

# **STYBEL PEABODY & ASSOCIATES, INC.**



Laurence Stybel, Ed.D., and Maryanne Peabody, MBA, founded Stybel Peabody Associates, Inc.

## **THINKING ABOUT USING PSYCHOLOGICAL ASSESSMENTS IN HIRING?**

Who has NOT read a gruesome tale about some employee or former employee inflicting havoc at work? Remember these news stories?

A Minneapolis police officer who shot a pregnant citizen who called the police to report a problem.

A Bronx hospital doctor who hid an automatic weapon under his lab coat. He killed one physician and injured five patients and hospital workers before taking his own life.

A U.S. Army M.D. killed 12 people and wounded 31.

These are not stories about some lower level, uneducated employee high on drugs or a sociopath. These are stories about professionals with stable work histories.

## **.00002 Percent**

The Occupational Safety and Health Administration (OSHA) estimates that over two million people a year are the victims of “workplace violence.” OSHA defines this as “any act or threat of physical violence, harassment, intimidation, or other threatening disruptive behavior that occurs at the work site.”

Two million is two million too many. But there are 153 million people employed in the United States. Therefore, 1% of American workers have been impacted by violence using this OVERLY broad definition.

But suppose we focus on focus on workplace homicide.

The U.S. Department of Labor (2014) reports 403 fatalities. Out of a population of 153 million workers, that means a .00002% probability/

One reasonable conclusion hiring authorities can make: Given the costs of psychological assessments relative to the low probability of actual workplace violence, don't waste your money on psychological assessments of job candidates.

## **Leadership's Black Swan**

.00002% is a probability. The term Black Swan refers to low probability events with extreme consequences. The Arab Spring was a political Black Swan. A six-mile-wide asteroid smashed into the Gulf of Mexico 66 million years ago and destroyed three-quarters of the animal and plant species on Earth. That was a geological Black Swan.

A leadership Black Swan is this: you approved the hire of a job candidate. That person later engages in workplace violence, resulting in harm to employees, customers, or patients.

The probability of workplace homicide is statistically rare but the consequences for your company can be severe.

Company leaders will be publicly accused of hiring malpractice. This failure to screen out bad actors can result in high settlement costs in the wake of inevitable lawsuits plus the destruction of the leader's reputation.

## **Some Easy Steps:**

### **Review Your Employee Handbook:**

Does your company have a written employee handbook contains specific policies that regulate employee conduct and enable the employer to enforce civility among co-workers? Good intentions are never enough. Policies should be in writing.

These policies should prohibit bullying, harassment and discrimination and establish a zero-tolerance for violence. According to Attorney April Boyer of Holland & Knight (2017) key policies in the handbook should also clearly state company rules related to weapons in the workplace, drug and alcohol usage and other safety standards.

### **Educate Employees and Have Written Documentation that Employees Understood the Education.**

Managers also should receive special training on topics such as how to calm tense situations, how to identify signs of employee behavior that are concerning, and how to report those concerns in writing. Webinars can be cost-effective ways to transmit this information and can be done at a time convenient for individual employees. Precious conference room space can be saved because employees complete the webinars at their desks or at their homes.

The webinar should also allow for documentation of attendance. Many young employees have short attention spans and are used to engaging special effects to draw their attention. Avoid the typical boring Power Point slide show. Companies like TTG Consultants in Los Angeles (2017) create work-related webinars using Hollywood production values. These productions are more appropriate for younger employees.

Establish and communicate mechanisms whereby employees can safely go outside the regular chain of command to report violence or behavior that is questionable.

Investigate: Once a call is made, document how seriously the company took the employee notification.

Enforce Protective Orders: Encourage workers to report if they have a restraining order or a protective order against someone (such as an abusive

spouse or domestic partner). Take steps to assist in the enforcement of these orders such as alerting building security of the order and identifying the person subject to it.

Conduct Terminations using Outplacement Services with a Consultant onsite if possible or on a Zoom call right after the termination.

Never corner a wounded tiger. When terminating employees, err on the side of safety. Personnel actions should be conducted with a witness present. Provide severance benefits that include external outplacement consulting so that the person understands that this meeting signifies only the end of employment at this company.

The company should take proactive steps to help see to it that this meeting is not the end of one's career. Check the credentials of the outplacement consultant who will be on site during the termination. Will it be someone this employee respects?

