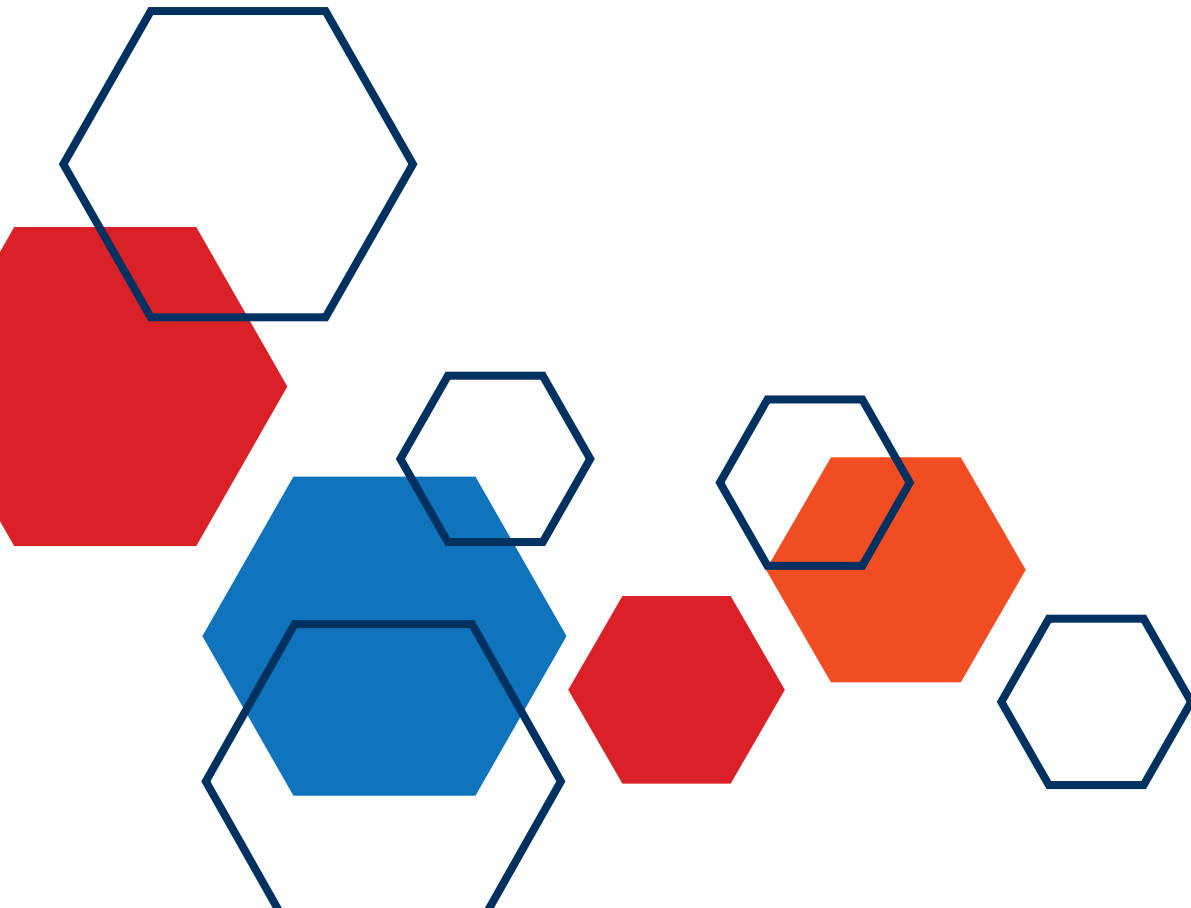


Whitepaper

Using Personality Assessment to Predict Driver Success in the Transport Industry



BACKGROUND

Hogan Assessment Systems (Hogan) was founded by Drs. Robert and Joyce Hogan after more than 15 years of accumulating evidence proving personality testing can be used to predict on the job performance. What began as a small firm in Tulsa, Oklahoma over 20 years ago, Hogan has grown into a premier provider of employee assessment tools around the world. Over 1,500 organizations worldwide, including over half of the Fortune 500 companies and some of Australia's leading companies, have used Hogan tools to select and development their talent. The most widely recognized assessment developed by Hogan is the Hogan Personality Inventory (HPI). The HPI was developed in the 1970s as the first measure of normal personality specifically designed to predict on the job performance. Since then, the HPI has been used to predict success in jobs across the entire spectrum, from groundskeepers and oil riggers to pilots and CEOs.

