

2014 Global Assessment Trends Report

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Executive Summary

Every year we publish our annual Global Assessment Trends Report to help you understand:

- How big data and ‘datafication’ are changing how organisations measure talent
- How your peers - and competitors - currently measure talent
- How talent measurement practice aligns (or not) to organisational need
- The key innovations that offer opportunity or risk

In summary, our Report offers human resources (HR) professionals looking to reassess their talent management strategies a unique insight into how organisations identify the best talent, across the employee lifecycle.

This year’s report includes the results of an online survey conducted in early 2014 and completed by 1,406 human resources (HR) professionals from companies headquartered throughout the world. The report focuses on organisations’ talent assessment practices. As in previous reports, pertinent comparisons are drawn to results of the prior years’ Global Assessment Trends Reports to identify trends over time. Additionally, relevant comparisons between respondents in geographic regions, emerging versus established markets, and indicators of leading organisations are presented.

The report focuses on three areas: the HR landscape in 2014, the nature of assessment use in organisations, and the use of technology in recruitment and selection. Key findings from the report are listed below:

Identifying high-potential (HiPo) talent is a new global top priority and the top future use of assessments *(page 10).*

- Organisations focus more on developing talent internally than hiring externally (57%, up from 49% in 2013).
- Most organisations have programmes to identify (53%) and develop (52%) high-potential talent. While most do not currently use assessments for such programmes, 30% report HiPo as the top future use of assessments.
- Most organisations have programmes to develop future leaders (56%) and 60% use assessments as part of those programmes.

Most do not monitor candidate reactions and fail to link the candidate experience to business outcomes *(page 29).*

- 82% of organisations see a positive candidate reaction to their hiring process as important, yet only 40% actually monitor such reactions.
- Few organisations see the value of positive candidate reactions beyond the recruiting process (such as in influencing candidates’ future purchasing decisions).

Most respondents assess indicators of engagement/retention, but 40% do not, risking the loss of key talent *(page 25).*

- Engagement/retention remains top priority, endorsed by 56% of HR professionals.
- 40% indicate they do not use or plan to use assessments as part of efforts on engagement and retention.

This report is based on an online survey completed by 1,406 human resources professionals from companies throughout the world.

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Big differences in talent management priorities globally, with external hiring only dominant in the Americas *(page 11)*.

- Only 35% of organisations are recruiting for an increased number of open positions, down from 39% in 2013.
- External hiring is a top priority (46%) in the Americas compared to 34% globally.
- Identification of high-potential talent more likely to be seen as a top priority in Middle East/Africa (60%) compared to 51% globally.
- Budgets associated with external hiring as likely to increase as decrease, indicating dramatically different strategies and economic conditions around the world.

Employees who promote their employers' products and services are much more likely to work in organisations with strategic HR functions *(page 29)*.

- Of those who are highly favourable about their organisations' products/services, 80% view HR as a strategic function and 89% indicate that their organisations consider people decisions in the context of business objectives.
- Organisations whose employees highly endorse their companies' products/ services (promoters) prioritise ALL HR areas higher, compared to organisations whose employees do not endorse their products/services (detractors).
- Promoters also report their companies make greater use of information on talent to make business decisions (58%) compared to detractors (37%).

Despite HR being increasingly viewed as strategic, only half use talent metrics to prove ROI or to inform business decisions *(page 17)*.

- 73% of respondents view HR as strategic (up from 66% in 2013).
- Only half of respondents report collecting metrics to show the value of HR investments or using talent data to inform business decisions.

Integration of assessment data with HR information systems seen as critical, but integration capabilities fall short *(page 21)*.

- While 75% of respondents see having data on competencies and skills integrated into talent management systems as critical, only 25% are satisfied with HRIS ability to manage that data.
- 61% of respondents say they use an HRIS for external hiring but only 34% report integrating assessments into that process.

Objectivity gap in post-hire, with widespread assessment use for hiring, but only 40% for development and promotion decisions *(page 26).*

- Nearly twice as many respondents report use of assessments for pre-hire compared with post-hire.
- Skills/knowledge testing (the most frequently used type across pre- and post-hire) is used by 73% of respondents in pre-hire but only 40% in post-hire.
- Similarly, 62% of respondents indicate use of personality assessments for pre-hire but only 34% for post-hire.

Social media searches are a top future hiring tool, despite only a quarter of respondents having formal policies on its use *(page 33).*

- Respondents in the Middle East and Africa are more likely to use social media information, both formal (28%) and informal (29%), as a future hiring tool. In contrast, respondents in the Americas are least likely to use social media for hiring either formally (14%) or informally (10%).
- 24% of respondents allow recruiters/hiring managers to use social media information to make decisions about candidates, while 42% allow decisions to be made based on professional networking information.

Growing interest in mobile assessment for recruitment, with clear geographic differences *(page 39).*

- 42% of global sample would allow candidates to complete assessments on mobile devices if the option existed, although endorsed by more respondents in Australia/New Zealand (59%) and Americas (48%) than other regions.
- 23% of global sample report that candidates are requesting to complete assessments on mobile devices, although more respondents report this in Americas (24%) and Asia (24%) than other regions.

Introduction

In today's complex and dynamic marketplace, organisations have to manage a global workforce – their most valuable asset – to achieve sustainable growth. Regardless of the economic conditions of recent years, competition for top talent has remained paramount and is seen as the key differentiator among organisations. At the same time, the notion of 'skills gaps' is receiving substantial attention as business leaders lament deficiencies in employees' competencies and the vulnerability in their organisations' ability to achieve business objectives.

"Despite the continuing caution exercised by many companies amid ongoing economic uncertainty, a substantial portion of employers in the US and worldwide identify a lack of available skilled talent as a continuing drag on business performance..." (Manpower Talent Shortage Survey 2011).

The issue is particularly acute at the leadership level, with organisations realising their future success depends on identifying, engaging and retaining the right high-potential employees to make up the next generation of managers and leaders.

What, if anything, are organisations doing to measure the presence of skills gaps in their workforce and ensure the skills are the ones they need to deliver their strategy? Will the gaps widen as the organisational context continues to change? How does the increasingly collaborative and interdependent nature of work today affect the mix of skills they require? Do skills gaps in 2014 mean the same thing they did even five years ago?

The focus on taking action on skills gaps comes at a particularly opportune time, as HR is at an important crossroads on its path to becoming central to organisational strategy. The 'datafication' of talent management offers a big opportunity to move from a transactional to a transformational partner to the business, by giving HR professionals access to real cross-organisational people data for the first time. By placing data at the core of talent management processes it allows them to manage their talent with the same rigour as their other assets.

Rather than selecting employees based on candidates' subjectively-assessed 'suitability', or relying on social media information for hiring, organisations have access to an increasing range of innovative, scientifically-validated and objective measurement tools. Used properly, these approaches will help identify the specific talent deficiencies and appropriate remedial action plans to enable organisations to meet their strategic goals.

But the use of these methods is only the first step. For the greatest benefit, the data acquired needs to be fully integrated across the organisation, giving business leaders a comprehensive ‘talent dashboard’ – identifying the gaps they need to fill, the kind of people they need to fill them, and even where best to recruit.

As this level of information becomes increasingly available, business leaders will expect HR leaders to come to the table armed with data to support their talent investments.

Using data to connect seemingly disparate information will become a new core competency of talent management professionals, as they become experts in the close interrelationship of talent and business performance. How do performance management, compensation, and engagement work in tandem to create tangible business results? How do candidates’ perceptions of the recruitment process relate to subsequent purchasing decisions?

Addressing questions like these will lead to innovative practices that will extend beyond traditional bounds of talent management to usher in a new era of HR.

The ‘datafication’ of talent management gives HR professionals access to real cross-organisational people data for the first time.

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About the Report: Methodology and Participating Companies

The 2014 report is based on data from an online survey of 1,406 HR professionals conducted in January-February 2014.

Most respondents work for organisations headquartered in the United States (25%), the United Kingdom (15%), South Africa (9%), and Australia (5%), with the breakdown by geographic regions reported in Figure 1. Respondents represent both emerging and established economies (see Figure 2). For the purposes of this report we have defined the emerging economies as those countries in the BRICS (Brazil, Russia, India, China and South Africa) bloc, and to which we have added countries in the Middle East. The established grouping comprises Europe, Australia and New Zealand, the Americas, Singapore and Hong Kong. As in previous years' surveys, respondents represent a variety of company sizes and industries (see Figures 3 and 4). Most respondents report into a Human Resources function within their organisations and represent a variety of roles including HR or staffing managers, HR leadership and HR generalists.

New to the report in 2014, we also examine the results in the context of two indicators of leading organisations: 1) world's leading organisations as indicated by membership on Global Fortune 500 listings in the past three years and 2) proportion of respondents who highly endorse their companies' products and services (promoters) compared to those who do not (detractors; see Figures 5 and 6).

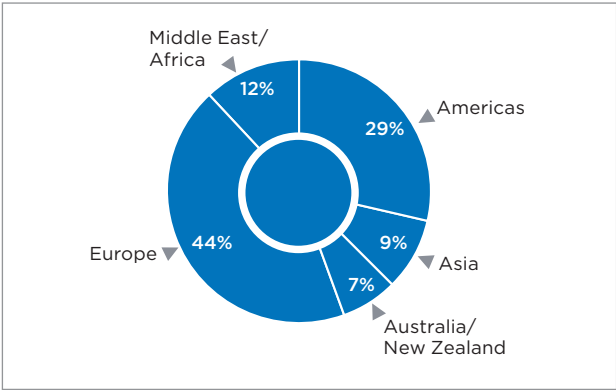


Figure 1: Respondents by Location

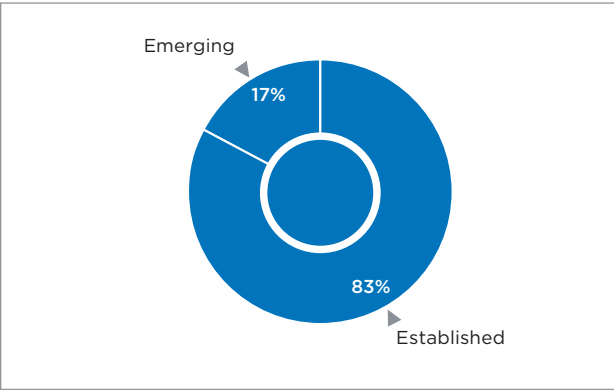


Figure 2: Respondents by Economy Type

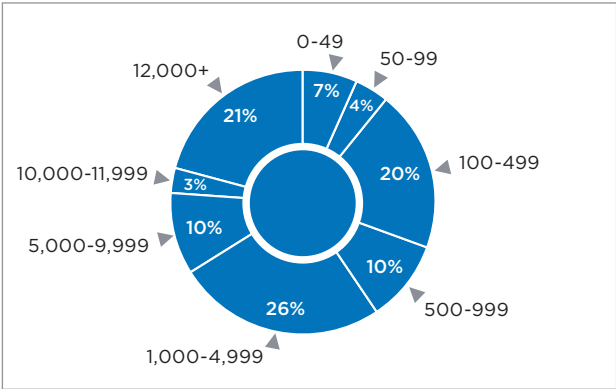


Figure 3: Respondents by Organisation Size

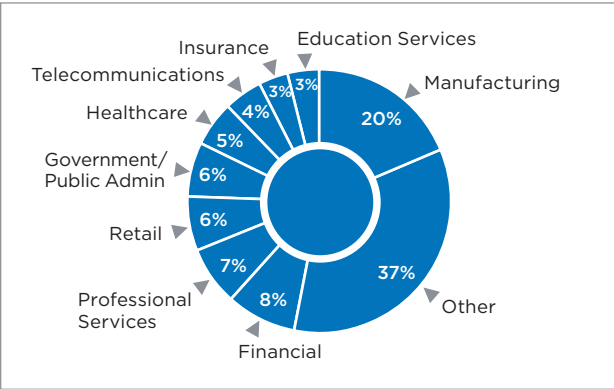


Figure 4: Respondents by Industry Sector

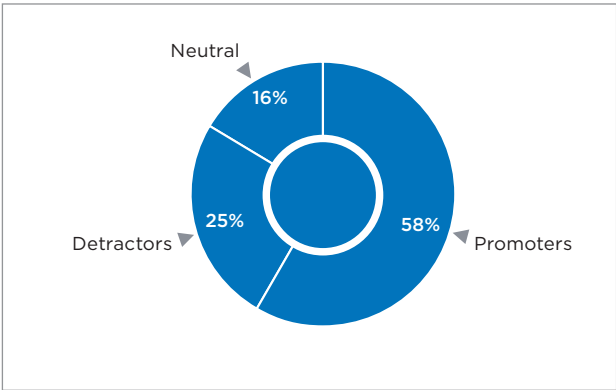


Figure 5: Respondents by Promoter/Detractor Status

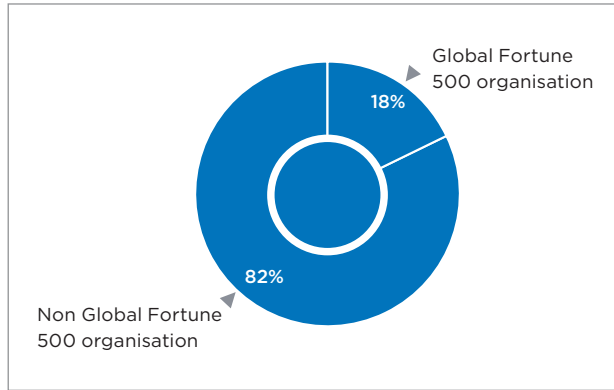


Figure 6: Respondents by Organisations' Inclusion on Global Fortune 500 in Previous Three Years

Part I: Talent Management Focus and Landscape in 2014

Key Finding 1

Identifying high-potential (HiPo) talent is a new global top priority and the top future use of assessments.

- Organisations focus more on developing talent internally than hiring externally (57%, up from 49% in 2013).
- Most organisations have programmes to identify (53%) and develop (52%) high-potential talent. While most do not currently use assessments for such programmes, 30% report HiPo as the top future use of assessments.
- Most organisations have programmes to develop future leaders (56%) and 60% use assessments as part of those programmes.

Priorities for HR

Organisations' talent measurement practices are influenced by broader company priorities, initiatives, and challenges. Thus, we begin our review of global assessment practices by examining how respondents view 15 different talent areas, ranging from onboarding to outplacement. The growing HR focus area of high-potential talent identification was introduced for the first time in this survey. Respondents were asked to indicate whether each area was a top, medium, or low priority for their organisation in the upcoming year.

HR professionals report similar priorities for 2014 as in 2013 (see Table 1). Engaging and retaining employees is reported as a top priority by 56%, closely followed by 54% for whom leadership development and performance management are top priorities. These priorities reflect the continuing importance, in an increasingly competitive global economy, of maximising the contribution of existing employees, cultivating leadership talent to propel organisations, and measuring and improving employee performance.

Identification of high-potential talent, our addition to the list for 2014, is placed fourth by the global sample, indicative of growing emphasis on identifying the future leaders of organisations early in their careers.

The escalating importance of using data to forecast future staffing needs is reflected in the ranking of workforce planning/talent analytics as fifth in priority worldwide.

