Practical Guidelines for Implementing Preemployment Integrity Tests

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Abstract
Integrity tests have been well researched in recent decades and have consistently been found to be effective predictors of counterproductive behaviors in a variety of occupational settings. In practice, however, the unique nature of integrity tests and their constructs have made their integration into organizations’ recruitment processes somewhat challenging. In light of this situation, the present article outlines a number of practical guidelines that organizations can follow to help ensure successful integrity testing procedures. These guidelines are based on best practice standards for preemployment testing and describe the fundamental need for carefully planned and well-communicated implementation stages, which may include an initial audit of the organization’s counterproductive behaviors, setting realistic and measurable objectives for the test’s use, choosing the appropriate test, correctly positioning the test within the recruitment process, training the organization’s staff and piloting the test, making accurate hiring decisions and providing appropriate candidate feedback, and finally monitoring the test’s performance and employees’ behaviors over time.

Keywords
integrity testing, guidelines

Introduction
In public- and private-sector organizations around the world, job applicants are screened and assessed by a number of different selection methods before they are hired. These methods nearly always include some form of resume review and one or more personal interviews, and may also be supplemented with the use of
psychological assessment tools. While these psychological assessments can vary in terms of the competencies they measure, ranging from mental abilities and skills to personality traits, when organizations are particularly interested in the honesty of their new employees, they will often choose to administer integrity tests as well (Miner & Capps, 1996).

Integrity tests are designed to screen-out high-risk candidates as a means to mitigate subsequent incidences of counterproductive work behaviors (CWBs) and occupational offenses, such as theft, fraud, bribery, violence, and drug use (Murphy, 1993). To do so, integrity tests may include items with direct questions to job applicants regarding their attitudes toward CWBs in general and occupational offenses in particular (Sackett, Burris, & Callahan, 1989). Accordingly, individuals who tend to identify with counterproductive behaviors, believe that such behaviors are pervasive or justifiable, are lenient toward their perpetrators, and/or have been involved in such behaviors themselves are predicted to have greater propensities toward engaging in such behaviors themselves in the future (Wanek, 1999). A prototypical item from an integrity test, for example, might be the statement “most employees will steal from their employers at least once,” whereby, a candidate’s agreement or disagreement to this statement is essentially indicative of his or her perceived pervasiveness of employee thefts.

Indeed, a vast amount of research and meta-analytic evidence over the past few decades has shown integrity tests to be significant predictors of CWB in a variety of settings (Ones, Viswesvaran, & Schmidt, 1993) and able to successfully reduce CWBs when utilized in the selection process (Jones, 1991). However, for any tool to be operationally effective, it needs to be properly implemented into the organization’s overall recruitment and selection process. Proper implementation may include issues such as clarifying the test’s objectives, the influence the test has on the hiring decision, training the test’s administrators, monitoring the test’s performance, and so on. Consequently, the unsuccessful implementation of one or more of these areas can render even well-developed and validated assessments more or less ineffective.

With respect to integrity testing, implementations can be especially challenging for at least two main reasons. First, there is often confusion as to how to integrate integrity tests, which predict negative behaviors, into the overall selection and assessment process, which is normally designed to predict positive performance. Second, adding to this confusion, is an uncertainty regarding the proper interaction between human resource specialists, who are typically in charge of the recruitment and assessment process (i.e., selecting-in promising job candidates), and security personnel, who are more often in charge of assessing personnel risk (i.e., screening-out high-risk candidates).

