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The Character Within: Understanding the Use of Personality Assessments for Managerial Effectiveness

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The Character Within:

Understanding the Use of Personality Assessments for Managerial Effectiveness

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Abstract

The purpose of this thesis is to analyze the role of employee personality traits in the workplace and explore the use of personality assessments to effectively understand and organize individuals and work teams from a managerial perspective. This research begins by outlining the relationship between personality traits and behavioral tendencies in organizational before moving to discuss the use of personality assessments as a tool to improve relationship effectiveness between an employee and his or her supervisors and co-workers, employee placement, and team formation. The report then moves on to examine the Five-Factor Model (i.e., Openness to Experience, Conscientiousness, Extraversion, Agreeableness, and Neuroticism) as an optimal option for assessing personalities and discuss how high or low levels of each of the five traits affect behavioral tendencies in an organizational setting. It concludes with a discussion about additional factors that also affect employee behavior and other considerations for effectively using personality assessments in the workplace.

Keywords: Manager, Employee, Personality Testing, The Five Factor Model

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<u>The Character Within</u>

In today's fast-paced and ever-changing business environment, performance is a key component in the overall success of an organization. Managers are positioned in order to set and ensure that performance objectives are reached and therefore have the responsibility of motivating employees, maintaining clear and open communication, and ultimately developing their people to succeed in their positions. The need to be effective as a manager while accomplishing these duties often requires getting to know employees and accepting one fact: all employees are unique and have distinctive behaviors, strengths, and areas of weakness. This suggests that there is no one method to managing effectively. Rather, managers must have a clear comprehension of the diverse personality traits represented in each of their employees and how these influence interpersonal and team-related situations. As such, by utilizing personality assessments such as those based off the Five-Factor Model (referred to as FFM hereafter), managers can utilize the results to gain a better understanding of the pre-dispositions of their employees, enabling them to discover the positions, settings, or tasks that could potentially be a good fit according to their natural tendencies while also providing insight and consideration for the individual in team settings.

This research works to understand how psychological concepts, particularly personality, can be applied by managers to optimize the effectiveness of their employees and the teams they build to accomplish projects together. It begins by exploring how personality may present itself in the workplace and how personality assessments may be used as a tool to gain information on employees' character and behavioral tendencies that can then be used for placement or environment considerations and team dynamics. It then

focuses on the five-factor model, an assessment that is widely accepted and used for its accuracy across cultures and its relevance to the organizational environment. Each of the traits are outlined, including key words and work-related information such as strengths, areas of improvement, and preferences for both low-end and high-end scores. This research concludes with additional information from literature on managerial use of personality assessments, such as proper practices, warnings, and considerations for how these assessments and the information obtained from them should be perceived. This research is intended to build upon the argument that personality assessments such as the Five-Factor Model can be utilized as a tool to better understand the character of an employee. Managers can gain information on five work-related traits that help ensure that interactions with an employee and decisions made about employee placement and team building are well-informed and made with performance optimization in mind.

Understanding Personality in the Workplace

Personalities and other psychological matters may not initially seem to be significant matters in the business context. However, organizations are ultimately made up of people. As such, in an effort to optimize organizational outcomes, managers must find a way to prepare and place individuals to fit and perform effectively in their positions. Understanding personalities gives one insight into the "important and relatively stable aspects of a person's behavior" (Ewen 1). There is a level of consistency to these behaviors as they are derived from the personality, "originating within the individual" (Ewen 1). As such, when these consistent behaviors are discovered, managers are able to make better decisions on how to interact with or even what environment to place an employee in. For instance, an employee with a high score in extroversion who gains

energy from being around other individuals will perform well in a position that involves

heavy interaction with other co-workers or clients and might enjoy even visits from their

manager to discuss goals or progress (Cloninger 252). Being placed in a back office away

from all social interactions would be draining for the employee, affecting productivity

and effectiveness. Nevertheless, personality not only influences individual employee

behavior, but also team processes as well. Team settings create an environment that

"influences relationships between individual personality traits and individual

performance" (Barrick and Ryan 183). Individual traits aggregate to form a team-level

personality composition, indicating that team process outcomes (e.g., identity, cohesion,

performance) vary depending on the personality types involved in the team. These

assessments not only provide a tool by which team members can gain a level of

understanding as to why other individuals on the team respond or act the way they do, but

can help identify which tasks or responsibilities would align with each team member's

strengths and ensure that the team members' traits are relatively different, providing

balance in a team's dynamics.