Table 1: HR Priorities – Overall and by Region

HR Initiative/Area	2013 Top Priority %	2013 Rank	2014 Top Priority %	2014 Rank	2014 Americas Top Priority %	2014 Asia Top Priority %	2014 Australia/New Zealand Top Priority %	2014 Europe Top Priority %	2014 Middle East/Africa Top Priority %
Engagement/retention.	56%	1	56%	1	62%	56%	57%	52%	54%
Leadership development.	53%	2	54%	2	56%	49%	48%	54%	55%
Performance management.	48%	3	54%	2	50%	47%	48%	55%	70%
Identification of high-potential talent.	-	-	51%	4	49%	48%	46%	49%	60%
Workforce planning/Talent Analytics.	43%	4	46%	5	42%	47%	53%	45%	53%
Succession planning.	38%	6	46%	5	44%	43%	54%	45%	55%
Career development.	34%	9	42%	7	41%	37%	34%	42%	48%
Change management.	32%	10	42%	7	39%	30%	50%	45%	41%
Training.	41%	5	42%	7	42%	41%	33%	37%	60%
External hiring (including recruitment).	38%	6	34%	10	46%	30%	20%	27%	37%
Internal hiring (including promotion).	35%	8	34%	10	39%	34%	19%	33%	34%
Creating/implementing competency model(s).	27%	11	30%	12	25%	31%	23%	31%	45%
Onboarding.	18%	13	29%	13	37%	22%	28%	23%	33%
Restructuring.	22%	12	27%	14	24%	24%	35%	30%	25%
Outplacement/redeployment of talent.	15%	14	13%	15	8%	23%	6%	14%	14%

Key Finding 2

Big differences in talent management priorities globally, with external hiring only dominant in the Americas.

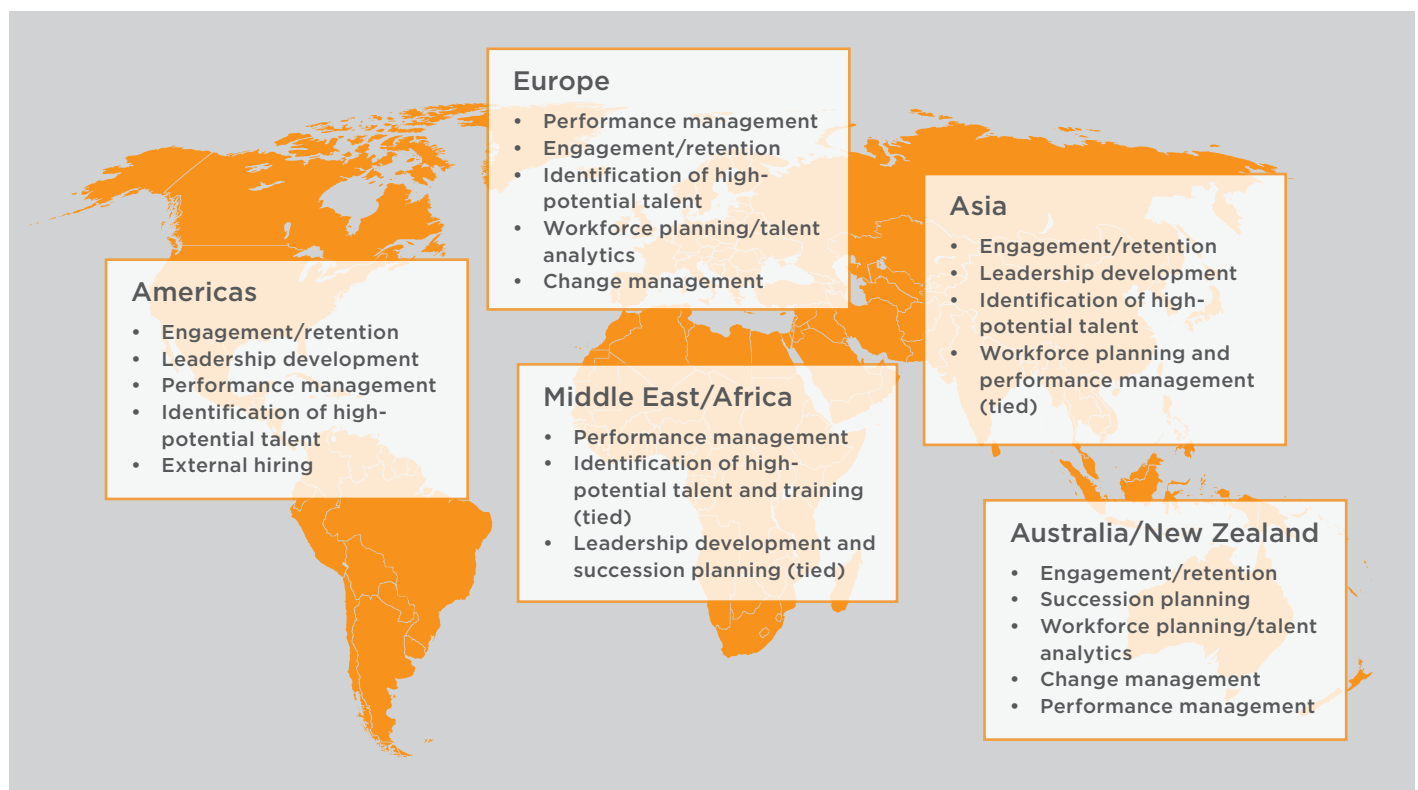
- Only 35% of organisations are recruiting for an increased number of open positions (down from 39% in 2013).
- External hiring is a top priority (46%) in the Americas compared to 34% globally.
- Identification of high-potential talent more likely to be seen as a top priority in Middle East/Africa (60%) compared to 51% globally.
- Budgets associated with external hiring as likely to increase as decrease, indicating dramatically different strategies and economic conditions around the world.

Looking closer, HR priorities differ markedly by geographic region. Performance management is the only HR area to appear in the top five across regions. While engagement/retention is the top priority for respondents in the Americas, Asia, and Australia/New Zealand and ranks second in Europe, it is not among the top five for Middle East/Africa.

Similarly, identification of high-potential talent appears as a top five priority for all regions except Australia/New Zealand. Interestingly, external hiring appears on the list of top priorities only for respondents in the Americas. Likewise, change management appears only as a top priority for respondents in Australia/New Zealand and Europe.

The percentage of respondents who view each HR area as a priority also differs widely geographically (see Table 1). For instance, external hiring is endorsed as a top priority by 46% of respondents in the Americas compared to 34% for the global sample, 27% for Europe, 30% for Asia, 20% for Australia/New Zealand, and 37% for Middle East/Africa. Identification of high potential talent is more likely to be seen as a top priority in Middle East/Africa (60%) compared to 49% in the Americas, 49% in Europe, 48% in Asia and 46% in Australia/New Zealand.

Top Five HR Priorities by Geographic Region

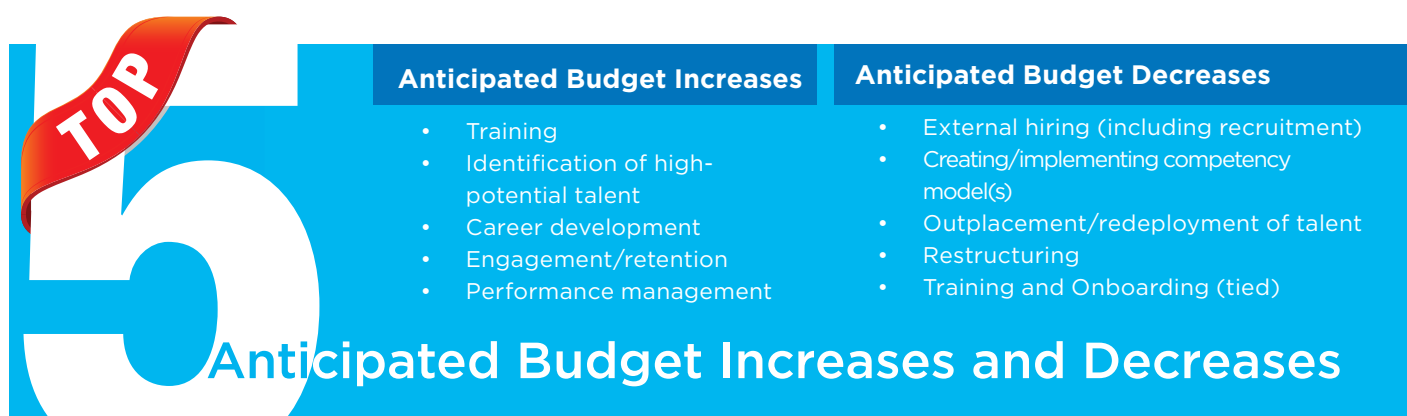


Looking at priorities by economic type, respondents from both emerging and established countries report a focus on engagement/retention (ranked first for established and third for emerging) and performance management (ranked first for emerging and third for established). Respondents from emerging countries list identification of high-potential talent as a second highest priority, followed by engagement/retention and training (tied), leadership development, and succession planning and workforce planning/talent analytics (tied). In established economies, respondents list engagement/retention as their top priority followed by leadership development performance management, identification of high-potential talent, and succession planning.



In addition to asking about the relative priority of HR areas, we also asked respondents to indicate whether budgets associated with various HR areas are likely to increase, decrease, or remain the same in 2014. Across all areas, most respondents indicate that budgets are likely to remain the same. As we might expect, the HR areas respondents indicate as most likely to receive a budget infusion are those that also appear on the list of top priorities. The notable exception is training, which despite not being listed as an HR priority emerges as the area most likely to receive increased budget.

This may be because, when finances are tight, organisations typically see developing their existing employees as a more cost-effective alternative. Consistent with external hiring no longer appearing among the top five priorities in 2014, it is the area most likely to receive a cut in budget. Of note, budgets for external hiring are as likely to increase as decrease, likely reflecting widely differing economic conditions around the world.



How do the world's largest and most successful organisations (those recognised as Global Fortune 500 organisations in the past three years) anticipate budget shifts in the coming year? Understanding how they plan to spend their money in 2014 provides some context for budget shifts for organisations at large. As you might expect, these leading organisations are more likely to anticipate budget increases in 2014 for all HR areas, compared to the overall sample, but with a similar rank ordering of importance compared to the global sample (see Table 2).

Notably, Fortune 500 organisations are substantially more likely to plan a budget increase related to the use of competency models (27%) than the global sample (9%). As implementing a competency framework is an important first step towards a cross-organisational talent measurement and analysis strategy, this suggests a rising understanding among leading organisations of the business benefits of a 'big data' approach to talent.

Fortune 500 organisations are significantly more likely to be planning a budget increase relating to the use of competency models.

Table 2: Anticipated Budget Increases: Comparison of World's Leading Organisations to Global Sample

HR Initiative/Area	Rank	Percent F500 Endorsing Budget Increase	Rank	Percent Global Sample Endorsing Budget Increase
Training.	1	48%	1	32%
Identification of high-potential talent.	2	42%	2	28%
Performance management.	3	38%	6	26%
Engagement/retention.	4	37%	3	27%
Leadership development.	5	36%	3	27%
Career development.	6	35%	3	27%
Succession planning.	6	35%	9	24%
Workforce planning/talent analytics.	8	34%	7	25%
Internal hiring (including promotion).	9	32%	12	19%
External hiring.	10	29%	10	22%
Creating/implementing competency models.	11	27%	15	9%
Change management.	11	27%	7	25%
Onboarding.	13	25%	13	18%
Restructuring.	14	23%	11	20%
Outplacement/redeployment of talent.	15	15%	14	11%

Connecting Priorities to Processes

We examined the relative formality of HR processes as an indicator of the extent to which organisations currently support and invest in core HR processes. Respondents were asked to indicate the formality of 14 HR processes within their organisations (Table 3). Results show that the most common areas for which formal processes and programmes are in place (namely, external hiring, performance management, internal hiring) are not necessarily among the top HR priorities, indicating that those areas that are considered strategically important may not currently have the right HR processes and investments in place to support them.

For example, engagement/retention (the top HR priority for 2014) appears near the bottom of the list of formal processes, with only one in five respondents indicating formal programmes designed to engage and retain talent. This disconnect may reflect ambiguity over how best to develop programmes to support this area. Such efforts can start with measuring/monitoring employee engagement, aligning employee motivation and competencies to career paths, and developing plans to identify sources of employee dissatisfaction and take steps to improve underlying issues.

However, examination of year-on-year trends does indicate an increasing level of formality associated with leadership development, which is a number two priority globally. Other HR areas that show the same year-on-year increase in formality include career development, creating/implementing competency models and succession planning.

Any disconnect between strategy and process can prove costly. To drive better people decisions and improved organisational performance, organisations need access to robust, dependable talent data. Those that fail to embed objective and consistent measures of performance, competencies and potential into formalised HR processes may be less effective in aligning talent decisions to the needs of their businesses.

Table 3: Formality of Process by HR Area

HR Initiative/Area	Percentage Indicating Formal Process	
	2013	2014
External hiring (including recruitment).	69%	65%
Performance management.	64%	64%
Internal hiring (including promotion).	55%	53%
Onboarding.	60%	48%
Training.	51%	47%
Creating/implementing competency model(s).	29%	36%
Restructuring.	31%	33%
Succession planning.	23%	31%
Leadership development.	21%	30%
Outplacement/redeployment of talent.	30%	24%
Workforce planning/Talent Analytics.	17%	23%
Career development.	16%	22%
Engagement/retention.	17%	19%
Change management.	14%	17%

Challenges and Opportunities in 2014

Given what our respondents indicate are the top priorities for 2014, in particular the focus on identifying, developing, and retaining top talent, what challenges and opportunities lie ahead?

Table 4 summarises findings related to contextual components of HR practice. Consistent with the diminished priority placed on external hiring compared to recent years, we see an increase in respondents reporting that their organisations are focusing more on developing talent internally than on hiring externally (from 49% in 2013 to 57% in 2014). Perhaps anticipating reductions in external hiring, fewer respondents indicate potential challenges with recruiting and hiring talent individuals (from 73% in 2013 to 64% in 2014). Similarly, fewer respondents indicate that they are recruiting for more open positions organisation-wide as compared to last year (from 39% in 2013 to 35% in 2014).

What opportunities are on the horizon that could help HR reach its goals in 2014? While engagement/retention was noted as the single biggest HR priority across respondents and for most regions, only about two-thirds of respondents say they use career development as a retention strategy (63%, up from 55% in 2013). Employee loyalty and intentions to turnover are often related to the availability of career options and opportunities to grow and develop in one’s career (Weng & McCelroy, 2012). As such, formalised career development programmes are one way organisations can take action on goals related to engagement and retention.

In addition, more respondents indicate the use of competency models in employee processes (42%, up from 34% in 2013). While an encouraging upward trend, more opportunity exists to embed competency models in HR processes as they set a common framework for integrated talent management processes.

Engagement/retention was noted as the single biggest HR priority across respondents and for most regions.

Table 4: Challenges and Focus of HR in 2012-2014

Survey Statement	Percentage Endorsing		
	2012	2013	2014
In general, my organisation is focusing more on developing talent internally than on hiring externally.	53%	49%	57%
We are currently recruiting for more open positions organisation-wide as compared to last year.	39%	39%	35%
We expect it will become increasingly challenging to recruit and hire talented individuals for key positions in the coming year.	64%	73%	64%
Our organisation’s competency model is being used effectively as part of our overall employee lifecycle (from hiring to development to promotion).	–	34%	42%
We use career development as a retention strategy.	58%	55%	63%

Convergence of Talent Management and Business Management: Are We There Yet?

