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The Right Tools for the Job: Selecting Your Assessment Solution

Organizations large and small are using a wide variety of assessment types throughout the talent lifecycle to guide managers and help individuals further their own career goals. This report examines different assessment types and how organizations can select the right tool for the right talent decision process.

KEY FINDINGS

- 77% of respondents to Brandon Hall Group's 2015 Assessments Study use assessments at some point in the talent lifecycle, and 58% of those use them in both the pre- and post-hire.

- Organizations experiencing the greatest reduction in turnover due to their use of assessments were 54% more likely to have defined success profiles for all roles within the organization.

- 85% of organizations cite valid and reliable science behind the assessment as a critically important solution provider selection criteria.
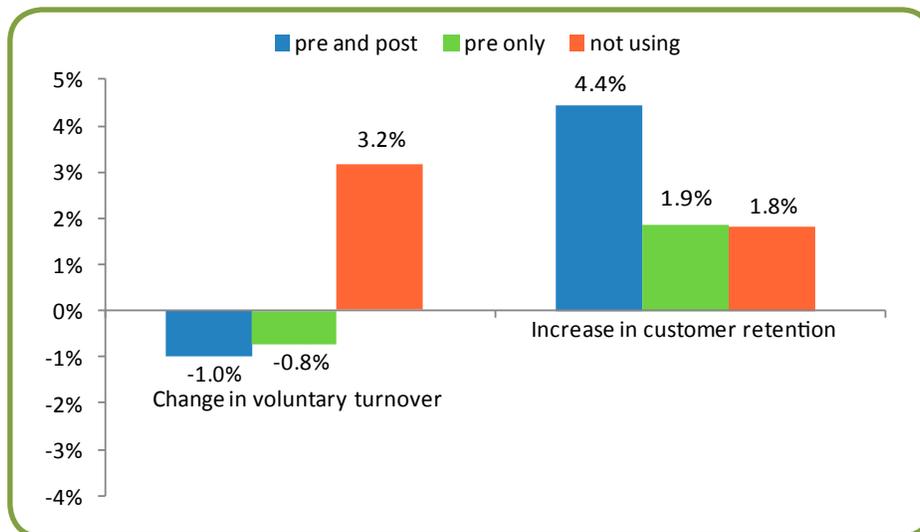
Source: Brandon Hall Group 2015 Assessment Study (n=250)

The Business Context for Assessments

Assessments are not new to businesses. For decades, a variety of skill tests and behavioral and personality assessment instruments have been in use. But, recently, they have gained attention – for several good reasons.

- Technology and connectivity have created an environment where we have grown accustomed to looking for data to guide decisions. We "crowd source" ideas for a wedding gift on Twitter, we pick a restaurant based on a variety of cell phone apps, we even wear devices to help us pick the right time to go to bed, or if we should take the stairs instead of the elevator. People are hungry for data to help guide decisions, and talent decisions are no exception.

- Assessments have become more integrated throughout the talent lifecycle, and are no longer simply a pre-hire tool. 77% of respondents to Brandon Hall Group's 2015 Assessments Study use assessments at some point in the talent lifecycle, and 58% of those use them in both the pre- and post hire.

- Businesses use them because they have an impact – particularly when it comes to retaining both employees and customers (Figure 1).

Figure 1: Impact of Assessments on Performance

By helping organizations make better selection decisions, assessments can help organizations reduce voluntary turnover by helping evaluate both capability and fit. Assessments can help ensure that an individual has the right skills, the right behaviors that are aligned with job success, and the potential to do well in a role. They can also help guide managers and colleagues during onboarding to get people off to a good start, ensuring engagement from the beginning. And, by creating a workforce that is engaged, and stays at the company, organizations may be better able to serve customer needs, thus impacting customer retention. For all these reasons and more, organizations are turning to assessments to guide talent decisions. But how do you select the right tool for the right decision?

An Overview of Assessment Types

There are many different assessment types, and understanding the difference between them can be overwhelming. In fact it's one of the reasons that some organizations resist assessments – fear of the unknown. For the purposes of its research, Brandon Hall Group defined the following five assessment types:

- **Personality.** Assesses an individual's preferences and traits that influence how they interact with others
- **Skill.** Assesses technical ability to perform the tasks of the job
- **Behavioral.** Assesses how likely an individual is to behave in ways aligned with job success
- **Aptitude.** Assesses current ability or suitability to learn the tasks of a job
- **Cognitive.** Assesses the thinking processes related to the demands of the job

And as illustrated in Figure 2, organizations are using a wide variety of these assessment types, often in combination, to guide hiring and selection decisions, as well as post-hire activities such as learning and development.

