350,000 per year in additional sales revenue per top-scoring seller. Starwood plans to continue expansion of the selection program to other job positions and countries.

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