Key Finding 3

Despite HR being increasingly viewed as strategic, only half use talent metrics to prove ROI or to inform business decisions.

- 73% of respondents view HR as strategic (up from 66% in 2013).
- Only half of respondents report collecting metrics to show the value of HR investments or using talent data to inform business decisions.

Organisations often cite talent as their most valuable/expensive asset and how hiring/retaining top talent gives them competitive advantage. To what extent is ‘talent’ viewed as strategic to organisations’ business objectives and how does it contribute to strategic initiatives?

As talent management aspires to become embedded in business management and decisions about businesses are made on the basis of sound talent information, we see an increasingly strategic role for HR. Indeed, as shown in Table 5, HR continues to view itself as a strategic function (73%, up from 66%) and respondents indicate that organisations consider people decisions in the context of business objectives (83%, up from 80% in 2013).

There continues to be a disconnect, however, between this perception of HR as strategic and the lower percentage of respondents who indicate that talent data is used to make business decisions (only 52%, though up from 43% in 2013). This indicates an ongoing opportunity for HR to impact operations and become more influential through collecting and using data on talent to inform business decisions.

Table 5: General Trends in Strategic HR

Survey Statement	Percentage Endorsing		
	2012	2013	2014
My organisation views HR as a strategic function.	74%	66%	73%
My organisation uses information about talent to make business decisions.	48%	43%	52%
My organisation considers people decisions (hiring, promotion) in the context of business objectives.	83%	80%	83%

Similar trends were found when comparing emerging and established economies, although slightly more respondents from established markets report that their organisations use talent information to make business decisions (52% versus 50% of respondents in emerging economies, see Figure 7).

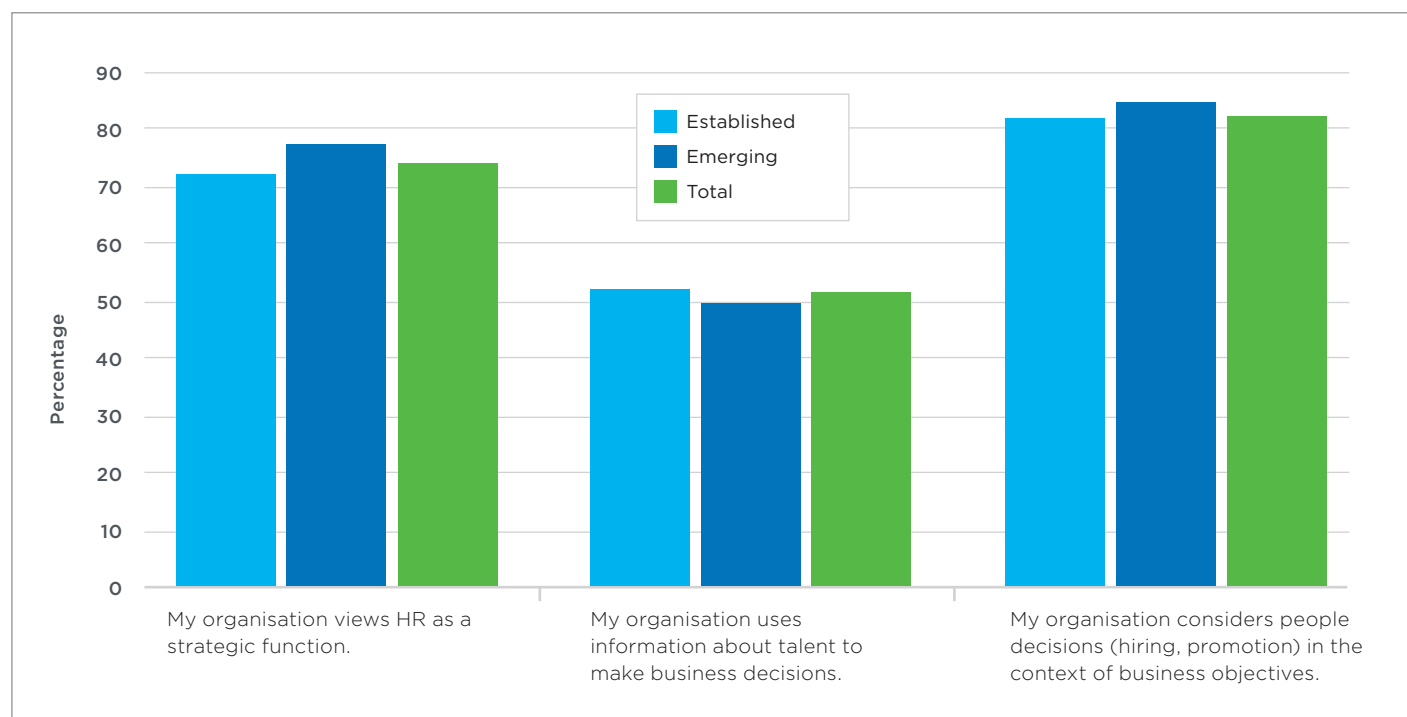


Figure 7: Strategic Talent Management Perceptions by Economy Type

Striking differences in the prioritisation of HR areas were found when comparing respondents who are prepared to endorse their organisation's products and/or services to friends and colleagues (promoters) with those who are not (detractors; see Figure 8). Of those who are highly favourable about their organisations' products/services, 80% view HR as a strategic function, 89% indicate that their organisations consider people decisions in the context of business objectives, and 58% indicate their organisations use information about talent to make business decisions.

In contrast, of the respondents who do not think highly of their companies' products and services, only 57% view HR as a strategic function, 72% indicate that their organisations consider people decisions in the context of business objectives, and 37% that their organisations use information about talent to make business decisions. Thus, companies whose employees think highly of their products and services are much more likely to work in organisations with strategic HR functions.

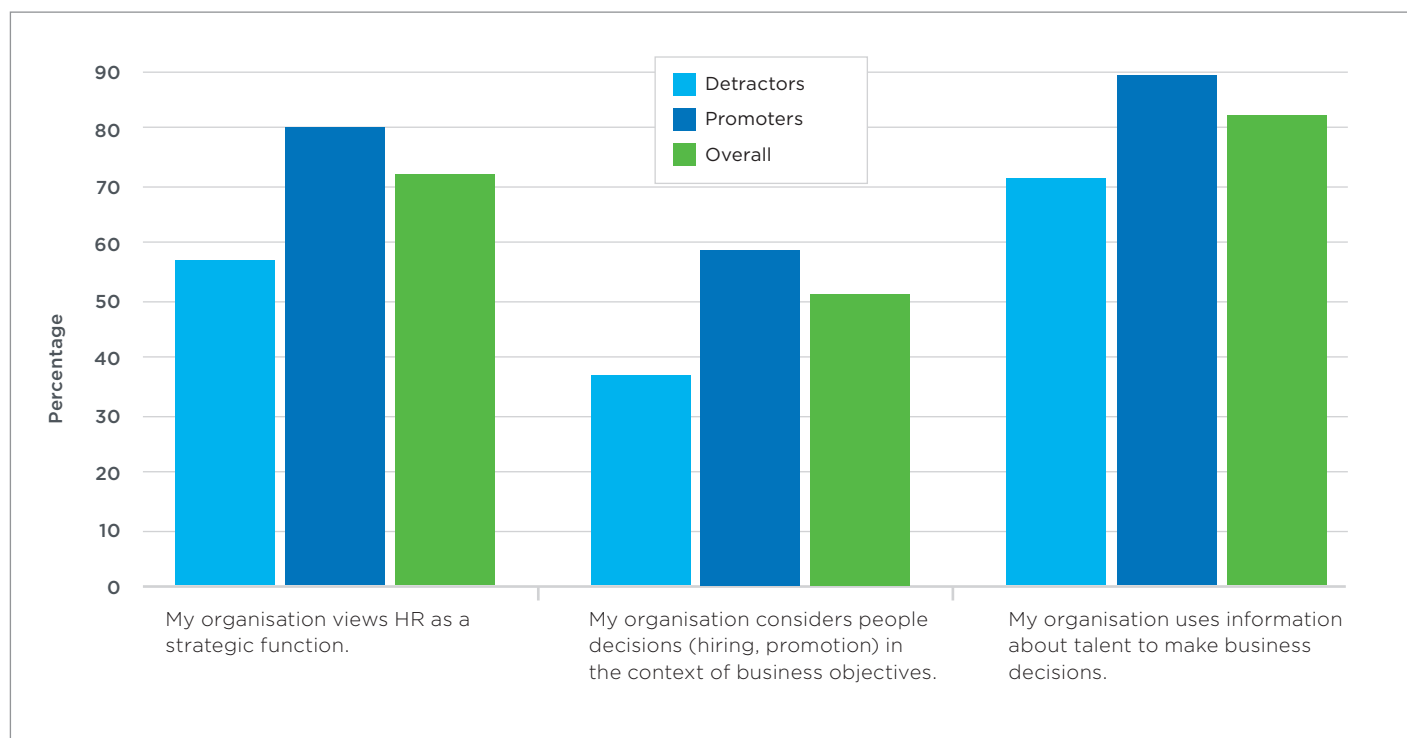


Figure 8: Strategic Talent Management Perceptions by Promoter/Detractor Status

The 'Datafication' of HR

“There is no denying the vast increase in the range and depth of information that’s routinely captured about how we behave, and the new kinds of analysis that this enables. By one estimate, more than 98 percent of the world’s information is now stored digitally, and the volume of that data has quadrupled since 2007” (Peck, D. December 2013. They’re watching you at work. *The Atlantic*).

HR is increasingly viewed as strategic and people decisions are made in the context of business objectives, but as we have seen (Table 5), HR professionals are not necessarily using talent data to inform people processes, demonstrate the value of HR investments, and enable business decisions.

All organisations have data about their workforce that could be used to help drive business results, but the amount of data is increasing at a significant rate. It’s unclear what types of data are most useful and how to integrate data from different sources. While the notion of big data sounds promising for HR to understand trends, predict future states, and inform decisions, what are HR professionals doing with data in 2014?

Our results indicate that, while HR professionals are starting to embrace big data, there is substantial scope to more fully leverage the array of talent data available. As shown in Table 6, an increasing number of HR professionals believe it is critical to integrate data on competencies and skills into talent management systems (75%, up from 65% in 2013) and the majority indicate that performance is tracked through formal performance management systems (86%, up from 73% in 2013).

Far fewer respondents indicate that their organisations have a clear understanding of workforce potential (37%, up from 24% in 2013), are satisfied with the ability of their HR information system to manage talent data (25%, up from 18% in 2013), use formal measures of competencies and skills to inform how to spend training and development budget (33%, up from 26%), or use objective measures of potential to guide developmental and succession plans (45%, up from 33% in 2013). More encouragingly, however, the trend is increasing in each of these areas, perhaps as a consequence of HR professionals being challenged to provide this level of information to their businesses.

Do companies regarded as ‘best in class’ make better use of talent data? Respondents who strongly endorse their companies’ products or services report greater use of data, better understanding of workforce potential, and more use of objective measures of people’s competencies and skills compared to those who do not (see Figure 9).

Interestingly, even for strong endorsers, only 28% are satisfied with the ability of their HR systems/automation to manage talent data. And, even for these ‘best in class’ companies, less than half (44%) report having a clear understanding of workforce potential and only 36% report using formal measures of competencies and skills to determine how to spend training and development budget.

It may be that ‘best in class’ organisations have better anticipated the rise of big data and have staffed accordingly. Not all HR professionals may possess sufficient background in working with data and conducting statistical analysis to adequately make sense of the increasing array of data available to organisations. ‘Data Scientist’ is a new job title likely to be in the forefront as organisations ‘solve’ for big data by recruiting and hiring those with experience in working with complex data sets.

75% of HR professionals believe it is critical to integrate data on competencies and skills into talent management systems.

Table 6: The Use of Data in Talent Management

Survey Statement	Percentage Endorsing	
	2013	2014
We collect metrics to show the value of our HR investments.	43%	52%
My organisation has a formal performance appraisal/management process in place for all employees.	73%	86%
My organisation has a clear understanding of our workforce's potential (e.g., for additional responsibilities or leadership roles).	24%	37%
My organisation relies on objective data on employees' competencies and skills to make decisions about our workforce.	44%	46%
It is critical to have data on competency and skills integrated in our existing talent management system.	65%	75%
I am satisfied with the ability of our HR systems/automation to manage talent data.	18%	25%
Our human resources information systems (HRIS) are accessible via smart phones/mobile devices.	17%	16%
Formal measures of competencies and skills help determine how my company spends its training and development budget.	26%	33%
My company uses objective measures of people's potential to guide developmental and/or succession plans for critical roles.	33%	45%

Key Finding 4**Integration of assessment data with HR information systems seen as critical, but integration capabilities fall short.**

- While 75% of respondents see having data on competencies and skills integrated into talent management systems as critical, only 25% are satisfied with HRIS ability to manage that data.
- 61% of respondents say they use an HRIS for external hiring but only 34% report integrating assessments into that process.

Looking closer at what might underlie the dissatisfaction with systems and automation to help manage talent data, we asked respondents to indicate their use of HR technology/information systems (e.g., applicant tracking, learning management, performance management systems) for various HR processes.

As we shall see in Part III, external hiring is the HR area most likely to be supported by an HR information system (HRIS), but fewer than two-thirds of respondents (61%) report using such a system. Use in performance management (57%) and internal hiring (52%) is reported by about half of all respondents, with less than a third reporting HRIS use in other HR areas.

The limited use of HR technology systems to organise and integrate talent data limits organisations' ability to take full advantage of the power of data to connect people investments and decisions to business outcomes.

Clearly, in the realm of HR, there is still untapped potential to unleash the power of big data. With talent typically organisations' most costly asset, and a key differentiator between business success and failure, this is an opportunity HR professionals cannot afford to ignore.

HR professionals can begin by shoring up information on employees' competencies and skills. Using objective talent measurement connected to a competency framework can serve as the basis for workforce planning, determining training and development needs, and creating succession plans. By linking this talent data to business performance metrics, organisations can better understand how to manage their talent in order to increase return on investment and organisational success. HRIS have an important role to play in this process, ensuring that talent data is integrated and readily accessible by business decision-makers across the employee lifecycle.