Personality Assessments in the Workplace

When it comes to identifying and defining personality characteristics for both

individual and team understanding, however, observation is simply not enough. It is for

this dilemma that personality assessments were created. Though various tests and

assessments have been developed and utilized in other fields for decades, a "near-literal

explosion of interest involving personality constructs in organizational research and

practice" occurred during the 1990s, ushering in the use of numerous versions of

personality assessments for organizational settings (Hough and Oswald 273). To this day,

this practice continues to grow in commonality, allowing managers to accomplish two important tasks when it comes to guiding employees effectively. For one, by having employees take these assessments, profiles can be given to the individual, their superiors, and peers that they will be working with (Krell 50). These profiles can help with understanding how different personality types process information and adapt to change differently (Krell 50). Secondly, utilizing these assessments can help with team dynamics. In order to build an effective team, the right combinations of personalities should be considered (Cook and Cripps 80). This means that too much of one personality type may result in the team dysfunction (Cook and Cripps 80). Balance is key. As to the decision of which personality assessment a manager should administer to their employees, there is one model that has been highly acclaimed for its validity and its ability to consistently predict outcomes in the work environment: The Five-Factor Model (also known as The Big Five).

Using The Five Factor Personality Assessment

The FFM is a framework that classifies personalities through broad, global traits associated with behaviors at work (Hoffman 25). Emerging from the early work of Sir Francis Galton, "who trailblazed the field of study more than a century ago," this new model for measuring personality traits emerged in the late 1980s and early 1990s (Hoffman 25). Using a five-factor approach consisting of openness to experience, conscientiousness, extraversion, agreeableness, and neuroticism, this model has proven to be appealing not only to scholars, but to a vast number of other professionals in a variety of settings, such as the business world as it utilizes relevant traits and provides results that are simple and understandable yet applicable (Hoffman 25). The Five-Factor Model is

known for its accuracy, even across long spans of time in the lifetime of an adult

(Hoffman 25). Nonetheless, there is another strong attribute of this assessment that makes

it appealing to managers. Unlike many other assessments The FFM stretches outside of

Western culture, providing valid cross-cultural results from the assessment of those from

other cultures, as well (Hoffman 25). Using the five personality characteristics which will

be further explored in the following sections, employees are rated on a scale varying in

size with the lowest number signifying very low personal identification with the trait and

the highest number representing very high personal identification with the trait. Both

low- and high-end scores will provide information on behavioral tendencies, preferences,

strengths, and areas of weakness of the individual.

Openness to Experience

The first trait of the FFM, following the widely use acronym for remembering the

Big Five personality traits, OCEAN, openness to experience is represented by the first

letter. This trait refers to the extent to which a person is original, has broad interests, and

is willing to take risks (Cloninger 254). Additional characteristics of the openness to

experience trait is the tendency to be broad-minded, artistically sensitive, and original

(Choi et al. 1544). Key words when considering this trait include "fantasy, aesthetics, and

feelings" (Wiggins 67).

Individuals rated high on openness are recognized as being creative, curious, and

cultured people. They are proactive, actively seeking unique opportunities and work

experiences that are challenging or new (Choi et al. 1544). These individuals care greatly

about creative achievement and "are more likely to find intelligent solutions to problems

(Cloninger 254). However, due to these interests, those who score high have a tendency

to pursue other job alternatives at other locations, especially when good job alternatives arise, focusing on "the benefits of exploring new opportunities and downplaying the costs of leaving their current position" (Choi et al. 1544). This suggests that employees high on the openness to experience trait may be more prone to voluntarily turnover when job mobility is high.

At the lower end of the scale, employees who score low are recognized as practical people with narrow interests. They are clean, down-to-earth, and enjoy maintaining a routine (Cloninger 252). Though they may not be particularly original, these employees are quite focused and dedicated. Low in openness to experience, these individuals prefer stability and are likely to remain comfortable completing the same job over extended periods of time (Choi et al. 1544). These employees usually seek long-term positions within organizations, but lack the creativity and adaptability needed in positions requiring innovation (Choi et al. 1544)

Conscientiousness

Utilizing the same acronym, the next trait is conscientiousness. This personality trait refers to the extent to which a person is careful, scrupulous, and preserving (Choi et al. 1545). It "describes the differences in people's orderliness and self-discipline" (Cloninger 253). Other key words when it comes to understanding what this trait is include competence, dutifulness, and organized (Wiggins 67). It should be noted that conscientiousness is the highest FFM trait predictor of task performance.

Employees with high levels of conscientiousness are often viewed as hardworking, organized, and dependable workers. Conscientiousness is described as "a generalized work involvement tendency," and as such these individuals are likely to grow

affective bonds with the organizations they work for (Choi et al. 1545). In fact, they have

a tendency to develop and maintain long-term relationships with their organization,

remaining loyal even when shaky situations occur. Conscientious people are punctual and

ambitious, usually recognized for completing work on time and for being motivated when

it comes to achievements (Cloninger 254). Nevertheless, these individuals may also come

off as rigid and compulsive.

