

Study Confirms Strong Link Between PsyMax Testing and Corporate Profitability

"Plain and simple PsyMax Solutions Work Style Assessment works. Borders' success is determined by the management team at each location, and PsyMax helps us to identify the candidates with the characteristics that we know drive sales most. PsyMax has been a proven producer."

-- Dan Smith, Borders' Senior Vice President of Human Resources

Borders Group is an organization that uses work style assessment. Borders Group has over 32,000 employees and operates over 12,000 Borders and Waldenbooks stores around the world. The organization, headquartered in Ann Arbor, Michigan, is a publicly held Fortune 500 company with annual sales of \$3.7 billion.

Since 2002, Borders has used the Work Style Assessment inventory as a predictive tool to assist in the selection of its store and district managers. As a first step, Borders worked with psychologists at PsyMax Solutions to develop a success profile of the most critical work styles for performing these jobs. They continue to use the WSA inventory work style and degree-of-fit scores as part of the hiring process.

A recent independent study published by Cornell University documented that the WSA inventory has had a significant effect on store profits at Borders. The District Managers' WSA inventory scores over the last two years were analyzed. There was a significant relationship between District Managers' work styles, as measured by the WSA inventory, and annual district profitability. These critical work styles included:

- Conflict Management
- Results-Driven
- Feedback
- Optimistic

The study found that the use of PsyMax evaluation tools and the enhancement of these work styles translate to significant increases in profitability. District Managers who scored better on the WSA had increased annual profits of \$11 million (Fields, G. & DeVares, J., March, 2004. One talent or many? Million dollar variables and statistically insignificant indexes. Cornell University - Department of Labor Economics).

Dan Smith, Borders' senior vice president of human resources, said, "Borders' success is determined by the management team at each location, and PsyMax helps us to identify the candidates with the characteristics that we know drive sales most." Borders concluded that using the assessment tools to help select managers is well worth the cost, and it will continue utilizing them. Borders also plans to conduct training programs for store managers and district managers to help them develop the specific work styles that drive profitability.

For a complete copy of the Cornell study, please contact the PsyMax Solutions Research Department at research@psymaxsolutions.com or call 1-866-774-2273.