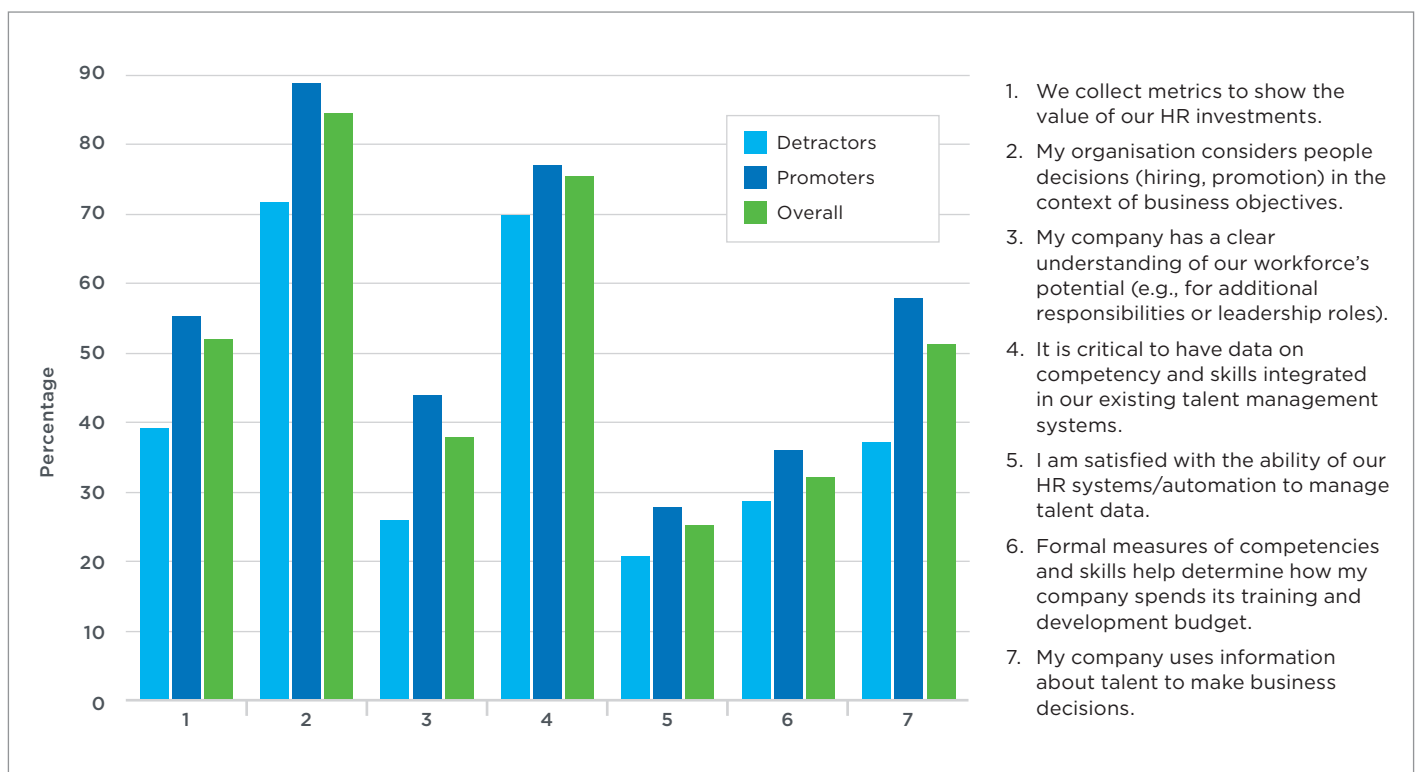


Figure 9: Big Data: Performance, Potential and Data Management by Company Type

Part II: Assessing Talent

Having explored the landscape for talent management in 2014, we now examine how talent is measured, the types of assessments used in organisations and new hiring tools that may be used in the coming year. We also discuss how talent measurement, or the use of assessments to measure critical skills and competencies, can help organisations meet many of the challenges and take advantage of opportunities identified in Part I of our report.

We start our review of talent measurement practices by exploring companies’ use of assessments for increasingly strategic HR processes. Do HR priorities align with common uses for assessments? As we can see from Table 7, the prevalence of testing varies by application.

Nearly two-thirds of respondents indicate that testing is used as part of leadership development programmes, whereas only one-third indicate its use for determining how to spend training and development budget. Approximately half the sample indicated using assessments for promotion, development plans, succession plans, and as part of high-potential identification programmes. The relatively modest use of assessments in the most strategic and pressing HR areas represents an opportunity for organisations to gain a competitive edge in the battle for talent by formalising the use of objective talent measurement, enabling faster and more accurate hiring, development and promotion decisions.

Table 7: Measuring Talent in Organisations

Survey Statement	Percentage Endorsing
Formal measures of competencies and skills help determine how my organisation spends its training and development budget.	33%
My organisation uses a structured promotion process for all leader roles across the organisation.	43%
My organisation uses objective measures of people’s potential to guide developmental and/or succession plans for critical roles.	46%
My organisation uses assessments to help identify high-potential employees.	56%
My organisation uses assessments as part of its leadership development programme.	60%

Uses of Assessments

When organisations use assessments, for what types of roles do they use them? Is assessment use more prevalent for certain job levels? As shown in Table 8, assessments are commonly used across job levels, with assessment of individuals applying to, or currently in, middle management roles most prevalent (72%).

Table 8: Frequency of Assessment Use by Job Level

Job Level	Percentage Endorsing
Entry level.	59%
Professional/individual contributor.	68%
First line supervisor.	55%
Middle management.	72%
Executive.	67%

Among the most frequently cited future uses of assessment are succession planning (30%) and workforce planning/talent analytics (29%).

To what extent does the current and future use of assessments relate to HR focus areas? Those respondents currently using assessments do so for a variety of HR functions (see Table 9), led by external hiring (76%), internal hiring (65%), leadership development (56%), and career development (44%).

However, when asked for their planned future use of assessments respondents’ answers reflect the increasing emphasis on talent measurement to inform business strategy. That is, succession planning and workforce planning/talent analytics are among the most frequently cited future uses of assessments (30% and 29%, respectively). Likewise, the use of assessments for career development reflects the importance of engagement/retention and developing talent internally as a top HR priority.

Despite the anticipated budget infusion associated with training reported in Table 2, less than half of respondents report using assessments for that purpose (47%) and 31% report no plans to use assessments to help identify training needs in the future. Assessments can be used to identify skill gaps, and define and measure the efficacy of training programmes.

Onboarding, change management, restructuring, and outplacement/redeployment of talent are the areas least likely to use assessments in 2014, reflecting their comparative low priority with respondents and/or lack of clarity about how assessments can be used for these purposes.

Key Finding 5

Most respondents assess indicators of engagement/retention, but 40% do not, risking the loss of key talent.

- Engagement/retention remains top priority, endorsed by 56% of HR professionals.
- 40% indicate they do not use or plan to use assessments as part of efforts on engagement and retention.

Engagement/retention is the most frequently endorsed HR area globally, yet less than a quarter of respondents use assessments for this purpose, and 40% indicate they do not use or plan to use assessments as part of efforts on engagement and retention.

The appropriate assessments in this area can support engagement initiatives by identifying individuals' motivational tendencies, understanding the alignment of employee values with those of departments or work units as a way to chart career paths, and measuring sources of job satisfaction, turnover intentions, and relating these to actual turnover. Recognising low engagement early is especially important with high-potential candidates, who may otherwise, and after a costly development programme, leave to join a competitor.

Our findings show that HR priorities do not necessarily align with the areas in which assessments are used now or plan to be in the near future. This disconnect is especially notable given increasing concern expressed by executives around 'skills gaps' among current employees, especially in terms of the high-potential talent they need to drive future success¹.

Without talent measurement being the norm for various HR processes, concerns will abound related to skills gaps. Talent measurement can help organisations quantify skills gaps, identify plans to shore up skills in areas identified as deficient, and measure progress on learning and development programmes designed to increase skills.

¹ (<http://talentmgt.com/articles/view/survey-soft-skills-make-up-the-biggest-competency-gap>)

Table 9: Assessment Use by Human Resource Area

HR Initiative/Area	No Plans For Assessments	Plan to Use in Near Future	Currently Use	Total Plan to Use and Currently Use
External hiring (including recruitment).	12%	12%	76%	88%
Internal hiring (including promotion).	18%	17%	65%	82%
Leadership development.	18%	26%	56%	82%
Career development.	28%	29%	44%	73%
High-potential identification.	25%	30%	42%	72%
Training.	31%	22%	47%	69%
Succession planning.	33%	30%	38%	68%
Performance management.	38%	18%	44%	62%
Workforce planning/Talent Analytics.	39%	29%	32%	61%
Engagement/retention.	40%	23%	37%	60%
Creating/implementing competency model(s).	40%	22%	38%	60%
Restructuring.	59%	15%	26%	41%
Change management.	59%	20%	21%	41%
Onboarding.	60%	15%	25%	40%
Outplacement/redeployment of talent.	62%	17%	21%	38%

Assessment Use Across the Employee Lifecycle

Key Finding 6

Objectivity gap in post-hire, with widespread assessment use for hiring, but only 40% for development and promotion decisions.

- Nearly twice as many respondents report use of assessments for pre-hire compared with post-hire.
- Skills/knowledge testing (the most frequently used type across pre- and post-hire) is used by 73% of respondents in pre-hire but only 40% in post-hire.
- Similarly, 62% of respondents indicate use of personality assessments for pre-hire but only 34% for post-hire.

We see that external hiring remains the top use of assessments, despite post-hire applications offering a greater range of potential assessment use. To what extent are specific types of assessments used for pre- and post-hire?

While there has been something of a revival of interest in assessments as concepts like ‘serious games’ and ‘gameified’ assessments come into the mainstream (Popp, Tuzinski, & Fetzer, 2014), organisations have been using objective measures of competencies as a way to make decisions about individuals, particularly for hiring, for hundreds of years.² The science of hiring is predicated on the use of highly reliable and valid measures of human competencies to make robust predictions about future success. There are numerous options for assessment so the question becomes which assessments to use as part of candidate and employee processes.

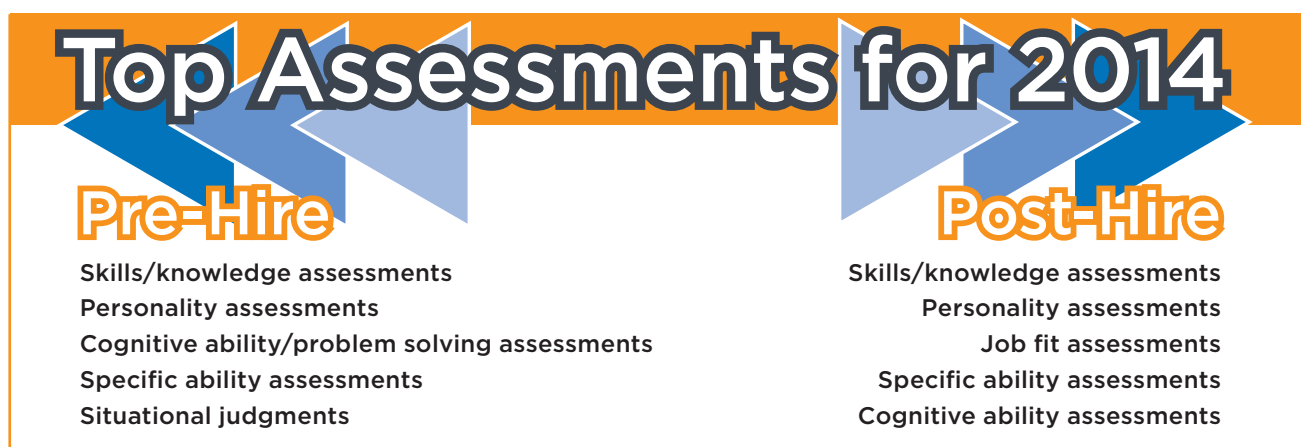
Decisions regarding assessments are mired in several issues, including how well the test measures critical competencies, how long the assessment takes to complete, legal issues surrounding the job relevance of the assessment, and whether to administer tests onsite, remotely or via mobile devices. It is also dangerous to assume that all assessments are equally effective. Organisations that truly value talent measurement know the best assessments are those that are well-designed, proven to be valid and link directly to job and organisational performance.

Some traditional hiring assessments, including cognitive ability, personality, work samples and others, have demonstrated consistent relationships with performance on the job. Other assessments, such as ‘profiling’ tools and handwriting analyses are less appropriate for selecting employees because they do not typically relate to job performance.

The assessments that organisations use for pre- and post-hire applications include skills/knowledge tests, personality tests, and cognitive ability/general problem solving tests (see Table 10). A properly constructed and validated assessment can reduce the time it takes for recruiters/hiring managers to screen candidates, and may often be more consistently implemented than reviews of résumés.

Skills/knowledge tests are the top assessments used in both pre-hire (73%) and post-hire (40%).

.....



² Rogers, 1994.

Looking closer at the use of assessments for pre- and post-hire purposes, we see a substantial gap in the extent to which tests of any type are used for post-hire processes. Assessments are used approximately twice as often for pre-hire than post-hire. For instance, skills/knowledge testing (the most frequently used test type across pre- and post-hire uses) is used by 73% of respondents in pre-hire but only 40% in post-hire. Similarly, 62% of respondents indicate use of personality assessments for pre-hire but only 34% for post-hire.

The relative lack of assessment use in post-hire suggests that many organisations are still basing promotion and development decisions on subjective criteria, or on performance data that may not be relevant to a more senior position or a very different role.

Given the diverse array of post-hire applications and the growing importance of talent data to inform business decisions, organisations have an opportunity to improve the effectiveness of critical activities such as succession planning and workforce planning, giving them an advantage over their competitors in the talent market.

The relative lack of assessment use in post-hire suggests organisations are basing promotion and development decisions on subjective criteria, or on performance data that may not be relevant to a more senior position.

Table 10: Pre- and Post-Hire Assessment Use

Assessment Types	Pre-Hire		Post-Hire	
	2014	2014 Rank	2014	2014 Rank
Skills/knowledge tests.	73%	1	40%	1
Personality tests.	62%	2	34%	2
Cognitive ability/general problem solving tests.	59%	3	24%	6
Job fit tests.	47%	4	27%	4
Specific ability tests.	47%	4	25%	5
Situational judgment.	43%	6	22%	7
Assessment centers.	41%	7	22%	7
Job-specific solutions.	39%	8	22%	7
Biodata (life history information).	37%	9	15%	12
Culture fit tests.	33%	10	15%	12
Job simulations.	32%	11	20%	10
Interest assessments.	23%	12	16%	11

Linking Assessments to Outcomes

“Predictive statistical analysis, harnessed to big data, appears poised to alter the way millions of people are hired and assessed” (Peck, 2013).

Key Finding 7

Most do not monitor candidate reactions and fail to link the candidate experience to business outcomes.

- 82% of organisations see a positive candidate reaction to their hiring process as important, yet only 40% actually monitor such reactions.
- Few organisations see the value of positive candidate reactions beyond the recruiting process such as in influencing candidates’ future purchasing decisions.

Assessment use can be linked to a wide variety of outcomes. Some of these are HR operational, such as improving employee retention, or time to hire. But the true value of assessments lies in the extent to which HR can prove to the business that they have a demonstrable effect on performance – of the individual, the function/team, and, ultimately, the organisation.

Key Finding 8

Employees who promote their employers’ products and services are much more likely to work in organisations with strategic HR functions.

- Of those who are highly favourable about their organisations’ products/services, 80% view HR as a strategic function and 89% indicate that their organisations consider people decisions in the context of business objectives.
- Organisations whose employees highly endorse their companies’ products/services (promoters) prioritise ALL HR areas higher, compared to organisations whose employees do not endorse their products/services (detractors).
- Promoters also report their companies make greater use of information on talent to make business decisions (58%) compared to detractors (37%).

Considering Candidates as Customers

Organisations are placing a higher value on the candidate experience as research indicates that perceptions of the hiring process influence candidate attrition from the selection process, intentions to accept job offers, perceptions about the organisational culture, and even intentions to purchase products and services (Bauer, Maertz, Dolen, & Campion, 1996). New roles are being created in some organisations dedicated exclusively to the candidate experience.

