OPPORTUNITIES TO MAXIMISE COMPANIES' SUCCESS THROUGH A MORE SCIENTIFIC APPROACH IN THE SELECTION AND MANAGEMENT OF PEOPLE IN THE MOTOR INDUSTRY

Roger Denniss

Presented to the

Institute of Road Transport Engineers of New Zealand

FIFTH INTERNATIONAL HEAVY VEHICLE CONFERENCE

AUCKLAND

19-22 APRIL 1994



OPPORTUNITIES TO MAXIMISE COMPANIES' SUCCESS THROUGH A MORE SCIENTIFIC APPROACH IN THE SELECTION AND MANAGEMENT OF PEOPLE IN THE MOTOR INDUSTRY

Synopsis

The paper considers the current selection, recruitment and career development systems currently utilised in the Motor Industry and Industry in general. The increasing use of psychometric assessment both for selection and Company Career Management is reviewed.

The effect of new life styles and techniques in the 21st Century is considered likely to promote Career Role allocation.

1. Introduction

- 1.1 No matter how technically advanced a company's product or service may be and what good value it represents without an appropriate sales and marketing service and finance support structure financial success cannot be guaranteed. Just as important is planning people, that is, having the right people in the right job and who are able to work productively together.
- 1.2 The Motor Industry has been a classic example of this with, if anything, the less technically advanced surviving.
- 1.3 This paper concentrates on how the right people can be selected and recruited, motivated and developed and at all levels to encourage a good product or service to be financially successful.
- 1.4 Various government researches carried out in North America and in Europe have reported that whilst desirable theoretical optimum selection and development techniques are known and attempted, in practice, almost inevitably, a person is recruited to fill a short term vacancy and there is a lack of evidence to support the concept of "Company Career Management".
- This paper could be justly criticised on the basis that it contains little new however it reviews recruitment and selection assessment and management development procedures that have been applied over the last two decades and attempts to promote this discussion to identify the successes and the pitfalls.
- 1.6 Psychometric Testing computer software packages are now available at low cost which have the facility to carry out on the spot applicant analysis and compare against a perceived required job profile.
- 1.7 How this technique can be used to scientifically improve people selection and development at all levels is discussed.

2. Recommended people recruitment and selection procedure

- 2.1 Carry out, update or just review Company strategic policy to assess whether it is still appropriate to the company's short and long term plans.
- 2.2 Produce updated job descriptions and desired technical, intellectual and personality profile which should include:-
 - 2.2.1 Practical and theoretical qualifications.
 - 2.2.2 Practical experience.
 - 2.2.3 Management/leadership experience.
 - 2.2.4 Desired I.Q. rating.
 - 2.2.5 Weighted personality profile.
 - 2.2.6 Family background (but careful here with EEO (equal employment opportunity).
- 2.3 Advise all concerned that the position is vacant and will be advertised internally and externally at the same time to avoid accusations that its a set up and decisions have already been made.
- 2.4 Screen application forms and produce a list of people who appear to meet job profile sending them a very comprehensive description of what the job demands in as fine a detail as is possible or even invite these applicants in to view a video about the job.

This action is becoming more popular although under the present economic climate does not appear to have deterred applicants - but at least the selection interview is likely to be more meaningful.

2.5 Before the selection interview applicants should be subjected to a psychometric test which should include an I.Q test and a personality test. See Appendix A.

It is equally important to spot those applicants with too high an I.Q. for the job as these are likely to become bored or disruptive (unless a high flyer is sought and fast tracking is structured).

The psychometric assessment is intended to provide an objective view of the applicant's personality and interests also their perception of strength and weaknesses.

Basically psychometric assessment provides an objective view of the individual by using standard inventories and by making comparisons with a large group of people who are similar in important characteristics such as age, gender and occupational type.

By keeping the procedures the same for all candidates and by making judgements on a systematic statistical basis psychometric assessment can often provide fairer and are less subject to bias than more traditional methods.

2.6 Selection of the most appropriate person for the job is very important and practical tests should not be ruled out.

These could range from a basic bench fitting test to a simulated problem customer solution exercise.

2.7 At least 15 minutes should be set aside to prepare for each interview when the original application form, the I.Q and psychometric and practical test results should be carefully studied.

Normally the interview should include a person from Personnel - the direct Manager and where applicable the Manager's Manager.

The applicant should be put at ease and the questions and discussion aimed at developing the character profile initiated by the psychometric test.

The applicant should be encouraged to ask the interviewing board questions as this is frequently most revealing and underlines what matters most to the applicant.

2.8 Interview assessment should be carried out immediately on the applicant's departure and a comparison made between the applicant's total interview profile and the desired job profile.

3. <u>Intelligence</u> and personality testing

- 3.1 All of us are fascinated by intelligence and personality especially our own.
- Psychometrics is the science of mental measurement. Industry makes increasing use of them educationalist is often helpless without them.
- Psychology is not an exact science but it can be a very good guide.