In light of these challenges, this article describes a number of practical guidelines to help personnel specialists ensure a successful implementation of integrity tests in their organizations. These guidelines are based on best practice standards for pre-employment testing in general (American Educational Research Association, American Psychological Association, & National Council of Measurement in Education, 1999), and related writings in particular (Association of Test Publishers, 2010; Werner & Joy, 1991), and are endorsed by the experience of developing and providing integrity tests for public- and private-sector organizations around the world.
The Initial Audit

An important stage before implementing an integrity test is the assessment of the organization’s current situation in terms of the nature and frequency of occupational offenses and other counterproductive behaviors that occur. This stage is highly advisable, as it can give the organization’s decision makers an accurate (and sometimes first time) look at the actual behaviors of their employees, which is an essential prerequisite to setting realistic objectives and making meaningful changes later on. An organization’s current situation might be audited by summarizing issues such as the number of disciplinary actions, the number and types of incidents, rates of voluntary and involuntary turnover, and performance appraisal records. Such issues may then be cross-referenced against specific branches, departments, jobs, tenure, or against industry benchmarks in general, whereby the most behaviorally problematic segments of the organization may be identified. Finally, these job segments should be ranked in order of their perceived risk to the organization, in terms of their incidence as well as in terms of their value to the organization to help prioritize intervention efforts. In many cases, the results of this type of exercise can prove to be surprising. For example, the highest incidence of sabotage, property theft, or corporate espionage in a given organization may not come from its agents or officers, but from its subcontracted maintenance staff, who often work late unsupervised hours and who may have been hired via an outside firm that did not go through the same thorough hiring process and security checks as the organization’s permanent employees.

To carry out the audit, it is generally sufficient to summarize data that are readily available from the organization’s personnel or corporate security database (e.g., over the previous 12 months), although personal and group interviews and employee surveys can be extremely insightful as well. In fact, interviews and surveys can help provide a far better understanding of the causes behind certain behavioral incidents, above and beyond the plain numbers themselves. For example, the behaviors of the maintenance staff from the previous example may turn out to be related to the fact that they are actually underpaid, untrained, and mistreated by their contractors. In this situation, therefore, handling the issue on an individual level would probably not solve the behavioral problems in the long term.

In either case, the frequency of recorded incidents should be translated into the estimated financial losses incurred to the organization over that period. These losses may include the direct costs of the incident themselves as well as many indirect costs such as income loss, turnover costs, legal expenses, productivity, reputation damage, and so on. Finally, a summary of these figures should be presented to the organization’s decision makers, with an outline of possible strategies for improvement.

Setting Realistic Objectives

Based on the results of the organizational audit (above), an organization may decide to adopt a number of procedures to improve its current situation. One such decision, for example, may be to start using an integrity test, while others may be to change work policies, carry out background checks, or increase surveillance methods, for example.
However, before integrating an integrity test (or any assessment tool for that matter), it is important to clarify the intended objectives for the test and to set realistic expectations for its desired effects. In other words, an organization considering to use an integrity test should be clear why it is doing so, and what results it expects to gain from it.

In many cases, the organization will have a clear and specific objective in mind, such as reducing incidents of theft or fraud, which are believed to be preventable by a more scrupulous assessment of the organization’s job applicants. In other cases, the objectives may be more general, such as when the organization sees integrity as a key competency for the success of its employees and the business, and wants to take measures to hire honest employees as a result; or when the organization would like to adhere to certain regulatory requirements (e.g., the Sarbanes-Oxley Act of 2002 in the United States).

In all events, the organization should be aware of the realistic benefits the integrity test can provide them. Specifically, the organization should be cautious not to be misled into believing that the integrity tool will resolve all damages caused by counterproductive behaviors, such as eliminating incidence of theft and fraud altogether. Instead, it should be understood that integrity tests, when properly implemented, can be extremely efficient means for reducing such behaviors. However, as with any selection tool, they will still erroneously miss some future offenders and erroneously reject some honest others.

Much attention in the literature has been given to this latter issue, known as "false positives," which deserves some attention. A primary source of the problem of false positives is related to the difficulty identifying behaviors with low base rates, such as CWBs (Murphy, 1987). One of the surest ways around this issue is to supplement integrity test scores with other tools, such as background checks, references, work histories, and structured interviews. However, the problem itself should also be put into perspective: False positives are a natural part of any selection process; they refer to individual decisions, whereas personnel selection usually focuses on group decisions; and the alternative to not using such a test will almost certainly result in more false positives (and false negatives) than with the test (Sackett & Wanek, 1996).