We asked HR professionals for their views of the candidate experience in their organisations and if they monitored candidates’ experience in the recruiting and hiring process. Most (82%) indicate that candidate reactions are important to recruiting efforts, and approximately two-thirds that organisations put premium value on ensuring a positive applicant experience (see Table 11).

Far fewer (40%), however, collect data to monitor candidate reactions. Without this data, organisations will struggle to understand why some candidates drop out of the recruiting/hiring process, or why job offers may not be accepted. More serious still, these failures may be symptoms of a profound dissatisfaction with the hiring process that, as we will see, could ultimately damage an organisation's business.

Table 11: Importance of Monitoring the Candidate Experience

Survey Statement	Percentage Endorsing
Candidate reactions to the hiring process are important to our recruiting efforts.	82%
We monitor candidate reactions to our recruiting and hiring processes with surveys or other tools.	40%
My organisation puts premium value on ensuring that candidates have a positive applicant experience.	68%

Why do organisations monitor candidate reactions? As we can see from Table 12, HR professionals see a clear link between positive candidate experiences of testing and near-term recruiting and hiring benefits.

Approximately three-quarters of respondents perceive enhanced employer branding and retaining candidates in the hiring process to be primary benefits of monitoring candidate reactions. More than half of respondents indicate that positive candidate perceptions can lead to competitive advantage and the rate at which job offers are accepted.

While our respondents broadly accept the benefits to the HR function of a positive candidate reaction, relatively few link those benefits – such as an improved employer brand – to the enhanced performance of the organisation as a whole. Only a quarter of respondents link candidate reactions with revenue impacts, such as a loss of business due to candidates deciding not to buy from the organisation in the future.

Yet how organisations treat their unsuccessful candidates can be as significant an influence on how the organisation is perceived – and its performance – as the quality of people they employ. Our research from 2010³ suggests that 49% of job applicants are left with a negative view of an organisation following an unsuccessful application and that one in five of these people actually stop buying from the company as a consequence. Assuming an average weekly supermarket spend of £95 that could, for example, represent a loss of £238,000 over 50 years.

³ 'Job applicants are customers too' research by Opinion Matters, March 2010

Table 12: Benefits Associated with Measuring Candidate Reactions to Testing

Survey Statement	Percentage Endorsing
Enhancing your organisation's employer brand.	82%
Retaining candidates in the hiring process.	72%
Maintaining or enhancing your organisation's competitive advantage.	69%
Increasing the rate of job offers accepted by top talent.	63%
Retaining staff.	54%
Minimising legal issues.	36%
Retaining business from candidates who are also customers.	28%
Influencing the candidate's future purchasing decisions of your organisations' products or services.	24%

Linking Assessments to Business Outcomes

Do organisations perceive testing to be useful and do perceptions of usefulness relate to measurable outcomes? Any initiative must demonstrate value to the organisation for it to be sustained and supported. Data gathered from objective assessments can be linked to key metrics for an organisation to demonstrate the overall impact of talent measurement. CEB publishes an annual report that documents how organisations link assessment results to critical business metrics.⁴

Our findings show that most HR professionals consider testing valuable, both for hiring and for development/promotion. Consistent with our findings in Table 10, however, fewer report assessments as critical to promotion and/or development programmes than to hiring (see Table 13). Furthermore, less than half of respondents indicate that metrics are collected to determine the effectiveness of assessments for hiring or development programmes, reflecting a downward trend.

Since 2012, we have seen a decline in the number of HR professionals who collect metrics to determine how assessments add value to the hiring process (44% in 2014, down from 54% in 2013) and development programmes (37% in 2014, down from 42% in 2012 and 2013). A shrinking number also link results from employee development efforts to business outcomes (37% in 2014, down from 47% in 2013).



Source: SHL Business Outcomes Study Report, CEB 2013

⁴ SHL, 2013.

Table 13: Trends in Human Resources: Collecting Metrics and Valuing Assessments

Survey Statement	Percentage Endorsing		
	2012	2013	2014
Testing candidates is a valuable part of the hiring process.	89%	87%	87%
My organisation views assessments as a critical component of any promotion and/or development programme.	62%	57%	57%
We collect metrics to determine how assessments add value to the hiring process.	51%	54%	44%
We link assessment results from employee development efforts to business outcomes to evaluate their effectiveness.	45%	47%	37%
We collect metrics to determine how assessments add value to our development programme(s).	42%	42%	37%

While it may not be the norm to collect metrics to evaluate hiring or development/promotion programmes, our findings indicate that one-third of HR professionals report having to provide data documenting the link between assessment use and metrics their organisations care about (see Table 14). Only 1 in 5 stakeholders assume assessments are working without such evidence.

Table 14: Type of Information Needed to Justify Assessment Use by Application

Survey Statement	Percentage Endorsing		
	Pre-hire	Promotion	Development
Data showing the link between the use of assessments and metrics they care about.	31%	29%	29%
Managers' beliefs/feedback that assessments are working.	29%	32%	32%
None. Our stakeholders assume they are working.	20%	18%	18%

Although we have seen that assessment use is predominately in pre-hire, when assessments are used HR professionals tend to target those areas they consider HR priorities, in both pre-hire and post-hire.

Engagement/retention, the top HR priority for 2014, is the most frequently cited business outcome (for pre- and post-hire) targeted through the use of assessments (see Figure 10). Productivity is another outcome targeted by HR professionals across pre- and post-hire uses. Still, only about half of respondents report these as areas they wish to impact through assessment use.

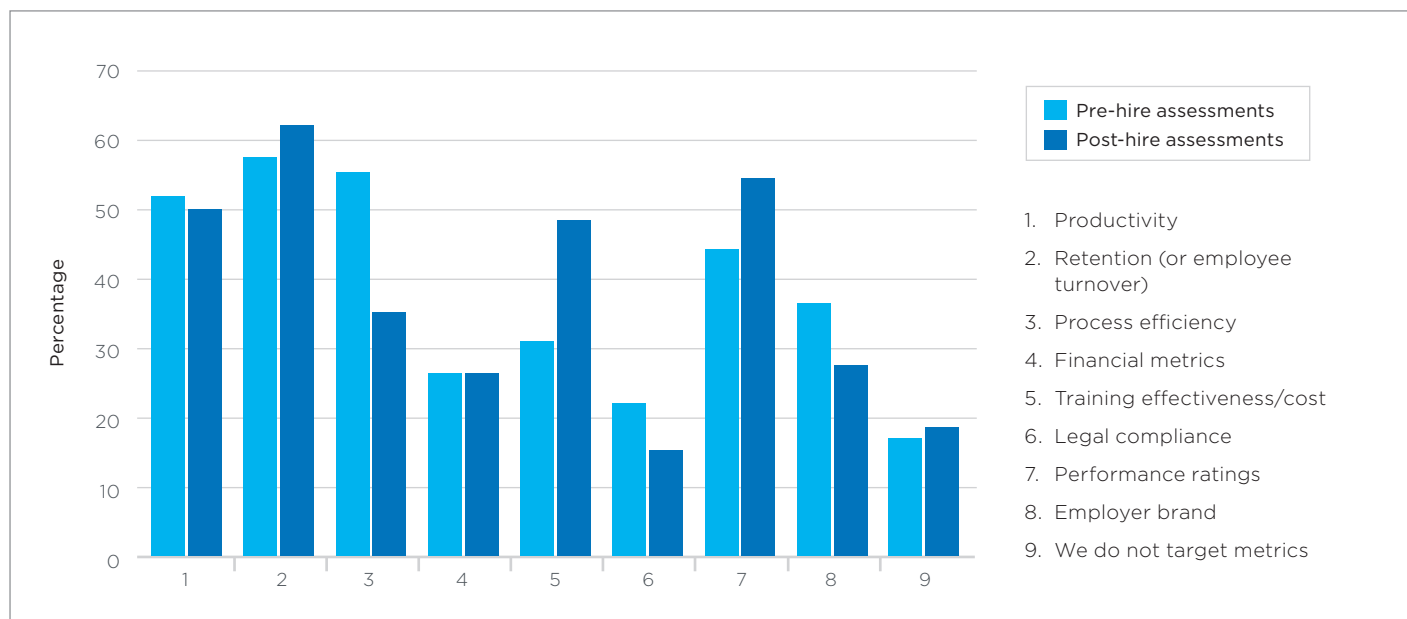


Figure 10: Business Outcomes Targeted by Assessment Use

New Trends in Hiring Tools

Key Finding 9

Social media searches are a top hiring tool, despite only a quarter of respondents having formal policies on its use.

- Respondents in Middle East and Africa are more likely to use social media information, both formal (28%) and informal (29%), as a future hiring tool. In contrast, respondents in the Americas are least likely to use social media for hiring either formally (14%) or informally (10%).
- 24% of respondents allow recruiters/hiring managers to use social media information to make decisions about candidates, while 42% allow decisions to be made based on professional networking information.

What does the process of applying for a job look like in 2014? What are the common hiring tools used by HR professionals and which are expected to emerge as useful in the future? How does usage of hiring tools compare around the world?

Certain hiring tools are well-entrenched in hiring processes. Our findings on this topic indicate that tools including résumé review/screens, reference checks, application forms, and interview guides are consistently among the top tools currently used in the hiring process, as indicated by more than three-quarters of respondents.



Given the entrenched use of these core hiring tools, what opportunities exist to introduce new tools that add value to the recruiting and hiring process? How do these trends compare around the world?

As shown in Table 15, our findings point to social media as the new and emerging hiring tool that organisations plan to use, both on a formal basis (i.e., through developing criteria for its use, along with rating scales to objectively measure hiring managers' assessment of candidates' fit with the job requirements) and informal basis (i.e., through perusing Facebook and LinkedIn for candidate information). More than any other tool, HR professionals report plans to use formal (18%) and informal (16%) social media searches in the near future.

Future uses of hiring tools vary substantially around the world. Respondents in Middle East/Africa anticipate using formal and informal social media more substantially (28% and 29%, respectively) than those in other parts of the world. More respondents in Middle East/Africa also report adopting other more traditional hiring tools, such as work samples/assessment centers (25%). In contrast, far fewer respondents in the Americas report interest in using social media as a future hiring tool (14% for formal and 10% for informal social media searches) perhaps, indicative of the lack of justification in more stringent legal environments.

What do hiring managers hope to learn about candidates through the use of social media? In the next section we further explore the use of social media as a hiring tool and other technology innovations that are changing the talent measurement landscape.

Table 15: General Hiring Tools - Plans For Future Use

Hiring Tool	Percentage Endorsing					
	Global Sample	Asia	Australia/ New Zealand	Americas	Europe	Middle East/ Africa
Social media searches – Formal.	18%	21%	18%	14%	17%	28%
Social media searches – Informal.	16%	21%	18%	10%	15%	29%
Work samples/Assessment centers.	14%	14%	12%	12%	12%	25%
Structured interview guides.	11%	20%	3%	9%	10%	14%
Prescreening questions (minimum qualifications questions).	11%	13%	4%	8%	10%	17%
Phone screens (person to person or IVR).	7%	10%	6%	4%	6%	16%
Credit checks.	6%	12%	6%	2%	4%	13%
Reference checks.	5%	6%	0%	5%	6%	8%
Drug screens.	5%	6%	8%	3%	4%	14%
Background checks. ⁵	5%	4%	3%	1%	7%	10%
Unstructured interviews.	4%	5%	2%	2%	4%	7%
Résumé review/screen.	3%	7%	0%	1%	3%	5%
Application forms.	3%	4%	3%	1%	4%	5%

⁵ Note: In 2009, this was combined to read “Background checks, drug screens.”

Part III: Technology in Testing: HR Information Systems, Mobile Devices and Social Media

Our findings thus far indicate that technology is playing an increasingly important role in the recruiting and hiring process, with integrated data on talent seen as critical, despite doubts over its capability (see Section I). In what other ways is technology used in people processes? What are the current and future uses of technology and how can technology keep pace with the growing need for highly accessible information on talent?

Only a third of respondents report integrating talent assessments with their HR Information Systems.

Technology Systems/Automation in HR

In Section I we reported selected findings about the use of HRIS to support various HR processes. In Table 16, we report the full set of findings. As can be seen, among our respondents there is majority use of HRIS in only four people processes (namely, external and internal hiring, performance management, training) and very little for a wide variety of other processes. Where HRIS are used, only one third or fewer respondents report integrating talent assessments with the HRIS, which could be one source of dissatisfaction with the capability of HRIS to provide integrated talent data.

Table 16: Use of HRIS to Support People Processes and Integration of Assessments

HR Initiative/Area	Percentage Endorsing	
	HRIS in Use	Use of Talent Assessment Integrated with HRIS
External hiring (including recruitment).	61%	34%
Performance management.	57%	38%
Training.	54%	34%
Internal hiring (including promotion).	52%	33%
Career development.	35%	27%
Leadership development.	32%	26%
Workforce planning/Talent Analytics.	31%	21%
Onboarding.	31%	20%
Succession planning.	30%	23%
Outplacement/redeployment of talent.	15%	13%

Do the world’s leading organisations (those recognised as Global Fortune 500 organisations in the past three years) utilise HRIS to a greater extent and do these companies also integrate talent assessment data with HRIS? Respondents from Fortune 500 organisations indeed report greater use of HRIS for various HR processes (see Figure 11). Global Fortune 500 (F500) organisations also report more integration of talent assessments with HRIS (see Figure 12). While 48% of these organisations integrate talent assessments with HRIS for external hiring, only 34% of the global sample do so. Similarly, 51% of the F500 respondents report integrating talent data with performance management HRIS, while only 38% of the global sample do so.

