THE AUSTRALIAN INSTITUTE OF FORENSIC PSYCHOLOGY

AIFP Research Report

Can Psychological Profiling Identify High Risk and Low Risk employees?

Overview

A psychological profiling system which claims better success rates for recruitment should have evidence of its ability to identify High Risk as well as Low Risk employees.

This research is based on AIFP test data from 19 serving Corrections Officers. These officers were selected by Correctional Services as representatives of clearly High Risk and clearly Low Risk employees. Each officer was paid overtime to participate in the study. Each completed our battery of psychological tests which were scored and analysed. Our challenge was to identify which category each officer belonged to. The cost of employing 'High Risk' employees was then calculated.

No interviews were conducted. AIFP was unaware of which category each subject belonged to. We correctly identified nine of ten officers regarded as 'High Risk' employees and eight out of nine who were regarded as 'Low Risk' employees. This 89% success rate is highly statistically significant.

Methodology

The officers selected were a mixture of 'High Risk' and 'Low Risk' employees. The characteristics of each group based on their performance are as follows:

1. High Risk Employees

The performance of individuals in this group is consistently poor. It is characterised by low productivity, poor morale and motivation, poor teamwork and disruptive behaviour.

2. Low Risk Employees

These staff display a consistently high level of productivity, motivation and morale, work well in teams and make a higher than average contribution to the Department.

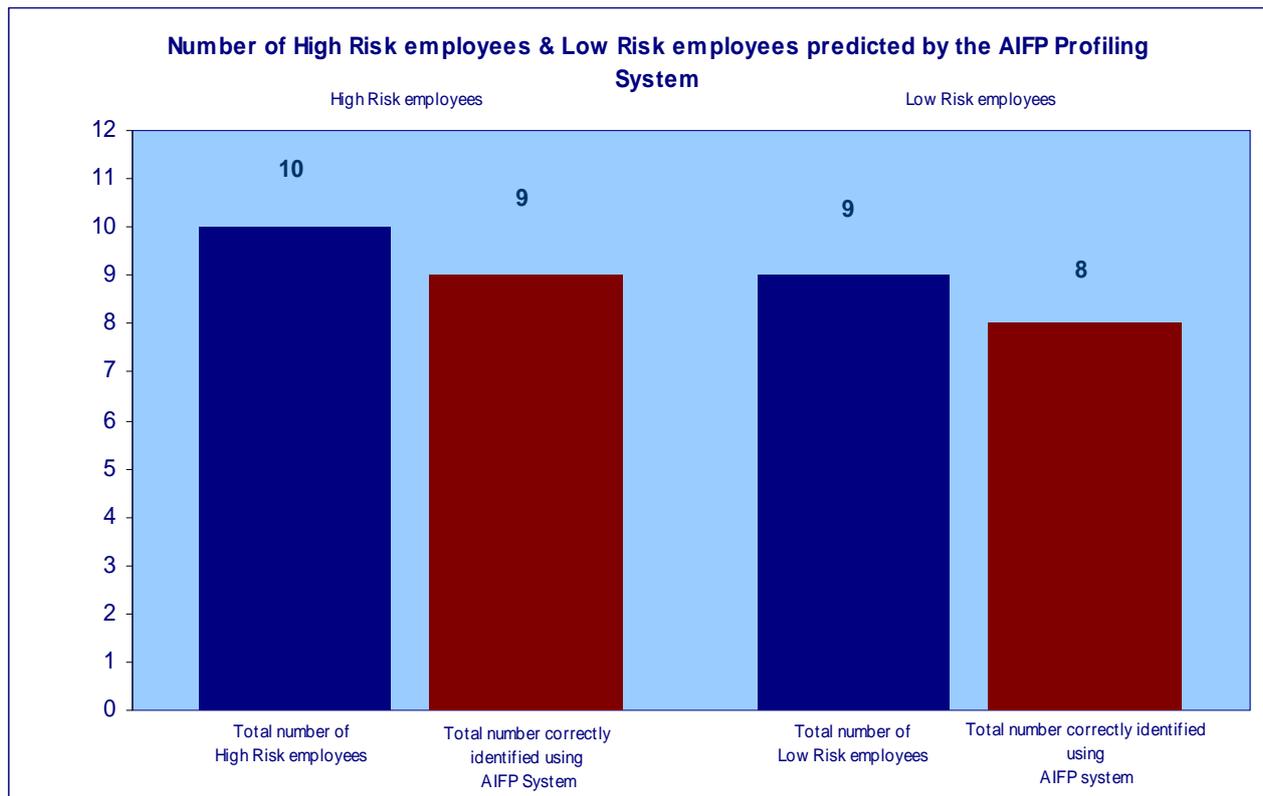It should be noted that the procedure for making a hiring recommendation using the AIFP Profiling System relies on the integrated data obtained from the psychological test battery and from the AIFP TRAIT© Interview System. Because these subjects were existing employees, only the test battery data could be used. It is therefore likely that the predictive potential of the system would be even better under normal conditions.