HOGAN'S TRUCKING EXPERIENCE

Hogan's commercial experience with the Transport industry began early in the life of the company. Since that time, Hogan has been involved in numerous studies involving Professional Drivers. Hogan has worked with a variety of organisations in the transport industry to select employees for jobs such as Pick-Up & Delivery Drivers, Line Haul Drivers, Owner/Operators, and Short Haul Drivers, among others. This extensive involvement with the transport industry has allowed Hogan to accumulate a wealth of knowledge regarding the positive and negative aspects of personality as they apply to Professional Drivers. Specifically, Hogan's past research shows that, across jobs and organisations, successful Drivers tend to be calm and even-tempered, handling stress very well. They are also dependable, planful, and responsible, as well as trustworthy, considerate, and cooperative. Finally, successful Drivers are consistently self-confident, persistent, and results-focused.

PROFILING AND SYSTEM SERVICES, PETER BERRY CONSULTANCY AND HOGAN TRUCKING STUDY

As outlined above, Hogan's assessments have a proven track record of predicting success in the U.S. trucking industry. However, international clients have requested evidence that this ability be demonstrated locally as well. So, in early 2008, Profiling and System Services (PASS), Peter Berry Consultancy (PBC), and Hogan partnered to launch a study to predict performance in the Transport Driver job in Australia. To achieve this, we collected data on over 100 experienced Australian Transport Drivers from multiple companies throughout Australia. First, we gathered performance data in the form of supervisor ratings of Schedule Management, Efficiency, Safety Behaviors, and Punctuality, as well as information regarding Accidents and Driving Violations. Second, each Transport Driver

involved in this study completed the HPI. Hogan's Research Department then conducted statistical analyses using the job performance and HPI data. Results indicated that the HPI could reliably predict Transport Driver success in Australia. Our next step was to transform these positive results into a profile transport companies could use to hire Transport Drivers who are more likely to be successful on the job. To develop the Transport Driver profile, we combined the information obtained in the current study with results from Hogan's extensive archive of transport jobs. In all, we located over 40 studies in the Hogan archive conducted on jobs that were sufficiently similar to the Transport Driver job in respect to the tasks and responsibilities associated with performing the job. This combined research approach allowed us to maximize the likelihood that the Australian Transport Driver profile will work well in the Australian transport industry. Based on this research, the profile will help organisations screen out applicants for the Transport Driver job who are (a) edgy, stress prone, and tense under pressure (HPI Adjustment), (b) careless with respect to rules, policies, and procedures (HPI Prudence), (c) unassertive, indecisive, and uninterested in advancement (HPI Ambition), (d) harsh, blunt, and insensitive towards others (HPI Interpersonal Sensitivity), and (e) impulsively loud and overbearing, and more concerned with interacting with people than completing tasks (HPI Sociability). This profile provides five increasing levels of "fit" with the Transport Driver job. The higher the level of fit, the more likely the person will successfully perform on the job. The graphs below demonstrate the effectiveness of the profile. As seen in Figure 1, the percent of drivers with preventable and unreported accidents decreases with higher levels of fit. Further, Transport Drivers who receive a Low Fit (1) score on the profile are more than 3 times as likely to have accidents than those who receive a High Fit (5) score. Companies who use this profile to screen their Transport Drivers could cut in half their number of accident-prone drivers.

Accidents and Level of Fit with Transport Driver Profile

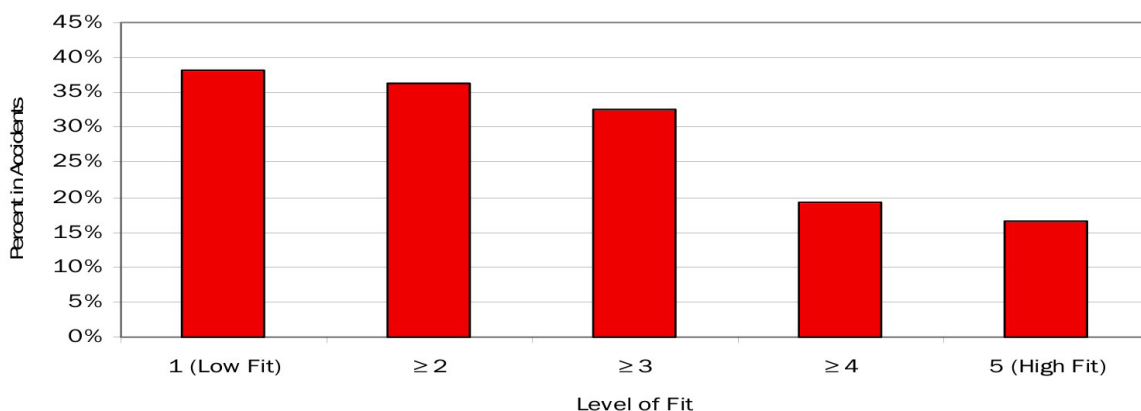


Figure 1. Accidents and Level of Fit with the Transport Driver Profile

Figure 2 demonstrates that the profile is also effective at reducing driving violations. While nearly 20% of drivers with Low Fit (1) scores had driving violations, less than 9% of High Fit (5) drivers had driving violations. This finding

indicates that companies may be able to cut in half the number of violations received by their Transport Drivers by using this profile.