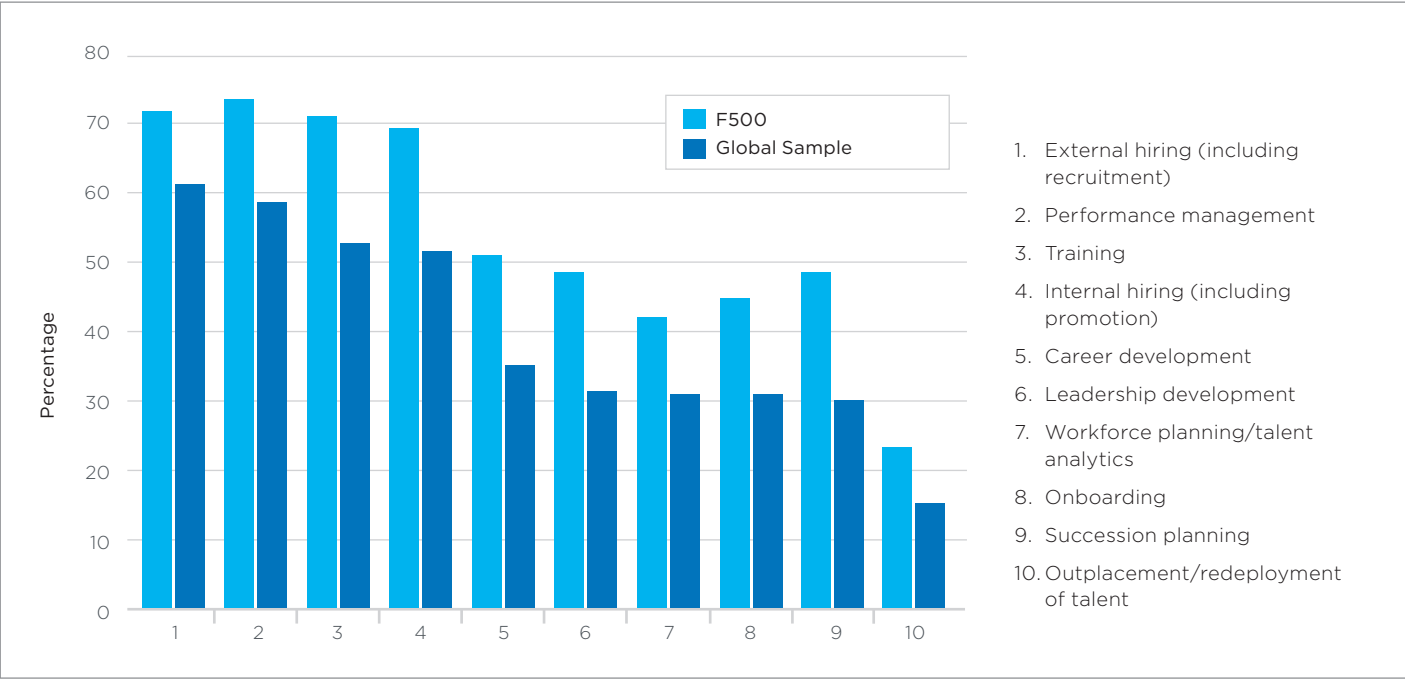


Figure 11: Use of HRIS: Fortune 500 vs. Global Sample

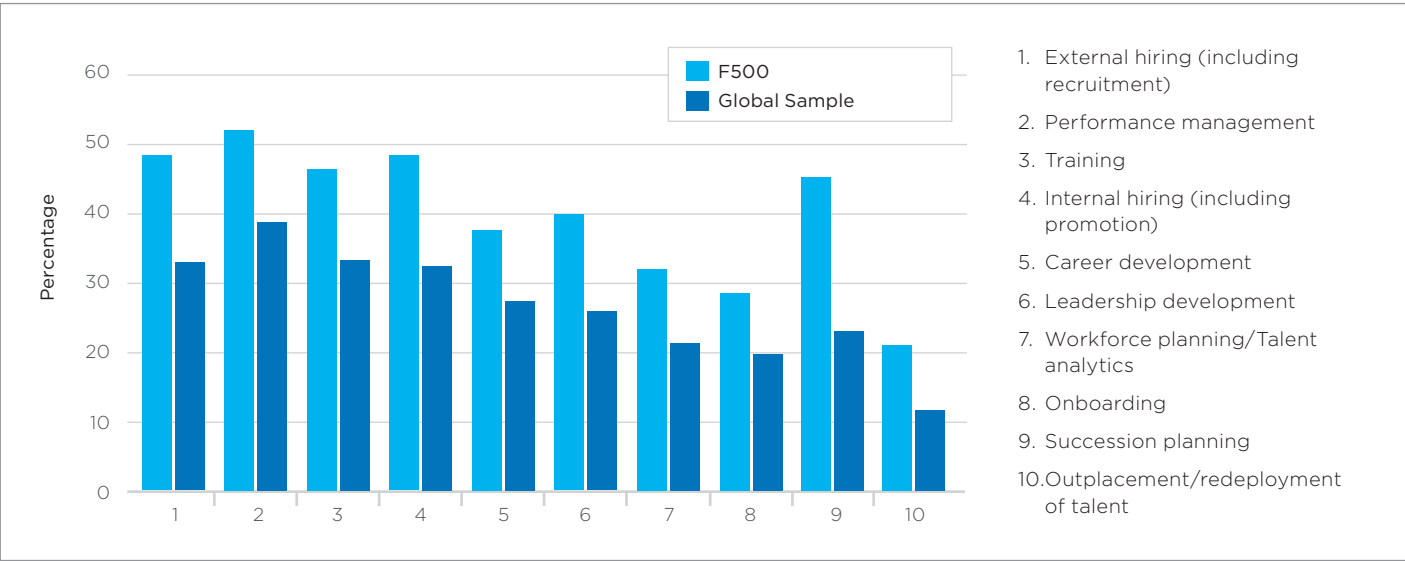


Figure 12: Integration of Talent Assessments with HRIS: Fortune 500 vs. Global Sample

Technology and Testing

As technology advances and options abound for creating and delivering technology-enabled assessments, are companies taking advantage of new advances in testing? Do trends in assessment delivery modes differ across the globe?

For companies that use assessments, respondents indicate that online assessment is most prevalent (81%, see Table 17) while mobile testing is used by very few. While overall more than one-third of respondents use paper and pencil or computer based testing with offline scoring, their use is more common in emerging economies than established economies (see Figure 13).

Of organisations that use assessments, 81% say they assess online.

Table 17: Assessment Delivery Modes

Test Type	Percentage Endorsing
Paper and pencil.	37%
Computer-based (with offline scoring).	35%
Online assessments.	81%
Mobile assessments (smart phone, tablet).	4%

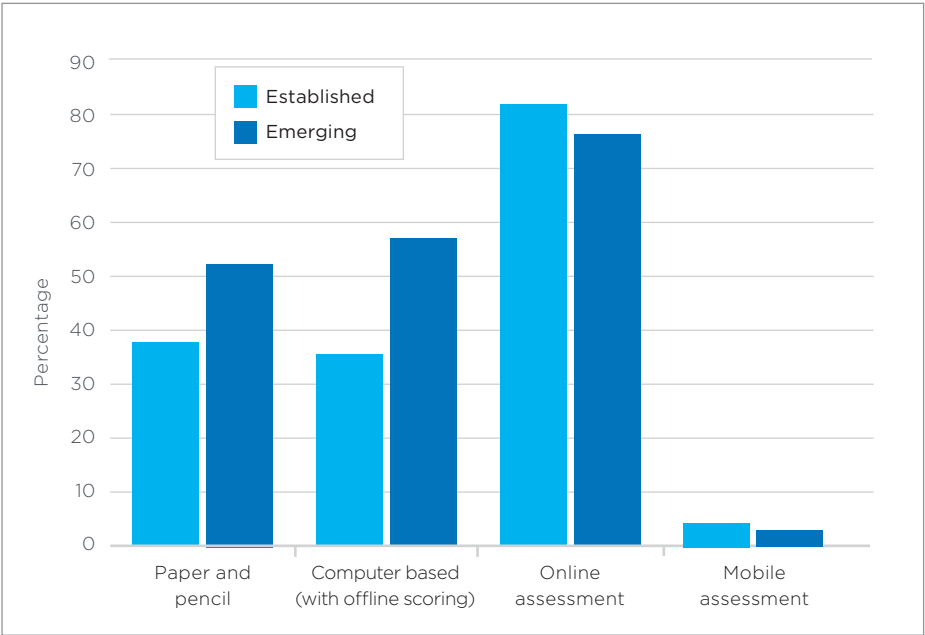


Figure 13: Assessment Delivery Mode by Economic Type

Mobile Device Technology and Testing

Key Finding 10

Growing mobile assessment use for recruitment, with clear geographic differences.

- 42% of global sample would allow candidates to complete assessments on mobile devices if the option existed, although endorsed by more respondents in Australia/New Zealand (59%) and the Americas (48%) than other regions.
- 23% of global sample report that candidates are requesting to complete assessments on mobile devices, although more respondents report this in the Americas (24%) and Asia (24%) than other regions.

Mobile technology continues to evolve at a brisk pace. In 2014, tablet sales are expected to increase by 19% after growing by 56% in 2013 (IDC, 2014). Mobile technology pervades nearly all aspects of existence – from how business is done, to how we communicate and live. As the number of applications for mobile devices increases exponentially, the expectation of an increasing number of end users is that all systems are accessible on smart phones and tablets.

While technology adapts to deliver mobile-optimised applications, should it also adapt to deliver assessments on mobile devices? If so, how do test takers perceive the test taking experience? Individuals take tests from early on in life typically with nothing more advanced than pencil and paper. In our ‘mobile everything’ culture, are mobile delivered assessments truly desired and if so, how do job candidates perceive the experience of taking a traditional test on a smart phone or tablet?

Increasing accessibility by offering candidates the ability to take assessments on mobile devices brings a number of benefits to organisations and candidates, but presents potential challenges, including differences in the assessment environment and potential changes to the quality of the assessment experience.

Testing via smart phones and tablets is a relatively new implementation of pre-employment assessment and organisations should weigh the considerations. Are tests administered on mobile devices equivalent to those administered on PCs? Do candidates perceive mobile testing to be fair? Is the process of applying for and completing tests on mobile devices positive for the candidate? Will candidates be more likely to cheat given this new technology?

CEB’s research programme on mobile testing supports mobile delivered assessments for a range of test types (notably personality, biodata; Kantrowitz & Reddock, 2014). However, test takers do not necessarily perceive the experience to be fair or feel they have adequate opportunity to perform well. These perceptions may have unintended consequences on companies’ hiring processes, as frustration during the test taking process may lead to applicant dropout, questioning the use of the assessment, or lower rates of job offer acceptance.

Consistent with findings from 2012 and 2013, we see modest interest from recruiters in accessing candidate information on mobile devices, as well as modest interest from candidates in completing assessments on such devices (see Table 18). This may be related to the finding that less than half of respondents indicate they would allow candidates to test via mobile devices if this was an option. Only about one-third of respondents indicate that they would allow candidates to test on mobile devices even if research on the equivalence of mobile enabled tests existed, yet relatively few believe that mobile testing may encourage cheating or may be inappropriate.

Table 18: Use of Mobile Technology in Recruiting and Hiring

Survey Statement	Percentage Endorsing		
	2012	2013	2014
Our HRIS systems are accessible via smart phones/mobile devices.	14%	17%	16%
Recruiter access to candidate information (e.g., application forms, assessment scores) via smart phone/mobile devices would make our hiring process more efficient.	32%	38%	32%
Recruiters and hiring managers are requesting to have mobile access to candidate information.	22%	26%	19%
Candidates are requesting to complete application forms and/or assessments on their mobile devices.	19%	23%	21%
We would allow candidates to complete assessments via smart phones/mobile devices today if such an option existed.	38%	43%	42%
We would allow our candidates to complete assessments on smart phones if there was research showing how assessment scores compare to taking assessments on computers.	42%	41%	37%
It may be unfair to allow candidates to complete assessments via smart phones.	23%	24%	17%
Allowing candidates to use mobile devices to complete assessments would encourage cheating.	20%	23%	15%
Allowing candidates to use mobile devices to carry out assessments is inappropriate.	23%	21%	14%

Global Comparison: Mobile Testing by Region

There are clear differences in the prevalence of mobile device use across the globe, with use higher in emerging than established economies (Scott, 2014). Given the differences in numbers of mobile devices being used, it is useful to examine the perceptions of mobile testing by market.

In 2014, we see that slightly more respondents from established economies would allow candidates to test on mobile devices (see Figure 14). However, in emerging economies more recruiters are requesting access to candidate information and more candidates are requesting to complete assessments on mobile devices. This is particularly interesting in light of the finding that more respondents from emerging economies would permit mobile testing if there was research documenting its equivalence, indicating concern that mobile testing may be unfair, and that mobile testing may encourage cheating.

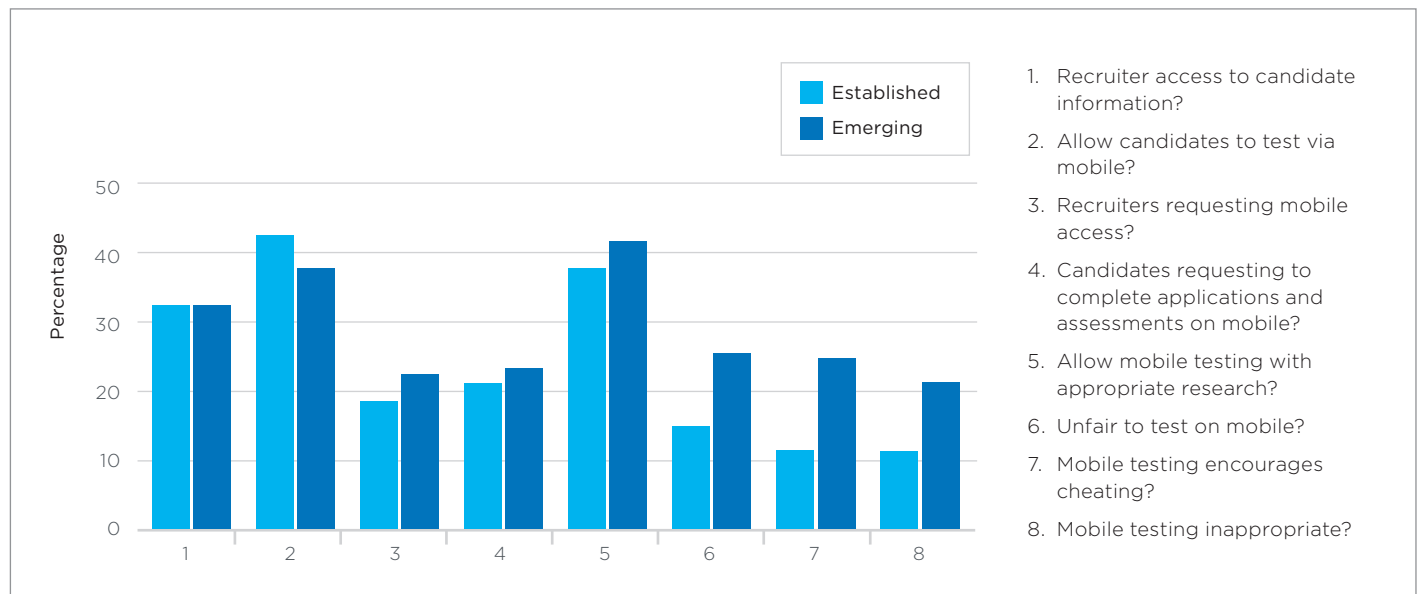


Figure 14: Mobile Testing Perceptions by Market - Percentage Endorsing "Yes"