Figure 2: Assessment Types for Hiring Decisions
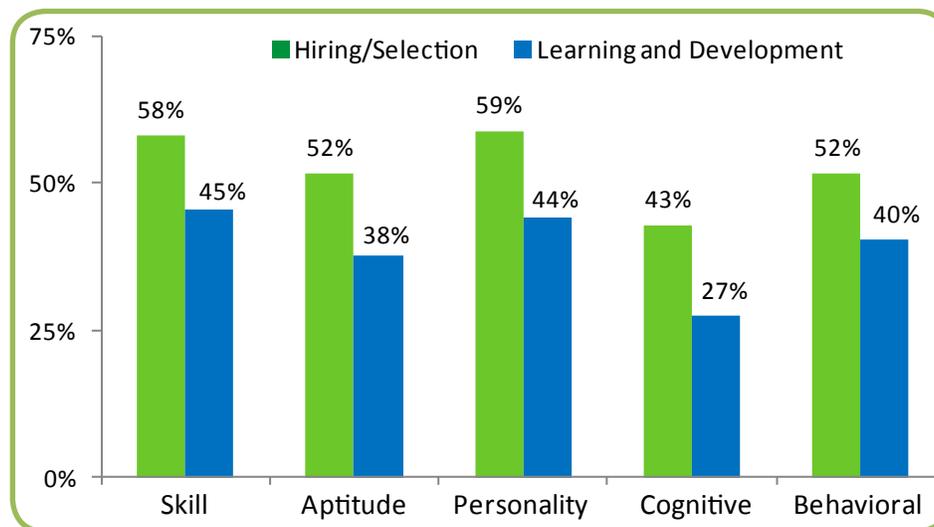
Source: 2015 Brandon Hall Group Assessments Study (n=250)

Some organizations are also combining multiple assessment types into job simulations or assessment centers. Simulations can be in-person or virtual, and assessment centers are typically on-site batteries of assessments. Currently, 25% of organizations say that they use job simulations to guide the selection of external leadership candidates, and 23% indicate they use them for internal leadership candidates. In addition, 22% say they use them for hiring at multiple levels.

While adoption is not as widespread as some other assessment solutions, simulations can be very valuable, particularly for leadership roles that can have a large influence in the organization. Job simulations often combine a number of assessment types into a realistic job scenario.

For example, when confronted with a business problem in a leadership simulation, a candidate may have to show skills in the form of financial acumen, cognitive thinking as they come up with creative solutions, and personality traits in how they communicate their ideas. The idea behind simulations is to give an accurate and well-rounded picture to both the candidate and the employer of how they will react to real job situations in the organization's cultural environment.

Case Study

Julia Pizzi is vice president/HR at CDK global, a leading provider of integrated information technology and digital marketing solutions for the automotive retail industry. Formerly a division of ADP, CDK began operating as an independent company in October 1, 2014, but it has an extensive history of using assessments with its 9000+ employees. Some of the secrets to assessment success include using different assessments at different points in the employee lifecycle, continually updating its assessment strategy regularly, and focusing on alignment of the assessment strategy with business and other HR functions.