Driving Violations and Level of Fit with Transport Driver Profile

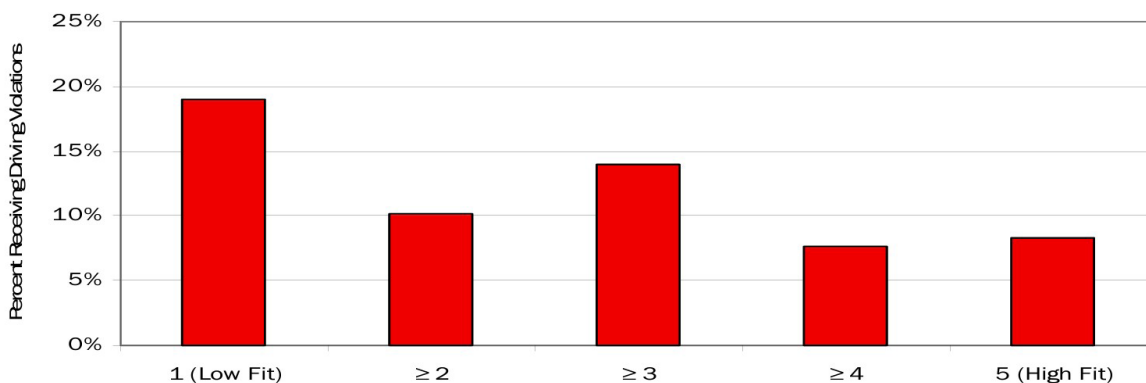


Figure 2. Driving Violations and Level of Fit with the Transport Driver Profile

Although it is important to reduce accidents and driving violations, many companies are also looking for well-rounded performers. By combining supervisor ratings of performance dimensions such as Schedule Management, Safety Behaviors, Punctuality, Efficiency, etc., we were able to compare a measure of Overall Work Performance

against levels of fit with the profile. As Figure 3 indicates, the higher the level of fit, the more likely a Transport Driver will be rated as a good performer. While less than half of Low Fit (1) Transport Drivers were rated as good overall performers, almost ¾ of High Fit (5) Transport Drivers were good performers.

High-Performing Drivers and Level of Fit with Transport Driver Profile

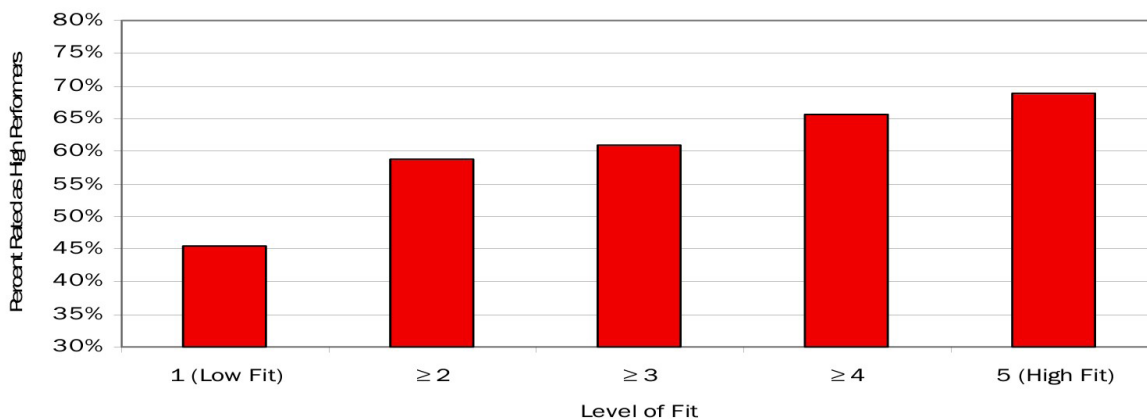


Figure 3. High-Performing Drivers and Level of Fit with the Transport Driver Profile

In summary, research conducted by PASS, PBC, and Hogan demonstrates that the Hogan Personality Inventory can be used to hire high-performing Transport Drivers who are less likely to have preventable accidents and driving

violations. Now that the research has been conducted and the profile has been created, interested companies can begin using this profile right away.

About Peter Berry Consultancy (PBC)

PBC is a multidisciplinary global consulting firm with over 30 years' experience in the delivery of solutions aimed at maximising the potential of individuals, teams, leaders and organisations. We undertake research to support our evidence-based solutions and have a network of partners and distributors globally.

PBC is the Australian and New Zealand distributor of Hogan Assessments and the authors of a range of diagnostics including the Hogan 360 suite, Agile suite, High Performing Team Assessment (HPTA), and co-authored the Hogan Safety Climate Survey.

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