Employees with low levels of conscientiousness, by contrast, have a tendency to

be somewhat disorganized and unreliable. According to *Organizational Behavior*, these

employees occasionally exhibit laziness or slowness at work, negatively affecting their

ability to complete tasks (38). Having lower levels of conscientiousness often results in a

lack of deep connections with people and organizations and lack of a sense of duty or

responsibility to what their work position requires (Choi et al. 1544). Because of these

tendencies, less conscientiousness employees often require reminders, guidance, and

motivation, but remain flexible with their ability to complete various tasks.

Extraversion

The FFM also includes the extraversion trait, represented by the letter "E" in

OCEAN. This refers to the tendency to experience positive emotional states and feel

good about oneself and the world around one, sometimes referred to as positive

emotionality (Choi et al. 46). Even more than this, however, extraversion levels indicate

where individuals obtain their personal energy from: alone or surrounded by others

(Cloninger 252). Other ways to consider extraversion is to think about assertiveness,

warmth, and surgency (Wiggins 67).

Employees who score high on this trait are typically gregarious, assertive, and sociable people, known for their ability to build and maintain high-quality social networks (Choi et al. 1544). Extraverted employees tend to seek opportunities that might grant them power, status, or recognition, utilizing their social skills to build the necessary relationships to achieve these aspirations (Cloninger 252). Furthermore, they are known for making valuable contributions and thriving in a group or team environment (Cloninger 252).

Individuals who score low on this scale, on the other hand, are considered introverted. Introverts are typically characterized as reserved, quiet, and timid, preferring time and space to be in solitude. Occasionally, they are also described as unfeeling or passive (Cloninger 252). These employees do not extensively seek building many relationships and work best alone as opposed to a team (Choi et al. 1544). Despite not thriving in highly social settings, these workers bring useful traits, such as the ability to understand abstract ideas or new concepts while working independently on projects, to the table (Choi et al. 1544).

Agreeableness

Represented by the letter "A" in OCEAN, agreeableness is the fourth FFM trait. This term is defined as the tendency to get along well with others (Choi et al. 1545). Agreeableness is occasionally called Social Adaptability or Likability, and it indicates the extent to which one has a compliant personality (Cloninger 253). Some other descriptive terms for this trait are trust, straightforwardness, and altruism (Wiggins 67).

Employees high in agreeableness are cooperative, warm, and courteous. They are motivated to fulfill the needs of the organization and are characterized as being

trustworthy and loyal (Choi et al. 1545). They strive to maintain positive and harmonious

relationships with co-workers and are generally easy to get along with, "contributing to a

pleasant work environment" (Choi et al. 1545). However, too much of this can be

dangerous, as employees can appear to be wishy-washy or are excessively flexible for the

benefit of other individuals as well as suffer from groupthink when in a team situation

(Cloninger 253). This results from the desire to avoid hostility or conflict (Cloninger

253).

In contrast to this, those who score low on agreeableness are considered to be

irritable and, in extreme cases, even cold and antagonistic (Cloninger 253). They are not

easily approachable in the work environment and may be difficult to communicate or

interact with as they occasionally present themselves as uncooperative (Choi et al. 1545).

Nevertheless, these individuals provide some useful benefits to organizational processes,

especially when it comes to team projects. Acting as a devil's advocate or critic within a

work group, these employees can help identify potential issues or mistakes which can aid

in the process of brainstorming and help the development of sound ideas or solutions that

could benefit the business (Cloninger 253). They also tend to be less influenced by

pressure toward conformity or groupthink unless they genuinely agree with the idea

(Cloninger 253).

Neuroticism

The last of the FFM traits is neuroticism, represented by the letter N in OCEAN.

This characteristic refers to the tendency to experience emotional states that affect the

views of oneself and others (Choi et al. 1543). Occasionally, this characteristic is called

emotional stability, but it is important to note that the scores for these two titles vary on a

continuum, with neuroticism representing high scores and emotional stability representing low scores. Other key words to consider are "anxiety, anger, hostility, and depression" (Wiggins 67).

Individuals who rank low in neuroticism are generally calm, self-confident, and level-headed employees in the workplace. They are "less likely to be vulnerable to emotional turmoil" and are capable of controlling their emotions even in work situations involving high stress (Choi et al. 1543). They generally develop positive relationships with others and tend to view their position as well as their organization through rose-tinted lenses, indicating a greater likelihood of job satisfaction and commitment (Cloninger 253). These employees are also less likely to engage in interpersonal conflicts with co-workers or other individuals, even when tensions or disagreements arise (Choi et al. 1543).