Pizzi is a strong believer in the value of assessments, but her experience over the last 14 years has shown that assessments are not one-size-fits-all. Different roles and different decision points require different tools. For example, they use a fully customized predictive assessment built off of the characteristics of current top performers for hiring. "This kind of assessment has dramatically reduced turnover, but it requires some challenging conversations with recruiters and hiring managers at times," Pizzi said. "Managers often want to trust their gut, and recruiters are too often measured on quantity, not quality." But she is also quick to note that assessments are not a pass/fail gate for hiring. They serve as a guide for where behavioral interviews should probe for more information, and as a guide for effective onboarding that includes development from the start.
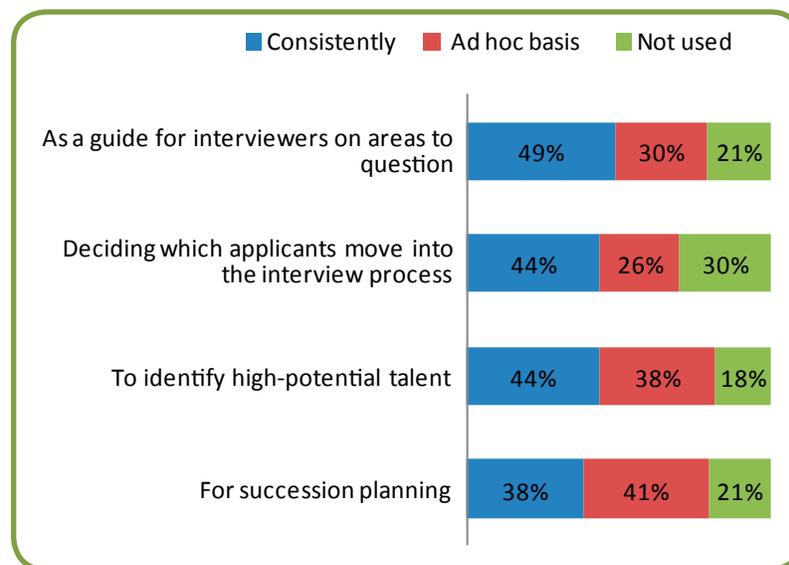
CDK also uses a variety of behavioral and personality assessments for development planning, team building and coaching. The company re-evaluates its strategy, scoring ranges, and "killer criteria" – those characteristics that truly correlate to performance – every 12-18 months.

As business conditions change, so do the skills and capabilities required to respond to them. CDK has also worked to overcome objections from the business by using data collected over the long run. "We were able to look back over 10 years of data for leadership promotions and were able to show that every time we didn't listen to our assessment findings, the leader failed in their new role," Pizzi said. "We're not talking someone who scored a little bit outside the scale, but wherever we had a significant variance, such as 10-20%, between the success profile and individuals assessment score, we could predict failure every time."

Turning Results into Action

How organizations react to what the assessment shows is even more important than using an assessment. Assessments are only useful when the organization has truly made the connection between what the assessment says and what drives performance of the organization. Also, assessments don't make decisions for you. Assessments are part of the conversation around talent. Often a very useful part, but only a part nonetheless. The output should be used to guide discussions. For example, organizations that use assessments in the pre-and post-hire are typically using assessment output to help guide interviewing, identification of high-potentials, and succession planning on a consistent or at least ad hoc basis (Figure 3). These tools are not selecting candidates or successors, but helping guide the conversation between the candidate/employee and the organization around what moves to make next.

Figure 3: How Organizations Use Assessment Output

Legend: ■ Consistently ■ Ad hoc basis ■ Not used

|	Consistently	Ad hoc basis	Not used
As a guide for interviewers on areas to question	49%	30%	21%
Deciding which applicants move into the interview process	44%	26%	30%
To identify high-potential talent	44%	38%	18%
For succession planning	38%	41%	21%

Source: 2015 Brandon Hall Group Assessments Study (n=250)

Many organizations look to this type of assessment information to help them balance skill and fit when it comes to selecting candidates, or moving employees up in the organization. Skill versus fit in an ongoing conversation for most businesses, and organizations need to balance an understanding of whether someone is qualified to hold a job, and if their behaviors are also aligned to the conditions for success on the job. It is important to understand which type of information a particular assessment is giving you. When a particular skill may be absolutely required for a job – a specific technical ability for example – an assessment for that skill may serve as knockout criteria. But a behavioral-based assessment that indicates how aligned someone's behaviors are with job success should guide further probing in an interview, for example, not a go/no-go decision.

A strong assessment process for selection generates multiple streams of information that hiring managers must consider when making their decision. For the majority, potential trumps skill when it comes to most valuable outputs. But, as Figure 4 illustrates, a balance of potential, work style, and cultural fit – combined with insights on skills – drives value in the hiring process.