A kilo of sugar weighs one kilogram and is labelled thus. To determine the value of your house or car you have to ask an estate agent or a car salesman for an estimated value - this would be as near one could get with a psychometric test - not exact -but a very close approximation.

- 3.4 Victor Serebriakoff Mensas President defines brain power as "problem solving ability" and "competence". Brain power is not distributed fairly but neither is one's sex or height or colour of eyes or personal beauty.
- 3.5 Some are mentally retarded, some very bright, most of us are average and there is nothing we can do about it.
- 3.6 Some of the nicest people are as thick as the earths crust and some of the nastiest people are so bright that a brain surgeon would have to use welders goggles to open the brain.

- 3.7 Serebriakoff is sure that ones intelligence is limited and whilst he agrees that whilst ones potential is frequently not fully realised a sensible view is that nature sets a ceiling and nature decides how near that ceiling we get.
- In the process of industrial recruitment it is important that a job intelligence profile is determined again it is unlikely to be exact but a approximate one is not too difficult and far better than having nothing at all.
- 3.9 Whether you really want to know your own I.Q. or personality traits is a matter for you alone although the results seldom surprise.
- 3.10 Psychometric tests would be able to confirm or contradict such end of term school reports or staff assessments "He has it in him", "She could try harder or do better."
- 3.11 Intelligence is a biological phenomena and again according to Serebriakoff is the capacity to detect encode, sort and process signals from whatever source and transduce them into an optimum output of instructions.
- 3.12 The measurements of intelligence and personality

The Greeks used the word "Nous" for intelligence which covered the modern concepts of soul, spirit, mind and thinking ability.

- 3.13 It was the Greek Philosopher Plato who realised that the impulsive emotional side of the human nature should be separated from the other aspect thinking and reasoning.
- 3.14 There is the further complication as noted by Professor Spearman that abilities tend to cluster and he recommends that each person should be assessed 'g' for general ability and 's' for special ability.

- Personality traits are as important to measure and be aware of as are the cognitive ones.
- 3.16 Personality traits are concerned with predictive regularities of behaviour and response to feelings, desires and emotions not with thinking and planning skills.
- 3.17 Whilst one school of thought suggests that apart from intelligence two principal dimensions account for most of the difference. Professor Cattell has identified 16 relatively independent factors which make it possible to determine a complete description of the human personality.
- 3.18 Researchers also found that traits tended to cluster e.g. such traits as "active", "sociable", "adventurous", "expressive", "unreflective" tend to cluster into one trait called extroversion.

Thus if tests showed one trait then you were likely to have some if not all of the remaining group.

- 3.19 Professor Serebriakoff predicts that in the 21st Century "role allocation" will become ever more important as new techniques and life styles emerge.
- 3.20 Basic I.Q. testing has long been established and details of where these tests can be obtained.

These tests include: -

Verbal ability.
Arithmetic skills.
Three dimensional and space relation.
Comprehension.

- 3.21 Psychometricians are able to confidently assess and catagorise personality traits e.g.
 - 1. Extroversion Introversion.
 - 2. Emotional Stability.
 - 3. Creativity Inventiveness.
 - 4. Strong Mindedness etc.

4. The Psychometric test

- 4.1 It has already been stressed that the corner stone of successful recruitment is a job analysis review and the determination of the required job person profile.
- 4.2 The psychometric test is to determine which applicant can produce the best matching person profile.
- 4.3 There are a number of psychometric tests available, some pencil and paper, others direct into computer.
- 4.4 The applicant is given a number of questions each having 3 or 5 optional answers. From these he can be asked to record the answer he most preferred and the one he least prefers.
- 4.5 From the results a personality profile is produced. See Appendix BCD.
- 4.6 The system records consistency rating and quickly identifies someone who is too inconsistent with his replies for the results to be taken seriously.
- 4.7 The vast majority of people will recognise their psychometric profile.

5. Assessment and development centres

- 5.1 The most important feature of an assessment centre is to identify training and development needs. Not only to help improve current performance but to assess potential promotability.
- 5.2 Almost equally important is the stimulus it can give to those attending with the knowledge that management is interested in them and their careers. This is so very important.
- 5.3 Centres can also be fun and help to improve team spirit.

- Working together under a course instructor delegates could produce a weighted personality optimum job profile and then participate in a number of work simulated situations where they are rated against the criteria that they themselves have set.
- 5.5 Delegates are then encouraged to set themselves job improvement plans which they will monitor with their supervisor.

6. Personal appraisals

- 6.1 Formal staff appraisals are reportedly carried out in 72% of large American and European Companies.
- 6.2 Frequency varies between 3 and 12 months.
- 6.3 The objective is as much to review whether the job content emphasis has shifted as much as to review performance achievement.
- 6.4 Clearly the appraisal can be linked in with wage and salary reviews.
- 6.5 Management by objectives in any of its many forms lends itself well to constructive personal appraisals.
- 6.6 It is essential that the reviewees superior prepares for the appraisal interview and it is recommended that perhaps once a year the superior's boss is present.
- 6.7 Personal appraisal should lead to assessment and development centres.