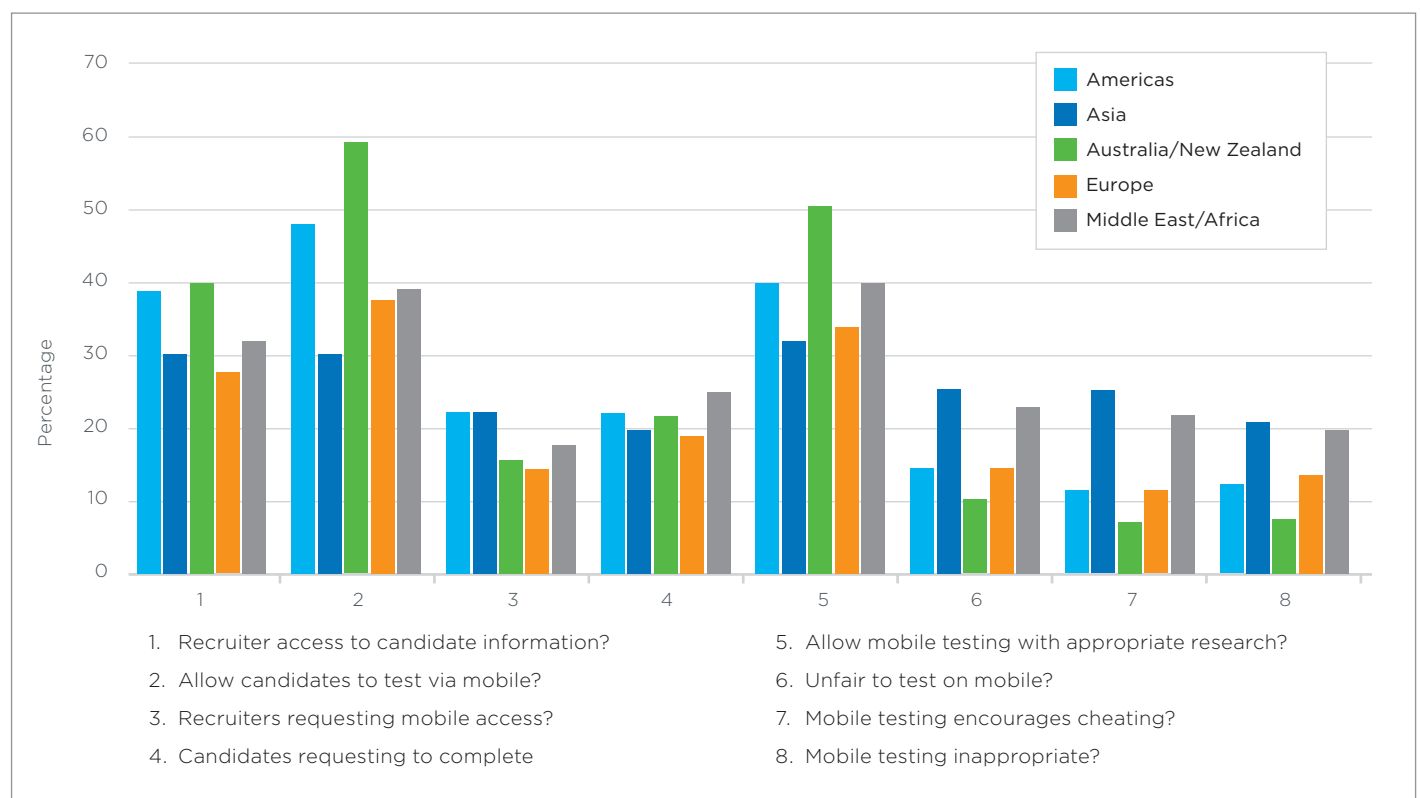


Figure 15: Mobile Testing Perceptions by Region - Percentage Endorsing "Yes"

Social Media Data and Hiring

Social media information is increasingly available and presents alternative, and possibly unfiltered, information that candidates may not otherwise share during the selection process. What information is gleaned through social media, how valuable is it, and what pitfalls exist?

Our Report again includes a review of how data from social media is used as part of the hiring process and the perceived value of such data. As shown in Table 19, social media continues to be a key part of recruiting and advertising to candidates, with social media seen as increasingly effective at recruiting and reaching quality candidates (54%, up from 40% in 2013).

An increasing number of respondents also see social media as useful for determining candidate fit (40%, up from 29%). Of continuing concern is that only slightly more than a quarter of respondents have formal policies in place regarding the use of social media and professional networking information for hiring. Without proper governance, the dramatic rise in the use of social media could introduce unfair bias into the hiring process, and be based on criteria that are not proven to be predictors of job performance.

Despite its growing use, our findings show that only a minority of respondents believe that social media information is critical to hiring decisions (14%) or have confidence in the quality of the data (20%). This set of findings holds up across economic types (see Figure 15), though respondents from emerging economies view social media data as slightly more critical and have slightly more confidence in the quality of such data.

Table 19: Policies and Procedures: Social Media for Recruiting and Hiring

Survey Statement	Percentage Endorsing		
	2012	2013	2014
Social media websites (e.g., Facebook, Twitter) are having a large impact on how we recruit, manage and measure talent.	37%	32%	46%
Social media sites are effective tools for recruiting and reaching quality candidates.	46%	40%	54%
Candidate information on social media sites is useful in determining candidate fit with an organisation.	29%	29%	40%
We have a formal policy in place regarding social media information and our hiring practices.	17%	18%	27%
We have a formal policy in place regarding professional networking information and our hiring practices.	-	-	27%
Social media data on candidates is critical to our hiring decisions.	-	12%	14%
I have confidence in the quality of candidate data coming from social media sites.	-	12%	20%

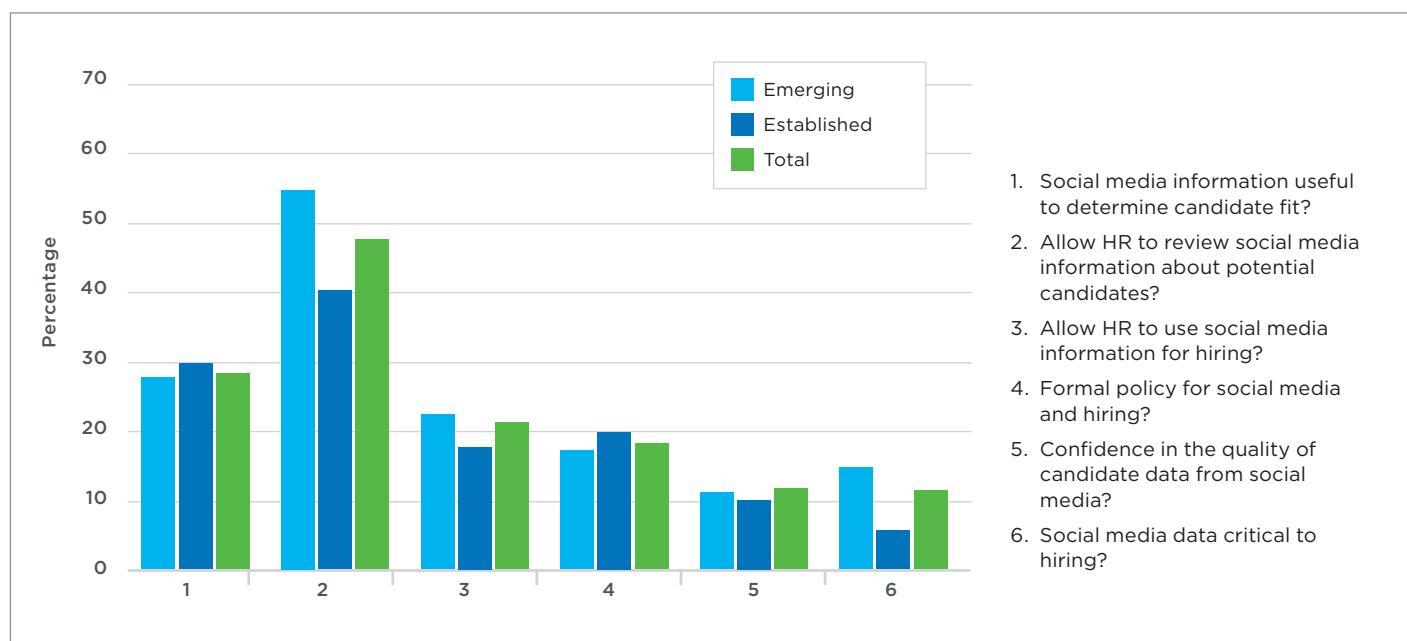


Figure 16: Social Media Perceptions and Policies by Market

How do HR professionals go about using social media to determine candidate fit? Are distinctions made in the types of information researched on social media? To what extent do people distinguish between social media for personal use and that used professionally?

Our findings (Table 20) show that, for recruiting and hiring candidates, far more respondents review information on professional than personal social media sites (69% vs. 41%). In addition, more companies allow their staff to review professional information on social media to make decisions about candidates compared to information posted for social purposes (42% vs. 24%). Users of social media may perceive greater job relevance of information posted on professional networking sites compared to social media.

Table 20: Distinctions in Social Media and Professional Information for Recruiting and Hiring

Survey Statement	Percentage Endorsing
We allow our recruiters/hiring managers to review social media information (e.g., Facebook, Twitter) about potential candidates.	41%
We allow our recruiters/hiring managers to review professional networking information (e.g., Linked In, GlassDoor) about potential candidates.	69%
We allow our recruiters/hiring managers to review social media information (e.g., Facebook, Twitter) to make decisions about candidates.	24%
We allow our recruiters/hiring managers to review professional networking information (e.g., Linked In, GlassDoor) to make decisions about candidates.	42%

We indicated previously in the report that social media searches (both formal and informal) are the hiring tools most anticipated to increase in usage in 2014. How will these searches be used as a hiring tool? Social media should be used judiciously in order to establish the job relevance of the information and demonstrable validity with hiring outcomes. Social media, like other hiring tools, is held accountable to best practices set out for other aspects of hiring like assessments and interviews. Introducing objectivity to the review and use of social media is a first step, by using rating scales and linking information to job requirements. Using social media in a formal way is more likely to add value to hiring programmes.

To what extent do HR professionals around the world anticipate using formal and informal social media? We see in Figure 17 that respondents in emerging economies anticipate using both types of media searches as hiring tools to a greater extent than respondents in established economies.

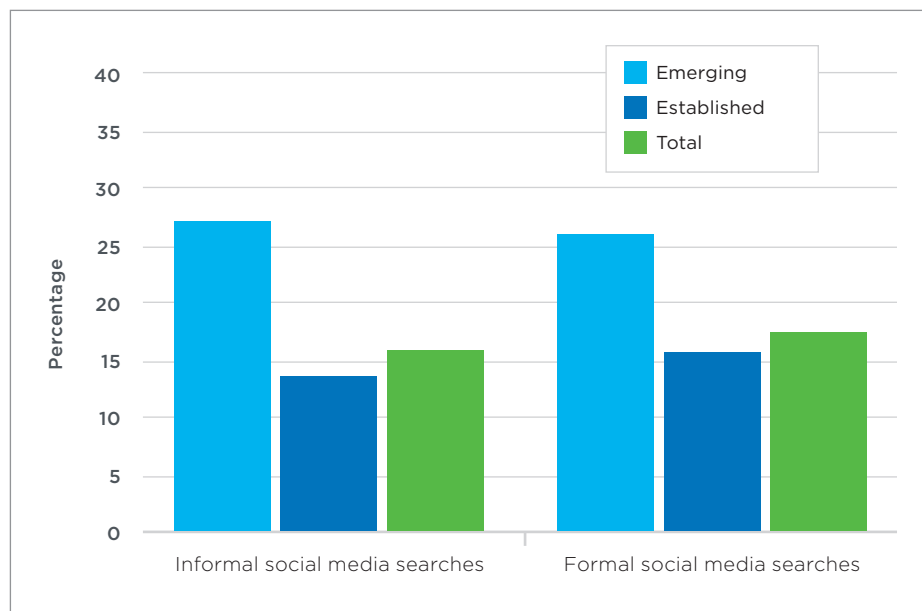


Figure 17: The Use or Planned Use of Social Media Searches by Search and Economy Type

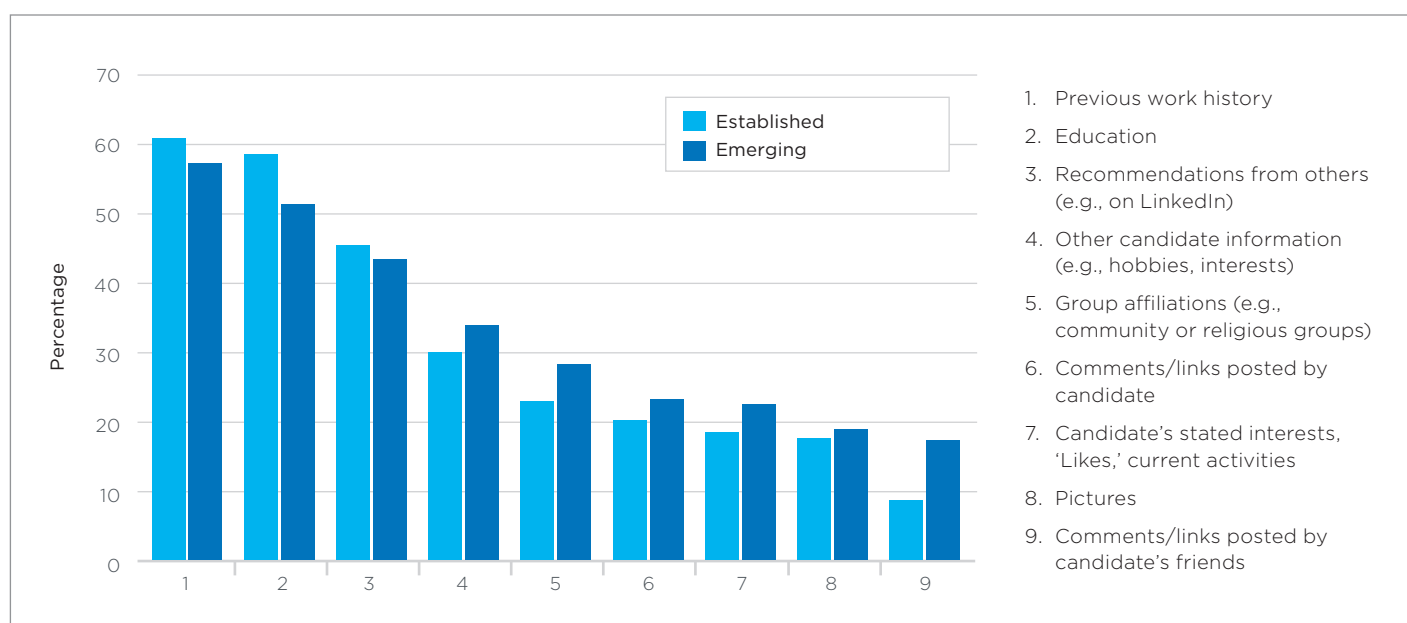
What type of data are recruiters and hiring managers seeking when they review candidate information on social media sites? We see a similar pattern emerge from 2012 to 2014: most respondents indicate examining previous work history, education, and recommendations from others (see Table 21).

It's notable however that the kind of information less obviously related to a candidate's professional ability is less used than in previous years. For example, information on hobbies, interests, group affiliations, stated interests, 'likes', and current activities. Use of pictures, an area we've highlighted in previous years' reports as something with very tenuous job relatedness, witnessed a dramatic reduction in usage, from 29% in 2013 to 19% in 2014.

Table 21: Candidate Data Reviewed from Social Media Sites

Social Media Data	2012	2013	2014	2014 Rank
Previous work history.	51%	55%	60%	1
Education.	49%	50%	56%	2
Recommendations from others (e.g., on LinkedIn).	39%	41%	45%	3
Other candidate information (e.g., hobbies, interests).	33%	34%	31%	4
Group affiliations (e.g., community or religious groups).	22%	24%	23%	5
Comments/links posted by candidate.	23%	19%	21%	6
Candidate's stated interests, 'Likes,' current activities.	24%	25%	20%	7
Pictures.	26%	29%	19%	8
Comments/links posted by candidate's friends.	14%	12%	11%	9

We continue to see differences in the kind of social media data reviewed by emerging versus established economies. Specifically, HR professionals from emerging economies review more of the social media data categories than those from established economies. Respondents from emerging economies are, for example, more likely to review candidate information on hobbies/interests, group affiliation, comments posted by the candidate, pictures, and comments posted by candidates' friends than respondents in established economies (see Figure 18). More respondents in established economies review social media information that may be construed as more job relevant, including previous work history, education, and recommendations.

