

# "Psychometric" Tests Can Help In Hiring, Managing Staff But Employers Must Note Potential Practical And Legal Issues



Employers use many tools in assessing potential applicants, such as reviewing resumes, performing reference checks and conducting interviews. The review process continues for existing employees through performance evaluations, “360 degree” feedback systems and internal job competitions.

Some employers have taken this process a step further by introducing psychometric testing into the workplace. This involves using formal tests that assess the personality profiles and aptitudes of employees or potential employees. One of the best-known examples is the Myers-Briggs questionnaire, which classifies individuals as one of 16 different personality types. However, there is a myriad of other instruments and tools available. The goal of psychometric testing in the workplace is to provide objective information about an individual’s personality, behaviour and abilities that enables the employer to make more effective decisions.

Generally speaking, there are four ways that an employer can use psychometric testing:

## 1. Hiring and promotion

- a. **Screening:** By having job applicants complete some form of psychometric testing as part of the application process, an employer can use the results of the test as one factor to consider in deciding who to select for consideration. This can be beneficial when dealing with a large number of applications, such as responses to entry-level positions that were advertised widely.
- b. **Selection:** Psychometric testing can also be used later in the hiring process to differentiate among candidates that have been shortlisted for a position. For managerial and executive-level positions, this may involve a more comprehensive, multi-stage testing process.

## 2. Development and assessment

- a. **Informational:** Employers may encourage employees to take psychometric tests to increase their awareness both with respect to their own personality type and how they may differ from colleagues with other personality types. This can be the basis for a team-building exercise, as a way to improve communication between employees, and to address conflict in the workplace.
- b. **Decision-making:** Alternatively, employers can use psychometric testing to

help make decisions about employees that may have an impact on their role in the organization. For example, the testing may indicate that certain employees have an aptitude for certain types of work or for leadership positions.

Although psychometric testing is widely used in a variety of industries, there is a number of issues that an employer should consider when deciding whether to implement it in the workplace.

Some of the potential concerns are practical. For example, there are numerous types of psychometric tests available, and an employer will need to devote significant time and resources to choosing the tests that best meet its particular needs. Once a particular set of tests has been chosen, care must be taken to ensure that the test is properly administered. Finally, over-reliance on psychometric testing at the expense of other methods of assessment can result in the inadvertent screening out of strong candidates.

In addition to the practical concerns, there are also legal issues that an employer must take into account:

1. **Human rights:** Human rights legislation prohibits employers from making decisions relating to employees or prospective employees based on grounds of discrimination, such as place of origin, religious belief, family status or disability. Employers are generally aware that they should, for example, refrain from questioning job applicants about their religious beliefs or their mental health background. However, certain types of psychometric testing can lead to a human rights complaint if it results in an individual or group of individuals being classified or "screened out" of an employment opportunity on the basis of a prohibited ground of discrimination. For example:
  - a. **Direct discrimination:** A psychometric test may include direct questions about, or indirectly reveal information related to, an individual's mental health, family relationships or religious beliefs. This raises two concerns. First, an individual who is denied an employment opportunity may complain that the decision was related, at least in part, to a human rights ground. Second, an employer that becomes aware that an individual has human rights-related needs, such as a disability, has a potential obligation to accommodate that disability to the point of undue hardship.
  - b. **Indirect discrimination:** In other cases, a psychometric test used by an employer may be criticized for having the effect of excluding a group of persons on the basis of a prohibited ground of discrimination, such as race or ethnic background. This can be particularly problematic with tests that are intended to measure whether an individual has leadership potential or "fits" within the culture of an organization.
2. **Privacy:** By their very nature, psychometric tests involve the collection of personal information about an individual. Particularly in the case of psychological or personality tests, the personal information that is obtained may be considered highly sensitive. Accordingly, it is important to take into consideration the privacy rights of the employees or prospective employees who are taking the tests. In that regard, an employer should clearly identify the purposes for collecting the information and ensure that the information collected relates to those purposes. Proper consents should be obtained before the tests are administered, and the information that is obtained should only be used in accordance with those consents. It would, for example, be inappropriate for an employer to obtain an employee's consent to administer a psychometric test in the guise of a team-building exercise and then, unbeknownst to the employee, use the results of that test to make decisions about which employees

to promote. Finally, information that is obtained must be safeguarded to ensure that it is not improperly accessed or misused.

It is important that employers considering psychometric testing do their due diligence.

Any test that is used should be based on reputable research and must be able to withstand scrutiny from a human rights perspective. The implementation of the test should be done fairly and reasonably and should take into account privacy concerns.

Finally, and perhaps most importantly, while psychometric testing can be a useful tool in making employment-related decisions, it is only one factor to consider, and should not be used as a substitute for the employer's exercise of its own judgment.

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