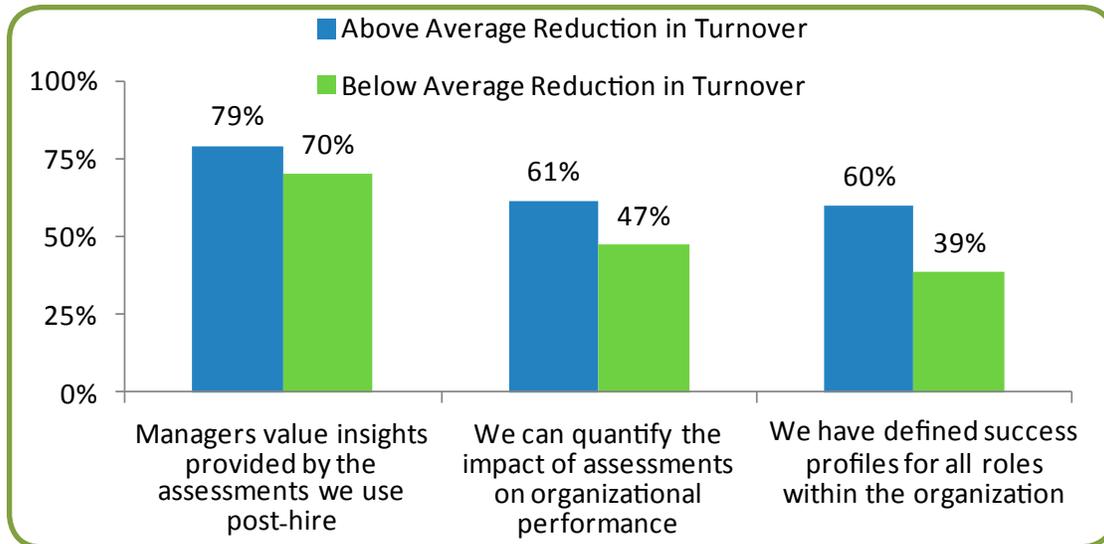**Figure 4: Most Valuable Outputs of Pre-hire Assessments**
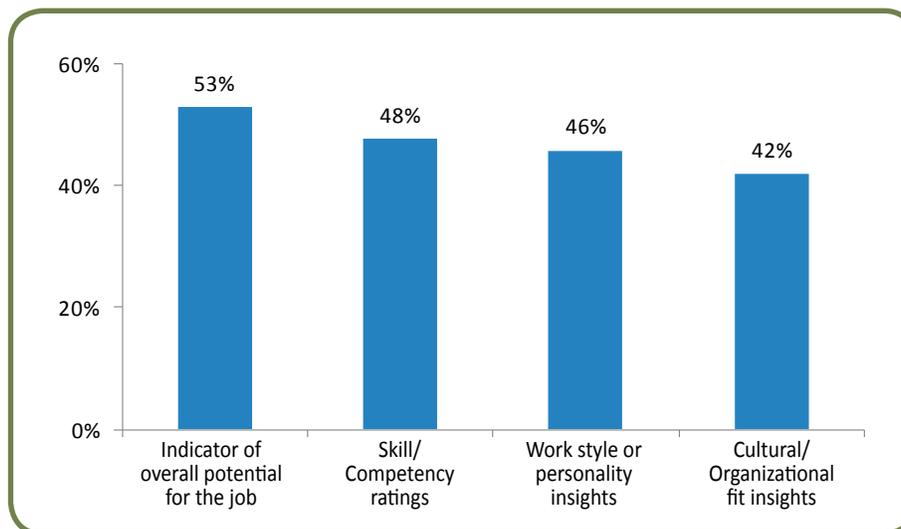
Source: 2015 Brandon Hall Group Assessments Study (n=250)

This trend of action continues post-hire. Organizations with lower turnover are much more likely to have alignment between business success and their assessment strategy than all other organizations. Not only do managers in these organizations value post-hire assessment insights, they are 30% more likely to be able to quantify the value assessments play on their overall ongoing business performance, and 54% more likely to have defined success profiles for all roles within the organization (See Figure 5, on the next page).

Without a success profile, it is difficult to develop an effective assessment strategy. By understanding current top performers, and the needs of a role, organizations are better able to assess for both skill and fitness for a particular role.

Figure 5: Characteristics of Organizations Using Assessments

Legend:
- Above Average Reduction in Turnover (blue)
- Below Average Reduction in Turnover (green)

Data:
- Managers value insights provided by the assessments we use post-hire: 79% / 70%
- We can quantify the impact of assessments on organizational performance: 61% / 47%
- We have defined success profiles for all roles within the organization: 60% / 39%

Source: 2015 Brandon Hall Group Assessments Study (n=250)

This type of alignment must be carefully managed. You cannot simply define an assessment strategy once and set it in motion. As the needs of the business change, the marketplace in which you operate adapts, and employee demographics shift. Your assessment strategy must keep up. Assessments should be an ongoing part of the conversation with the business.

Finding the Right Partner

Finding the right solution and right solution partner is a critical part of the process. When it comes to making that decision, organizations should keep the following key points in mind.