In addition, it should be recognized that an integrity test will be less effective in some situations than others. For example, it is known that an employee’s working environment and other external factors may influence his or her potential involvement in deviant behaviors, above and beyond those predicted by the integrity test alone (Fine, Horowitz, Weigler, & Basis, 2010). Situational issues should therefore also be taken into account as well when setting expectations.

Finally, the organization should review the companies’ relevant job descriptions to make sure that the integrity construct is officially recognized as a necessary job requirement where it is intended to be used. To be sure, integrity as a job requirement is ubiquitous, because it is universally considered to be an essential competency for a wide variety of jobs as well as a key organizational value in the public and private sectors alike (American Management Association, 2002; Kouzes & Posner, 2009).
Choosing the Right Test

Once the objectives and expectations have been properly outlined, it is important to locate the right test. At the most basic level, the right test should be designed for the intended purposes; have been used successfully in similar situations; have been known to be appropriate for the target candidate population, culture, language level, and difficulty; and have the relevant technical documentation to support.

Still, there are many well-developed integrity tests available commercially today, and it can be fairly confusing to choose between them. In general, there are two main types of integrity tests: overt tests and personality-based tests. The main distinction between these two types is that overt tests directly measure opinions and admissions toward counterproductive behaviors, whereas personality-based tests measure personal character traits that are inferentially related to these behaviors (Sackett et al., 1989). Research has found overt and personality-based integrity tests to be moderately intercorrelated (Hogan & Brinkmeyer, 1997), with both having significant operational validities for predicting overall CWBs (Ones et al., 1993; Van Iddekinge, Roth, Raymark, & Odle-Dusseau, 2012).

Based on experience, it may be grossly generalized that security personnel tend to prefer overt tests due to the direct and context-specific nature of their items, which can also help them corroborate information from other sources and/or serve as a basis for interviews or reference checks. Human resource specialists, however, may tend to prefer personality-based tests, as these tests describe candidates in terms of traits and behavioral tendencies, and provide summary scores and narratives that are similar in form to those found in traditional personality inventories. Personality-based tests are also perceived to be less prone to faking (Alliger & Dwight, 2000), which can sometimes be a deterrent for using overt tests, even though the overall effects of faking on integrity test validities may actually be minimal (Ones & Viswesvaran, 1998a).

Beyond the type of test, basic logistic factors such as whether the test is web-based, multilingual, timely, costly, customizable, and user friendly, are all important to consider when choosing a test. Perhaps most important, however, is to select an integrity test based on its professional qualities. These include development method, reliability, validity, fairness, legal defensibility, fakability, and cultural adaptability. Well-developed tests will always have comprehensive technical manuals and published research reports that describe these issues, and some will have been professionally reviewed as well. In addition, respected test suppliers will usually require the test’s administrators to be trained on the correct usage of their tests. Finally, it is important to choose a test whose suppliers offer professional consulting services for piloting, norming, and validating their tests in the organization later on. Organizations should insist on receiving copies of these materials and discuss these issues well in advance to ascertain (perhaps with the help of an independent consultant) the quality of the test and its legal defensibility.

Positioning the Test

Once the right test has been chosen, and with the organization’s objectives still in mind, the next step is to strategically position the test within the recruitment process
for maximal effectiveness. One of the greatest challenges for integrating a new assess-
ment tool is to consider how it should influence the overall selection decision. This
question is directly related to the degree of incremental validity yielded by the test
above and beyond the other assessment tools. In general, integrity tests have been
found to provide a high degree of incremental validity to traditional tools (Schmidt &
Hunter, 1998), which is due in part to their low correlations with traditional cognitive-
based assessment tools and only moderate relationship with traditional personality
inventories (Wanek, 1999). Accordingly, most traditional assessment solutions are
unable to provide reliable measures of integrity on their own, or predict CWB to a
similar degree. And, due to their incremental validities, integrity tests can be effective
when placed at various points in the recruitment process, aggregated with other mea-
sures, or used as a separate assessment stage.