At the other end of the spectrum, employees who score high in neuroticism often experience emotions such as depression, anxiety, and insecurity. They are described as worrisome and vulnerable (Cloninger 252). They have difficulty controlling displays of emotions in the workplace and have a tendency to see the organization through a negative, cynical view (Choi et al. 1543). They struggle with creating relationships, especially in situations where they become angry or upset. This can create tension in the work environment as co-workers feel they must be cautious and careful when communicating or interacting with them (Cloninger 253). Nevertheless, these employees are very self-aware and self-critical individuals (Cloninger 253). As such, they tend to value accuracy in the work they complete and place significant effort towards consistently improving.

Additional Factors

By utilizing the FFM assessments in the workplace, managers will be able to

receive information on scores for all five of these traits, providing valuable insight on

what situations might be best for the individual, what behaviors might be expected from

them, and even what types of interactions they may have with co-workers or teammates.

Nevertheless, it is important to remember that there are other factors that come into play

in the real world, altering natural behavioral tendencies that may come from within the

individual's personality (Ewen 143). In fact, it is rather unrealistic to expect a person to

behave the same way on every occasion. As such, it is important to remember that

"human behavior is often conditional" (Ewen 143). While the FFM is known for its

consistency and accuracy, the situation that individuals find themselves in may impact

their actions in a way that causes them to avoid natural tendencies and respond in a

different matter (Ewen 143). That is one of the criticisms of the Big Five. While it

provides general information that is useful in predicting behavior, it does not provide

scores across different situations (Ewen 143).

Nevertheless, the FFM continues to dominate the landscape of current

psychological research because of its ability to describe aspects of personality that are

"remarkably consistent," especially among adults (Ewen 141). This consistency roots

itself in the influence of heredity on the personality. According to a study on twin

personalities and behavioral tendencies, 37% to 57% of an individual's personality stems

from heredity while the rest forms as a result of environmental experiences (Melchers, et

al. 16). This indicates that although external factors affect an individual's response, "to

the extent that traits are influenced by heredity, genetic endowment helps to produce

consistent behavior" (Ewen 141). The traits of the FFM are relatively simple aspects of personality that allow individuals to understand these consistencies through responses on self-report questionnaires.

Further Considerations and Concluding Thoughts

While the FFM is a personality test, managers must recognize and make it clear to their employees that there is no right or wrong answer when it comes to these tests. It is essential to promote honesty and reduce any anxieties or concerns that may arise so that the results are accurate and can be utilized. These assessments should be portrayed as a means to gain information to work with employees and help them discover which positions or situations are the most optimal as well as which areas may require improvement or additional work (Krell 51). To lower test-taking discomforts, administrators of the assessment should "confirm the tool's validity and reliability" as well as "its compliance with regulations (Krell 51). Managers should also clearly express how the information will be used and who will have access to this information.

Lastly, those who decide to utilize these assessments for their employees must realize that while the information from an assessment such as the FMM can be utilized in the workplace, these assessments do not tell the entirety of the story. Ultimately, this particular assessment measures five significant traits, but only these five. This fact in and of itself indicates that there are other traits or characteristics that are not scored that could still be important to the personality or behavioral tendencies of individuals (Krell 52). Rather than seeing these assessments as the complete key to employees' behavior, managers should consider them to be tools obtaining additional pieces of information that

can help open the organization's eyes to ways that it can harness its employees' talents and place them in positions that promote optimal performance.

Self-Reflections

From a personal standpoint, this research has highlighted a cross-section between psychological and managerial studies and provided a new way to consider effective management with optimization set as the ultimate goal. Management involves the responsibility of effectively organizing and preparing individuals to complete their jobs as effectively as possible for the overall performance of the organization. While there are many studies that have been completed and several practices that can be applied to improve one's ability to manage their employees, there still seems to be the issue that not all employees are alike. As such, a blanket effort or practice may not work for all individuals. This research dives into this personal conflict, considering the managerial use of personality assessments as a means to focus on the individual employee. It answers what the personalized information obtained from these assessments tells about the individual and how this information can then be utilized to inform decisions surrounding a manager's employees. It also provides an assessment that is accurate, consistent, and openly accepted for use in an organizational context: The Five Factor Model. While there are still critiques on the use of personality assessments and additional factors that must be considered, such as the situation or additional traits not measured by the assessment, the FFM and its results are additional tools that can now be used by a manager on the verge of entering a corporate world as fast-paced and competitive as ever.

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