What issue are we looking to address? Are you looking to streamline the number of applicants move into the interview phase of the hiring process? Are you looking to improve team productivity? Are you looking to improve the success of newly promoted leaders?

You have to start with the problem you are trying to solve in order to select the right assessment solution. Working with the business to understand its key pain points can be a critical path to success. When you can tie an assessment to a critical business issue, you're more likely to gain adoption and be able to overcome any objections. And assessments truly take hold when they become part of the language of the organization.

Case Study

Florida Sheriffs Youth Ranches is a non-profit providing residential and camping services for at-risk children across the state of Florida. As a non-profit, the organization has a responsibility to deliver the best possible staff and leaders to serve its mission, but limited resources to do so. Cathy Street, Director of Staff Development, has helped her organization get the most for its talent investment through the use of assessments. "Despite tight budgets, we have seen such significant impact that we plan to expand our use of assessments over the next 3-5 years," she said.

FSYR's journey started with a need to raise the level of leadership among their management staff. Street and her team developed a leadership academy, but as successful as it was, they realized the need to personalize the development plans for individuals, and help identify the areas that they needed to work on after the Academy. With the full support of the CEO, the organization began a journey to find a behavioral assessment that would allow them to understand management strengths, identify development opportunities, and ultimately help them make better hiring decisions. In the beginning there was some objection. "I definitely had individuals come to me with concerns that assessments are going to reveal too much about them, but I had unwavering support from the CEO, and was able to help people see how assessments would benefit their own career development, and not be used against them," Street said.

Today, assessments have been rolled out to the next level of the organization. There is accountability within the organization, assigning people to small groups to support each other in development and building on strengths. The organization also translated this success into the hiring process. When senior-level candidates move into the final stages of the hiring process, they are assessed to determine fit.

"One of the most powerful proof points was when a candidate who already had an offer was assessed and huge red flags were found regarding the match between the requirements of the job and the individual's preferences," Street said. "The individual was gone within six months – not because the individual was a bad worker, but because it just wasn't a match between what was required by the job and what that individual was comfortable being accountable for."

Pre-hire assessments are also helping with the onboarding process. Managers are given reports on the best way to manage incoming staff, and they can plan for coaching from the start. "The language of assessments has become part of everyday conversation here, which continues to demonstrate how valuable they have been to our business," Street said.

Keep in mind the assessment-taker experience. Assessments should never be used alone to make a hiring or promotion decision. Instead, they should be guidance for the decision-maker, and also provide value for the assessment-taker, whether a candidate or employee. There are many opportunities for employee assessment-takers to benefit – from career development, to having better conversations with managers, or improving productivity of the teams they work with. For candidates, it's about ensuring a positive candidate experience, and one that does not slow down the decision-making process. (Figure 6).

Figure 6: Most Important Candidate Experience Elements
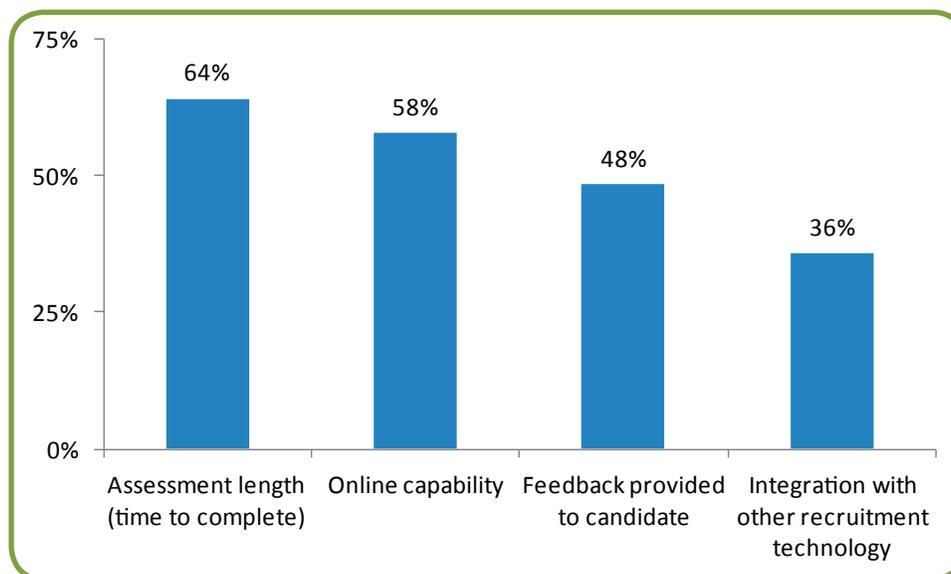
Source: 2015 Brandon Hall Group Assessments Study (n=250)

Establish a trusted partnership. Many companies believe that their talent differentiates them in the marketplace. So any tools or solution providers they work with to make talent decisions need to be trusted partnerships. As illustrated in Figure 7, organizations are looking for a solution provider that has done the work to prove the valid and reliable science behind their assessment and delivers superior customer experience.