Because integrity tests are often used to screen-out high-risk candidates, rather than
to select-in high potentials, they are typically used as either initial screening tools or
later as one of the final screening tools. Accordingly, the integrity test will not neces-
sarily disrupt the organization's current process. Instead, it will more likely enhance
the process by either adding a single (yet critical) dimension not yet formally mea-
sured or by building on other integrity measures already in place. Of course, before
positioning the test, it is important to understand the current recruitment stages and
tools, the constructs measured, and the candidates' and recruiters' current roles
throughout this process.

In terms of taking ownership of the process, some organizations prefer human
resources personnel to be in charge of integrity testing, especially when it is used as a
prescreening psychological assessment tool. Other organizations, however, prefer
security personnel to be in charge of testing, especially when it is used as a final per-
sonnel risk screening tool. While both approaches are reasonable, it is most important
that the assessment information gathered be shared between these two groups to maxi-
mize effectiveness. Specifically, when human resources uses integrity tests to pre-
screen candidates, they should communicate the test results to the security personnel,
who can often make good use of the contents of the integrity reports in their inter-
views, background checks, or reference checks. Similarly, when used as a final screen-
ing tool, security personnel and human resource specialists should integrate all of the
information collected from one another in making hiring recommendations.

As initial screening tools, integrity tests are attractive for their ease and speed to
administer, and relative low costs—aspects that may be especially advantageous when
the initial application process and the integrity test are completed online. As an initial
screening tool, the integrity test is less likely to be used together with many other risk
assessments. This may be due in part because other risk assessments are too expensive
(e.g., background or reference checks) to be administered to all applicants or because
they require the candidate's physical presence (e.g., interviews or assessment centers).
Therefore, organizations should consider the percentage of candidates that will be
rejected via pre-screening against their overall recruitment needs. Accordingly, when
used as a prescreening tool, relatively low test cutoff scores are usually suggested to
minimize false positives.
When used as one of the final screening tools, it is advantageous to take a more holistic approach, considering (or perhaps aggregating) scores from additional assessment tools as well, especially those tools that measure or predict similar integrity-related constructs. This latter approach will almost certainly lead to more reliable and accurate hiring decisions than those attained by single measures alone. In addition, as a final screening tool, it may be easier to facilitate a smooth “hand-off” of the process from human resources to security personnel, whereby security personnel evaluate the personnel risk of those already pre-screened by human resources, as the final hurdle in the selection process.

**Defining Success Factors**

At this point, it is recommended to outline a set of success factors that will allow the organization to systematically measure the integrity tool’s effectiveness once it is eventually implemented and to align the organization’s expectations with these ends. Test suppliers usually have experience in this area, and should therefore be consulted regarding the appropriate method (i.e., how and when) to be used with their tools.

To be sure, these measures should be derived from the objectives and expectations defined beforehand. Specifically, when the organization’s objectives for the test are of a general nature, subjective gains may be of primary interest, such as increased supervisor or peer ratings of the employees’ integrity over time. These aspects can be measured via interviews or surveys before and after the test is implemented, for example.

Where the objectives are more specific, such as reducing incidents of counterproductive behaviors, the organization should measure these behaviors directly. Measuring objective behaviors may be done in several ways. Some of the more popular methods include contrasting the rate of reported incidents before and after the test’s implementation, or against other branches/departments where the test may not yet have been implemented. The main advantage to these methods of “contrasted groups” is that they are fairly straightforward to calculate and interpret. The main disadvantages of these methods, however, are that other policies and procedures in the organization may have changed as well over this period, and therefore behavioral differences many not be directly attributable to the test itself. In addition, it may take several months before those tested have been used long enough to study noticeable differences in their behaviors. In light of these issues, other methods are available to measure the effectiveness of testing, such as correlating test scores with future, concurrent, or past behaviors, although these analyses can be complex and typically require the assistance of a trained industrial psychologist.

