Managers Also Overrely on Tests

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Highhouse (2008) is correct in arguing that managers generally do not appreciate the value of psychological tests and tend to overestimate the value of subjective decision making. However, there are exceptions. Practical experience suggests that there are circumstances in which managers have a tendency to overrely on tests. These observations are based on 13 years of experience in human resource consulting positions, 4 years leading a corporate organization development function, and 3 years as a human resource generalist.

The following scenario occurred on a regular basis in practice. Based on the resume, a 1-hour interview and discussion with other interviewers, a manager is impressed with a candidate and is prepared to extend an offer. The manager is then presented with test results indicating that the candidate is less than ideal on one or more dimensions. For example, the candidate scored at the 45th percentile on a measure of cognitive ability. The manager then quickly decides he is not interested in hiring the candidate. It then becomes extremely difficult or impossible for the human resources partner to convince the manager to keep the test information in perspective. For instance, suggestions such as "employees need not be perfect on every dimension to be successful" or "the candidate has other strengths that would be

extremely valuable to the organization" do not seem to prompt the manager to reflect further on the candidate's qualifications.

The circumstances when managers tend to overrely on tests are presented below. However, these are based solely on personal experience so should only be considered preliminary hypotheses at this point.

Decision Context

The tendency to overrely on tests occurred when managers were facing an actual decision about a candidate. More specifically, this overreliance only appeared to occur when the test data were used to avoid hiring a potentially unqualified candidate. That is, the manager was prepared to hire the candidate, and the test data raised a potential concern. This tendency to overrely on tests did not occur when positive test data were shared with a manager who viewed a candidate unfavorably.

There are probably two fundamental issues involved here. First, managers are generally far more concerned about hiring unqualified candidates than rejecting qualified candidates. So any information that may help avoid a bad hire is likely to receive significant weight. Second, as Highhouse (2008) suggests, managers generally believe they can make near-perfect hiring decisions, so data suggesting a candidate is far from perfect is likely to be taken quite seriously.

Decision Maker

Overreliance on test scores tended to occur with more seasoned executives. There

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may be a couple of reasons for this. First, compared to those with less experience, they tend to have a greater appreciation for the importance of talented employees to business success. Second, they have probably had more experience dealing with the negative consequences associated with poor hiring decisions. As a result, senior executives seem to be highly sensitive to information that suggests a candidate is not qualified.

The decision makers do not have a solid understanding of selection and testing. As noted above, they are seeking near-perfect hires. In addition, they seem to take an overly negative view of average tests results. It may be they are making the mistake of comparing psychological test results to grades commonly received in educational settings. If so, a percentile score of 45 may seem extremely low compared to common classroom grades in which talented students are generally receiving grades in the 80s and 90s.

Candidate

In terms of the candidate, overreliance tended to occur more frequently when hiring for more senior or important positions. This is clearly related to previous comments regarding the cost of poor hires. Hiring errors are far more costly at senior levels, and hiring managers are generally aware of this.

The overreliance on tests occurred when the manager was basing a decision solely on selection procedures, such as the resume and interview, and could not be completely confident about the candidate's qualifications. In cases in which the manager had worked with the candidate previously or had a trusted colleague who was recommending the candidate based on first-hand knowledge, the test data were not overrelied upon. In fact, in such cases, the test data tended to be dismissed.

Conclusion

This article is not inconsistent with the Highhouse (2008) research. Psychological tests and the prediction of behavior are not well understood in applied settings. This lack of understanding usually results in tests being undervalued. However, the lack of understanding can also lead to an overreliance on tests when managers face decisions that potentially have significant negative consequences. This suggests that in some circumstances, managers may recognize the limitations of subjective decision making.

Human resource professionals and industrial—organizational psychologists have an obligation to help managers use tests properly. This article presents hypotheses regarding the overreliance on tests that may contribute to research and practice in this area. However, it is also important for managers to be open to and held accountable for using established knowledge regarding the effective use of tests.

Reference

Highhouse, S. (2008). Stubborn reliance on intuition and subjectivity in employee selection. *Industrial and Organizational Psychology: Perspectives on Science and Practice*, 1, 333–342.