Study Results

Using results from the test data only, **9 out of 10** 'High Risk' employees and **8 out of 9** 'Low Risk' employees were correctly identified .

These results indicate an 89% success rate in our predictions. The likelihood of arriving at this number of correct predictions by chance alone is 2 in 10,000.

This outcome strongly suggests that the predictive accuracy is directly related to the test battery findings. The personality characteristics evaluated by the test battery data accurately distinguish 'High Risk' performers from 'Low Risk' Corrections Officers even without an interview.

Number of High Risk employees & Low Risk employees predicted by the AIFP Profiling System

High Risk employees   Low Risk employees

10	9	9	8

Total number of High Risk employees	Total number correctly identified using AIFP System	Total number of Low Risk employees	Total number correctly identified using AIFP system

The Cost of High Risk Performers

The Department supplied AIFP with the estimated employment costs for 9 of the 10 'High Risk' employees for the total time employed (the data on one employee was unavailable).

This estimate included the following costs:

Salary Costs	**Recruitment Costs**
Overtime	**Training Costs**
Allowances	**WorkCover Costs**
Sick Leave Costs	

The total cost of employment for this group from the time of appointment was calculated to be:
$2,617,408

The Cost of High Risk Performers (continued)

By calculating the length of service for each employee this cost averages as follows:

Average cost per person, per month $ 3,692

Average cost per person, per year $44,304

Notably, of the 10 'High Risk' employees, 8 had WorkCover claims, and of those 8, 6 had more than one claim.

An Estimated Return on Investment

The AIFP Profiling System would have **recommended against** the hiring of **9 out of 10** of the 'High Risk' employees. As detailed above, the total **average cost** to the Department **per year** for each one of these 10 'High Risk' employees is $44,304.

If these people were identified prior to hiring, the Department would have had the opportunity to appoint candidates with the potential to become moderate or low risk performers.

To illustrate the cost efficiency of using the AIFP Profiling System, we have analysed the cost of a typical recruitment drive. The following scenario is common amongst our clients:

- 120 applicants apply for an advertised position
- 100 applicants sit the initial screening test battery
- 20 applicants are found to be grossly psychologically unsuitable for the job and ruled out (representing the *least suitable* from the pool of applicants)
- 80 applicants are invited for an interview

At 1993 prices, testing of the initial 100 applicants cost $36.50 per person ($3,650.00 in total). After ruling out 20 applicants, 80 applicants are invited for an interview. For each applicant interviewed a Comprehensive Report is supplied at $70 per person ($5,600 in total).

As a result of the Comprehensive Interview it is likely that approximately 40 of the 80 candidates would be offered an appointment. These 40 candidates are those *most suitable* for the positions applied for from the pool of applicants.

The total cost for screening 100 applicants using AIFP Profiling is: **$9,250**

The cost of employing nine 'High Risk' employees was conservatively calculated at $2.6 million.

If even one 'High Risk' hiring decision was avoided, the minimal savings would be $44,304.

Implications of the Victorian Study

The study demonstrates that AIFP Profiling—even without an interview—can accurately discriminate between 'High Risk' and 'Low Risk' employees. As a result, clients can expect to save enormous amounts of money. These include:

Direct Savings — reduce the risk of potentially unlimited costs associated with multiple Worker's Compensation claims, excessive sick leave etc.

Indirect Savings — reduce risks associated with disruptive behaviour, low productivity, poor morale and legal risk to the organisation.

There are also significant benefits for the individual. Appointing someone to a job for which they are psychologically ill-suited can cause significant stress, be a backwards step in their career and be detrimental to self-esteem and wellbeing.

Identifying the *most suitable* candidates for any job is best for employer and employee alike.

For more information on this or other studies, or to discuss how AIFP can help your organisation recruit the best possible candidates for your public safety positions, please contact us.

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