In any event, it is important that the outcome of such analyses be translated and communicated to the organization in terms of their potential financial savings. These potential benefits are essential to help the organization’s decision makers understand the tangible returns the test can have on the organization’s investment. In fact, it is advisable to provide rough estimates of these calculations well in advance of the test’s implementation, based on reportedly similar cases found in the professional literature and/or in consultation with the test supplier. Monetary benefits can be computed based
on fairly straightforward cost-benefit analyses that essentially include the expected savings due to prevented thefts, frauds, reduced turnover, and so on, less the cost of testing. Sturman and Sherwyn (2007) showed, for example, that screening job applicants using an overt integrity test was able to reduce the average cost of worker compensation claims by as much as 68% and yield a substantial return on investment for the organization in the process (Sturman & Sherwyn, 2007).

Piloting the Test in Your Organization

A smart way to try-out an integrity test, before rolling it out to the entire organization, is to carry out a controlled pilot study. Piloting can be especially important for very large or public-sector organizations, wherein changing assessment and selection practices often takes time and proven success. Ideally, this pilot should be designed to ostensibly measure the predefined success factors (above). In that way, decision makers can most succinctly assess whether the pilot was successful and the test effective. In addition, if not defined previously, the pilot should also assess candidate and recruiter feedback regarding the perceived appropriateness, fairness, and validity of the test. Finally, irrespective of the success factors, the pilot is a good opportunity to highlight potential logistic or technical problems associated with using the test, which can be corrected before the test is in wider use.

Intentionally narrow in scope, a pilot should usually focus on a specific department or branch within the organization in which particular improvements are needed and can be measured, or where the security risk to the organization is considered to be particularly high. A time frame of 3 to 6 months using the test should be sufficient for a pilot of this nature.

The pilot itself should be “championed” by a senior manager in the organization, whose responsibility will be to ensure the test is properly used, to schedule and coordinate the pilot’s milestones, and to report the results to the organization’s decision makers. While this last point may seem obvious, it is not uncommon for organizations to take on a new test with no particular plan for when or how to evaluate it later on.

Finally, it is important to keep test suppliers involved in the pilot. They are the experts of their own tests and can offer valuable advice in terms of designing an appropriate method for administering, analyzing, and documenting the results, and for making future recommendations.

Using the Test Operationally

Assuming the pilot is found to have been successful, the next step is to roll out the test for its wider use in the organization. In doing so, the objectives, success factors, assessment processes, and lessons learned from the pilot should be reviewed, updated, and documented as necessary. Then, an official organizational policy should be written to all relevant HR and security personnel summarizing these issues and stating the future usage of the test. This paper should also outline the influence the test will have on the
hiring decision process and how all individuals are expected to adhere to this policy after they have been professionally trained accordingly. A separate policy letter may be appropriate for HR and security staff, depending on their required involvement in the assessment process. Nevertheless, publishing this policy internally is important to ensure that all relevant staff are completely synchronized in terms of the next operational steps.

It is critical that all relevant HR and security personnel be properly trained by the test’s suppliers regarding important theoretical and operational issues such as the rationale behind the test, the fairness and validity of the test, how to administer the test, reading and interpreting the test’s reports, integrating the results with other measures, and making professional hiring decisions. Training sessions should also explain data protection issues, whereby all reports are to be kept confidential and never accessible by or transferred to unauthorized personnel.

Once trained, the test’s administrators should be left with training manuals and a contact person at the test supplier’s company who can be reached for additional questions as necessary. Finally, it is important that as the organization’s staff change, training is treated as a necessary requirement for all relevant new employees.