### **Consider Valid, Reliable, and Culturally Sensitive Psychological Assessments as a Standard Component of Your Corporate Hiring Process.**

Psychological testing is defined as the controlled observation of human mental functioning. Most job candidates consider psychological assessments (at worst) another hurdle in the recruitment process or (at best) an opportunity to gain insight.

A minority will object to the concept of psychological assessment as an invasion of privacy. They will volunteer to withdraw their candidacy. We have located no studies that examine the psychological make-up of people who refuse to participate in the work-related psychological assessment.

Our guess is that when candidates deselect themselves, the company dodged a bullet.

### **An Objective Instrument Should Be Used**

When a hiring authority makes an employment decision, that authority is making a prediction about future performance. Measuring the accuracy of that prediction is called predictive validity.

Frank Schmidt and John Hunter summarized 85 years of research on the utility of various employment techniques (1998). They concluded that the typical job interview has .38 validity. Reference checks have a validity of .26.

That is not very encouraging.

On the other side, work sample tests score .54 and integrity tests score .41. That improves the odds a bit.

This finding is consistent with Grove & Boyd's 2000 research project comparing the validity of physician clinical assessments with objective (mechanical) assessments. Objective measurement of patients has a 10% higher predictive validity than physician clinical assessments. A clinical assessment in a hospital would be like a job interview in an office whereas the psychological assessment in an office would be like comparing a patient's age, weight, height, sex to a larger pool of patients to see the probability of stroke.

We believe an objective assessment should be used as one component of every selection decision if there might be risk of harm to employees, customers, or patients.

### **Who Gets Assessed?**

Objective assessment techniques to screen out violence prone individuals or individuals with thought disorders should not be limited to full-time employees who receive a W-2 tax form from the company. ANY person who is in contact with your employees or customers ought to be screened by your company or by the agency making the referral to your company.

An example might be an interim staffing agency providing temporary medical personnel for the hospital or that cellular service provider that is staffing the cellular service center located within your store. The person staffing the cellular service center may not be your employee, but the people visiting the center are your customers.

The same issue is true of temporary employees hired during seasonal periods like tax season or Christmas shopping season. They may not be full time employees, but they impact your customers. The same argument can be made about adjunct faculty at universities.

## **Buros Mental Measurements.**

Would you be comfortable take a drug whose efficacy is based exclusively on research conducted by drug company employees?

The Food and Drug Administration requires objective, impartial clinical trials to ensure that you are being provided with medication that is valid for the symptoms you have and will produce reliable results time over time.

In the area of psychological tests, many publishers push products whose positive results have been established through studies authored by people directly or indirectly employed by the publishing company.

No licensed psychologist would accept such studies, which is why many of these publishers avoid licensed psychologists as distribution channels. Business professionals seldom know how to ask the right questions about statistical reliability and validity and the publishing companies like it that way.

We recommend you consult the Buros Center for Testing ([buros.org](http://buros.org)).

The Buros Center is an independent, non-profit organization within the University of Nebraska-Lincoln. It is the nation's premier research and resource center for the measurement of testing validity and reliability. It provides independent appraisals of psychometric tests.

If a publishing company has not submitted its tests for review by Buros, it is appropriate for you to ask why.

If you are considering using testing for your employees and candidates, look through the Buros site for psychometric instruments with objective reliability and validity.

If a Black Swan hits your company, you do want to be able to justify your test selection in court. If a rejected candidate raises questions about test bias against her sex or race, you want to be able to have objective studies to show that the company used statistically valid and reliable instruments.

## **Summary and Conclusions**

Workplace violence in the United States is a Leadership Black Swan: statistically rare yet its consequences can be enormous.

We recommend statistically reliable and valid psychometric assessments as one component of the hiring process.

Consult Buros.org before spending your money.

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**Stybel Peabody Associates, Inc. provides companies with “leadership and career success” for valued senior level talent. Core services include retained search for leaders on Boards or whose jobs touch Boards (Board members, CEOs, COOs, CFOs), leadership coaching, and executive-level outplacement for leaders who should be networking with Board members.**

**The readers of *Massachusetts Lawyers Weekly* voted Stybel Peabody Associates, Inc. “The Best Outplacement Firm” of 2020, 2019, 2018, and 2017.**

**For a free 30-minute consult, contact:**

**Maryanne Peabody**

**Stybel Peabody Associates, Inc.**

**[peabody@stybelpeabody.com](mailto:peabody@stybelpeabody.com)**

**stybelpeabody.com**

**boardoptions.com**