Figure 7: Solution Provider Selection Criteria
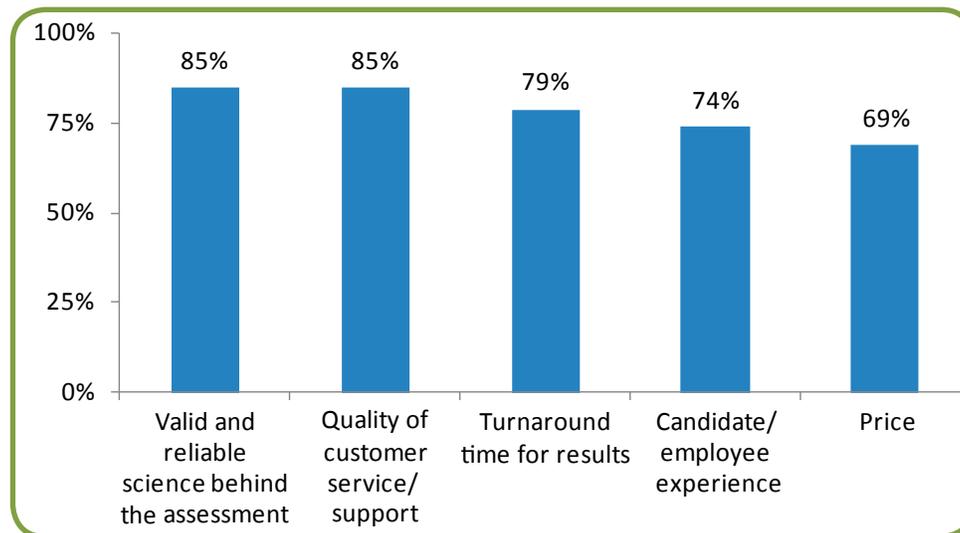
Source: 2015 Brandon Hall Group Assessments Study (n=250)

The experience for users closely follows this need for validity and support. For managers making decisions based on assessment data, and candidates, quick turnaround and smooth delivery are essential. What is interesting to note is that price falls to fifth-place on the list. This makes sense because many more organizations view assessments as a strategic part of their talent initiatives. It's about return on investment and value delivered, not just a price conversation.

Key Takeaways

Despite the ongoing controversy about the value of performance management in today's business world, performance management is not going away – it is a requisite process to managing business continuity. To implement performance management in a fashion that will have a measurable impact on the business, keep in mind the following strategies:

Key Takeaways

Take Action

The assessment alone is not enough. Your organization and its managers must understand how to use assessment results to guide decision-making, and take action on the output appropriately.

Align with the Business

Organizations must ensure that they are assessing for the right characteristics, and that assessments are truly having continuing impact post-hire and throughout someone's career. This alignment and measurement will be critical to ongoing success.

Make it an Ongoing Process

The marketplace and business strategy are constantly evolving, and so should your assessment strategy. As new priorities develop, new skills are required, and the assessment strategy must keep pace.

– Mollie Lombardi,
Vice President and Principal Analyst, Workforce Management
Brandon Hall Group

About Brandon Hall Group

Brandon Hall Group is a HCM research and advisory services firm that provides insights around key performance areas, including Learning and Development, Talent Management, Leadership Development, Talent Acquisition and HR/Workforce Management.

With more than 10,000 clients globally and 20 years of delivering world-class research and advisory services, Brandon Hall Group is focused on developing research that drives performance in emerging and large organizations, and provides strategic insights for executives and practitioners responsible for growth and business results.

At the core of our offerings is a Membership Program that combines research, benchmarking and unlimited access to data and analysts. The Membership Program offers insights and best practices to enable executives and practitioners to make the right decisions about people, processes, and systems, coalesced with analyst advisory services which aim to put the research into action in a way that is practical and efficient.

To learn more about Brandon Hall Group, please call us at (561) 865-5017 or email us at success@ brandonhall.com.