Providing Feedback to Candidates

Perhaps one of the more sensitive issues regarding integrity testing is the mislabeling of low scorers. As such, while training sessions will most likely cover this issue, it is important that organizations set their own clear policies on this matter. Specifically, all relevant staff should understand that low scorers are not dishonest people. Rather, integrity tests are designed to provide an evaluated level of risk toward certain counterproductive behaviors, such that when used consistently in the selection process, hiring low-risk candidates and rejecting high-risk candidates will lead to less dishonest behaviors overall.

Accordingly, low-scoring candidates should not be told that the test has found them to be dishonest. Instead, where feedback is needed, candidates’ results should be described to them (and others) in terms of the negative work attitudes that were derived from their responses to key questions, which are often related to subsequent behaviors, but not in terms of “passing” or “failing” the test, and certainly not in terms of the primary basis for being hired or rejected. Moreover, feedback should be given sensitively and with cognizance over the common misconceptions and mislabeling of low scorers.

Despite the above suggestions, it should be duly noted that giving specific feedback regarding individual integrity test scores is usually unnecessary, as would be true for any other type of assessment. Consider a case, for example, where a candidate did very poorly on a certain group discussion exercise or personal interview. Clearly, the organization would not readily inform the candidate that this one assessment was the deciding reason for not hiring him or her. In most situations, therefore, it is sufficient to inform low scorers that they were not found suitable in general over the whole recruitment process after considering all of the relevant factors.
Monitoring and Following Up

While the test is being used operationally, it should be monitored periodically for performance issues. Once or twice a year is usually sufficient for this, assuming that the pilot stage was well monitored; otherwise, more frequent monitoring is recommended during the 1st year. Some of the issues to look out for include test norms (i.e., the distributions of scores and their implications), effectiveness (i.e., the degree to which incidents of counterproductive behaviors change based on test scores), fairness (i.e., the degree to which the test may adversely discriminate against protected minority groups), and personnel feedback (i.e., the degree to which the test is perceived as being an effective tool).

In terms of norms, it is reasonable that some candidates in certain organizational and geographical cultures may respond systematically differently to the items in the test, warranting an adjustment of the test’s norms. This will help make sure the distribution of scores is localized and will help avoid a situation of the test inadvertently yielding too many high or low scores. Adjusting norms should always be done in cooperation with the test supplier.

In terms of effectiveness, it is important to carry out periodic follow-up studies regarding the counterproductive behaviors in the organization, and to report back to the organization’s decision makers the monetary and behavioral benefits and overall utility of the integrity test in the organization.

Regarding fairness and adverse impact, it is important to keep clear records of candidates’ demographics (i.e., age, gender, and race) to make sure the percentage of those hired are proportionate to the percentage of candidates in each group. In general, it should be noted that integrity tests are known to be typically fair and nondiscriminatory in a variety of settings (Ones & Viswesvaran, 1998b). So, while this is not typically an area of concern for integrity testing, it should be carefully monitored nonetheless.

In terms of personnel feedback, it is important to monitor the opinions of administrators regarding the perceived usefulness and fairness of the test, to address specific issues, update users on objectively measured results from using the test, and retrain them as necessary. Candidate reactions are also good to monitor, although it may be surprising to learn that integrity tests do not usually elicit the negative reactions that are sometimes suspected (Berry, Sackett, & Wiemann, 2007; Sackett & Wanek, 1996).

As a general rule, whenever issues in any of these areas arise, it is advised to consult the test supplier for the appropriate solutions.

Concluding Remarks

These guidelines may provide public- and private-sector organizations with some important practical issues to consider when implementing integrity tests into their recruitment and selection processes. Among the issues raised here, proper planning and awareness toward specific and measurable objectives are perhaps the most key elements. Accordingly, adopting at least some of the steps described here may facilitate a more effective assessment process using integrity tests.
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