7. Management by ojectives

- 7.1 MbO links in very well with Company Career Management and maximising success through selection and management of people.
- 7.2 In its many forms I have been a MbO practioner for over 30 years.

- 7.3 The basic key is for the very top management to be absolutely committed and to review the prime core objectives of their company and for them to set themselves clear measurable standards and time scales.
- 7.4 It is then for lower echelons of management to review how these targets can be achieved and standards and time scales set.
- 7.5 Initially it is usual for much time to be devoted to discussion even down to the definition of words but in my experience it is time well spent.
- 7.6 Having set the targets and method of measurement review meetings should be held to coincide with the production of information.
- 7.7 Experience has shown that it is worthwhile to employ an MbO adviser to ensure no skeletons are kept locked up in cupboards.
- 7.8 I have found that MbO makes good managers even better and after 2 or 3 years it has become part of the management system's facility.

Appraisal assessments and development Training and above all greater efficiency and profit.

8. Conclusion and Summary

- 8.1 Most large companies are painstaking in the selection of their senior managers and graduate recruitment but very very few apply the same proven techniques to all of their junior workforce where it could be a benefit.
- Psychometric testing has improved out of all recognition and is available and should be applied at all levels of both recruitment and promotion.
- Practical testing is often avoided in many cases because the recruiters do not have the competence and/or it is easier to sit in the office and, lets face it, the practical test is probably the most important test of the lot.

Details of the availability of Do It Yourself, I.Q. and Personality trait tests are given at the end of this paper. It is arguable whether it is a good thing to know thy self - or better to live in hopes.

Remember the saying about the Bee. According to the laws of aerodynamics it is not possible for the Bee to fly, but the Bee doesn't know that.

- Continuous performance and career reviews are essential not only to help individuals to achieve and even exceed their aspirations but for companies to maximise their return in people investment.
- A Company is in being not to create jobs, its objective is to make a healthy return on its shareholders investments.
- Role allocation will become very much more important as more new techniques and new life styles emerge in the 21st Century and this will lead to more scientific selection techniques being applied at all levels.

INFORMATION AND ACKNOWLEDGEMENT

Availability of Adult In

Adult Intelligence Tests

Children's Intelligence Tests

Adult Personality Test

are available from

Brambox

27 Zealand Park

Caergeilog Anglesey GWYNEDD U.K.

- 2. A Guide to Intelligence and Personality Testing by Victor Serebriakoff Published by The Parthenon Publishing Group Casterton Hall Carnforth, Lancs LA6 2LA U.K.
- 3. Saville & Holdsworth Limited Occupational Psychologists Head Office 3AC Court High Street Thames Ditton, Surrey KT7 OSR
- 4. Professor Spearman.
 The Nature of Intelligence and the Principles of Cognition
- 5. Professor R. Cattell
 Personality and Motivation
 Structure and Movement (Hanah)
- 6. Professor H. Eysenck Know Your Own I.Q. (Penguin)
- 7. Mrs Ann Spencer
 Bass Brewers
 Burton upon Trent
 U.K.

PERSONALITY FACTORS

CREATIVITY (5 MINUTE TEST)

CREATIVITY (> INTINUTE TEST)				
7				
7				
7				
2				

CPQ Expert Sys v1.4 12:50:36 Mr. Roger Dennis OPQ Type - Concept Model 4.2

Page 2

OPQ STENS SCORES -

persuasive controlling independent outgoing affiliative socially confident	3 6 6 7 9	****
modest democratic caring	4 6 6	****
practical data rational artistic behavioural traditional change orientated conceptual innovative forward planning detail conscious conscientious	7 7 7 7 7 5 7 7 9 5 7 6	
relaxed worrying tough minded emotional control optimistic critical	5 5 4 3 3	
active competitive achieving decisive consistency	9 2 7 3	

OPQ Expert Sys v1.4 12:50:36 Mr. Roger Dennis OPQ Type - Concept Model 4.2

Page 6

ENERGIES

	9	active
-<****	2	competitive
	7	achieving
<***	3	decisive

Mr. Dennis is not a very competitive person and thinks that it is more important to do well for himself than to beat the opposition. He is moderately ambitious - around the average for managers, leaving room for life outside work. A good loser who may take too long to come to decisions and lose out because of it. He will take a lot of time in his decision making and may lose opportunities to others because of it. When the opportunity arises he is likely to be very much an active person, preferring to move about rather than engage in sedentary pursuits. Sporting interests are very likely.

OPQ Expert Sys v1.4 13/971991 12:50: Mr. Roger Dennis OPQ Type - Concept Model 4.2

Page 2

MANAGEMENT SKILLS SCORES

Inform. Coll.	7	
Inform. Proc.	5	<****>
Prob Solving	7	
Decision Mak.	5	
Modelling	5	
Comm. Orally	5	<****>
Comm. Writing	4	<***>
Organising Thng.	6	<****>
Organising Peop.	6	<****>
Persuading	3	<****>
Developing	7	<****>
Representing	4	<****>

For details of the Management Skills Scales see The OPQ Expert System Manual & User Guide