**Figure 18: Percentage of Respondents Currently Reviewing Social Media Information by Data Type and Economy Type**

Despite the findings that the vast majority of HR professionals do not endorse social media data as critical, organisations continue to include such searches as part of their hiring processes. If the value is dubious, why do organisations anticipate using social media in hiring? Furthermore, scientific studies on the use of social media present some vexing challenges for organisations. For instance, research indicates that companies' use of social media is related to candidate perceptions about invasion of privacy. Such perceptions have been shown to relate to decreased organisational attractiveness and increased intentions to litigate (Stoughton, Thompson, & Meade, in press).

Companies aspiring to use social media information in hiring should carefully consider the costs and benefits associated with its use. While companies may perceive it to be a rich source of unfiltered information, it is unclear how valuable this information is and what it adds above and beyond (if anything) to other hiring tools. Many open questions remain regarding the job relatedness of social media information, its relationship with job performance, and methodology underlying appropriate implementation. We recommend caution be exercised regarding its use particularly as the legality guiding its use is tenuous.

Assessment Trends Summary and Recommendations

Based on the results of the 2014 Global Assessment Trends survey, we see four key areas for consideration by HR professionals looking to improve how they measure talent in the coming year.

Talent dashboards can transform organisations, but only via infrastructures that integrate rich data and robust measurement tools

HR professionals can usher in the big data era for their organisations by setting up an infrastructure for the efficient collection, use, and integration of data to support people processes. Our findings show there is considerable room for improvement in the data systems, data policies and use of objective measurement required for this.

The benefits of such an infrastructure extend far beyond the HR department. Ultimately, organisations should be able to demonstrate the same degree of control over, and return on investment, from talent that they routinely expect from their finance departments. Moreover, access to rich data on current talent, talent gaps, and, through external benchmarking, how it compares by geography and industry, will give business leaders the dashboards they need to steer their organisations to success.

Organisations should remember that candidates are often customers too

Most HR professionals agree it's important that candidates are left with a good impression of the organisation, and are very conscious of the impact this can have on their employer brand – and their ability to attract the best talent in the future. However relatively few organisations actually measure candidate perceptions, and less than a quarter recognise any link between client perceptions and business results.

This runs counter to research that one in five of candidates left with a negative impression stop buying from the company as a result. This can become a 'vicious circle' in which a flagging consumer brand then affects the employer brand and applicant quality, which in turn affects consumer brand. We believe measuring candidate satisfaction – of both failed and successful candidates – should be an integral part of the recruitment and hiring process.

Talent measurement usage and budget allocation needs to be aligned with HR priorities

HR priorities are clear and consistent over several years, with organisations increasingly emphasising the effective identification, development, and retention of their internal talent. The priorities are often at odds with how organisations allocate budget and the use of objective talent measurement. Assessments are used substantially more in pre-hire than post-hire, even though our respondents prioritise the post-hire realm.

Extending objective measurement into post-hire can give organisations the data they need to manage talent effectively throughout the employee lifecycle, and the ROI information to focus expenditure where it has a proven impact on business results.

Innovations in hiring tools and methods: Proceed with caution

Our findings indicate heightened interest in technology-based hiring tools and technology-enabled assessment, although their use is often characterised by inconsistent or inappropriate justification or processes, or without demonstrable job relevance.

Our respondents are increasingly turning to social media as a hiring tool, and wisely discriminate between professional, more job-relevant information and social information. However, most HR professionals are unclear about the criticality or relevance of such information for hiring and few have formal processes in place to advise hiring managers on its use. If social media searches are to be a fair and legally defensible component of recruitment processes, organisations should ensure they are circumscribed by clear policies and are not a substitute for objective assessment.

In contrast, interest in administering tests on mobile devices is modest, although the potential benefits are significant, as mobile-enabled assessment may broaden the size/composition of candidate pools, may engage passive job seekers, and can positively influence employer branding. Even with modest interest from candidates in mobile testing (21%), the rapid expansion of mobile device usage may mean that organisations that reject such technology are ignoring a large and growing user base.

Additional Information

SHL Talent Measurement solutions, part of the CEB talent management portfolio, offer organisations clear insight into the value and potential of their people, enabling them to select and develop employees for improved business results. More at ceb.shl.com.

CEB is the leading member-based advisory company, equipping more than 10,000 organisations around the globe with insights, tools and actionable solutions to transform enterprise performance. By combining advanced research and analytics with best practices from member companies, CEB helps leaders realise outsized returns by more effectively managing talent, information, customers and risk. Member companies include approximately 85% of the Fortune 500, half the Dow Jones Asian Titans, and nearly 85% of the FTSE 100. More at cebglobal.com.

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Executive summary of 2009 Global Assessment Trends Survey⁶

170 companies from around the world responded to PreVisor's Global Assessment Trends Survey to provide their perspectives on talent measurement practices and trends. Key findings from the report are listed below:

Key finding 1: Top talent management priorities for 2009

- External Recruiting/Hiring and Performance Management are top priorities for companies around the world in 2009. Internal Promotion/Placement is third in priority for U.S. companies, and Career Development is third in priority for Non-U.S. companies.

Key finding 2: Top talent management increases in priorities from 2008 to 2009

- Areas with the highest projected increase in priority for U.S. companies include Competency Modeling, Career Development, and Bench Strength Analysis; whereas outside the U.S., Succession Planning and External Recruiting/Hiring showed the greatest increase in priority.

Key finding 3: Confidence in the value of assessments

- More than 90% of all companies believe testing is a valuable part of their hiring process. Approximately 50% of clients reported that they collect metrics to show the value of HR investments.

Key finding 4: Preference for simulated, real-world assessments

- Most organisations indicated their preference to use realistic assessments. While many are not using job simulations yet today, more clients plan to expand usage of simulations in the next year as compared to other assessment types.

Key finding 5: Plans to expand use of 'fit' assessments

- In addition to simulations, organisations plan to expand the use of 'fit' measures (culture fit, job fit, and interest assessments) in their hiring processes in the near future.

Key finding 6: Talent measurement post-hire

- Promotion, career development, and training needs analysis/skills gap analysis were the most frequently cited areas where assessments are used to measure talent of a current workforce.

Key finding 7: Leader selection – important, but not structured

- Nearly half of all companies agreed that assessments are a critical part of their succession planning programmes, but only one out of three clients agreed that their company uses a structured promotion process for all leader roles within their organisations.

⁶ Note: The 2009 Global Assessment Trends Report provided results from US companies and companies outside the US

Executive summary of 2010 Global Assessment Trends Survey

Over 230 companies from around the world responded to PreVisor's and ADP's Global Assessment Trends Survey in late 2009 to provide their perspectives on current and anticipated talent measurement practices and trends. Key findings from the report are listed below:

Key finding 1: Top talent priorities for 2010 – the emergence of performance management and career development

- Managing the performance of the current workforce is the highest priority for HR in 2010 with career development and external recruiting/hiring following as the next highest priorities. External recruiting/hiring, which was projected as a top priority prior to the economic downturn, had the largest decrease in priority from 2009-2010 of any HR initiative included in the survey.

Key finding 2: Talent impact of economic recovery – retention, recruitment, retirement

- Most companies (68%) indicated concern about retaining employees during the economic recovery. Likewise, 54% believe it will be challenging to recruit talented employees in 2010. However, less than 19% of companies reported being concerned about the talent gap to be left by retiring employees and leaders.

Key finding 3: Focus on quality of hire – whether it is measured or not

- Most companies (70%) are feeling pressure to demonstrate return on investment for assessment products. Quality of Hire is the most common business outcome that companies (84%) are trying to improve with pre-hire assessments. However, only 56% of companies reported that they collect metrics to show the value of HR investments, and only 42% are required by internal stakeholders to demonstrate a link between assessments and business outcomes.

Key finding 4: 'Wait and see' perspective on plans to use new tools, processes

- Compared to the previous year's survey, the proportion of respondents who plan to use processes (which they are not currently using) within the next year has decreased, indicating a more cautious approach toward purchasing and using new tools, technologies, and processes. A few exceptions to this finding include the use of informal social media searches, formal social media searches, and situational judgment tests as hiring tools.

Key finding 5: Social media as a hiring tool: the jury is still out

- Over 68% of organisations use or plan to use informal Web 2.0 searches as a hiring tool. However, only 20% of the organisations surveyed indicated that social media sites are effective tools for determining candidate fit, while nearly 50% are uncertain. Accordingly, only 24% of companies are currently in agreement that social media websites such as Twitter and Facebook are having a large impact on how talent is recruited, measured, and managed.

Key finding 6: Treating candidates as customers is emphasised but not evaluated

- Most organisations (84%) agreed that applicant reactions to the recruitment and hiring process are important. For example, convenience to applicants was the most frequently cited reason (86%) that companies use remote testing. However, only 41% of companies obtain feedback from their candidates, who are likely to be their customers and/or future employees.

Key finding 7: Opportunity exists to formalise talent programmes

- While career development is a top priority and more than 60% of companies use it as a retention strategy, only 29% have established a formal career development process for their employees.
- Only 28% of companies have a structured promotion process for leaders. This is a consistent finding from the previous year's survey.
- Only 50% of organisations indicated they use assessments/talent measurement tools with their current workforce. Of those who do, most use or plan to use such tools for career development, training needs analysis, and promotion programmes within their companies.

Executive summary of 2011 Global Assessment Trends Survey

Over 460 human resources professionals from around the world responded to SHL's Global Assessment Trends Survey to provide their perspectives on talent measurement practices and trends, and the effect these practices and trends are having on organisation's People Intelligence programmes. Key findings from the report are listed below:

Key finding 1: Succession planning becomes increasingly important

- Succession planning rose from 6th in priority in 2010 to 2nd in priority in 2011, indicating an increased focus on key leadership roles within organisations versus other HR initiatives.

Key finding 2: In rebounding economic environment, performance management remains top priority

- As in 2010, companies from around the world indicate that performance management is a top priority for 2011. Succession planning, external recruiting and hiring, career development and internal promotion / placement round out the top five priorities.

Key finding 3: Companies allowing testing from 'anywhere' increases

- The use of remote testing (e.g., from a candidate's home) has increased year on year since 2009.
- Likewise, over a third of responding HR professionals indicated they would allow candidates to complete tests on smart phones/mobile devices.

Key finding 4: On the leading edge... hiring via smart phones / mobile devices

- While the use of smart phones/mobile devices is increasing, recruiters and candidates are not clamoring to use this technology for completing assessments. Only 33% of companies stated they would allow candidates to test via these devices, and less than one out of ten recruiters and candidates are requesting to have testing available via mobile devices.

Key finding 5: Pre-hire testing includes the general and the specific

- HR professionals stated they use both general types of tests (e.g., cognitive ability, personality) as well as job-specific tests (including knowledge, job fit tests and job-specific solutions) in their hiring processes, indicating a desire to both assess competencies that broadly predict successful performance as well as those that are required for specific job roles.

Key finding 6: Structured interviewing gaining in use

- Nearly 95% of companies use or plan to use structured interviews in their hiring processes, up from approximately 85% in the previous two years.
- In-person, single interviewer interviews and phone interviews are used by most companies (80% and 76%, respectively), while in-person panel interviews are used by 73% of companies. Remote, web-cam interviews are used by over 25% of companies.

Key finding 7: Somewhat ‘safe’ use of social media information about candidates

- More than 50% of HR professionals review or plan to review previous work experience, education and recommendations from others on social media sites as part of their applicant review/hiring process.
- A smaller proportion of professionals examine comments and links posted by candidates’ friends, as well as pictures of candidates – types of information that may prove to be less legally defensible.
- Only 16% have a formal policy in place regarding the use of social media information in the hiring process.

Executive summary of 2012 Global Assessment Trends Survey

The Global Assessment Trends Report is an annual indicator of assessment practices, giving HR professionals a comprehensive view of how organisations around the world measure talent across the employee lifecycle.

This year's report presents the results of an online survey conducted in late 2011 and completed by 481 human resources (HR) professionals employed in companies headquartered throughout the world. The report focuses on organisations' talent assessment practices with both employees and job candidates. As in previous reports, pertinent comparisons are drawn to results of the prior years' Global Assessment Trends Reports to identify trends over time.

The report focuses on three areas: the HR landscape in 2012, the nature of assessment use in organisations, and the use of technology in HR processes. Key findings from the report are listed below:

Human Resources focus and landscape in 2012

Key finding 1: The relationship between People Intelligence and business outcomes has room to grow

- More than 80% of respondents said their organisations link talent decisions to broader business objectives and goals.
- However, less than half indicated that their organisations use information about their talent to drive overall business decisions.

Key finding 2: A focus on engagement and leadership in 2012

- A majority of respondents indicated that engagement/retention (56%) and leadership development (55%) were top priorities for 2012, with nearly 70% of respondents indicating their organisations had formal, or both formal and informal processes in place for such initiatives.

Key finding 3: Giving up on career development?

- Despite the focus on engagement in 2012 and the finding that more than half of companies indicated focusing more on internal talent than hiring externally, just over a third of HR professionals cited career development as a top priority. Likewise, fewer HR professionals are using it as a retention strategy and fewer are offering a formal way for employees to find new careers internally.

Assessment use in organisations

Key finding 4: Hiring internally and externally continues to be the most prevalent use of assessments, however there is significant post-hire use

- More than 70% of organisations currently use assessments for external hiring, and over 60% use them for internal hiring.
- Post-hire use includes training (47%), leadership development (45%) and career development (39%)
- Top plan to use areas: workforce planning/talent analytics and career development.

Key finding 5: Talent measurement focus: current behaviours and potential

- Most HR professionals use either current behaviours or future potential as the focus of their assessment efforts versus examining relevant past experiences. Assessing past performance and experiences was cited by less than 30% for each of 14 key HR areas.

Key finding 6: Linking assessments to business outcomes

- Most respondents indicated using assessments to impact overall productivity of their workforce, but a little more than half indicated collecting metrics to assess impact.

Technology in testing: Mobile devices and social media

Key finding 7: Asia leading the way in desire to use smart phones / mobile devices in recruiting

- Mirroring usage data, HR professionals in Asia indicated a higher desire to use smart phones/mobile devices in recruiting and also indicated a higher number of candidates requesting to take assessments via such devices as compared to their counterparts in Europe and the Americas.

Key finding 8: Increased allowance and perceptions of effectiveness of social media

- More companies are allowing the use of social media in recruiting and hiring as a review tool, but little change in formal policy about the use of it.
- Likewise, social media is growing in terms of acceptance, as perceptions of it being an effective tool for recruiting candidates grew 10 percentage points.

Executive summary of 2013 Global Assessment Trends survey

The Global Assessment Trends Report is an annual indicator of assessment practices, giving HR professionals a comprehensive view of how organisations around the world measure talent across the employee lifecycle.

This year's report includes the results of an online survey conducted in late 2012 and completed by 592 human resources (HR) professionals from companies headquartered throughout the world. The report focuses on organisations' talent assessment practices with both internal and external job candidates. As in previous reports, pertinent comparisons are drawn to results of previous Global Assessment Trends Reports to identify trends over time. Additionally, relevant comparisons between respondents in emerging versus established economy types are presented.

The report focuses on three areas: the HR landscape in 2013, the nature of assessment use in organisations, and the use of technology in assessment. Key findings from the report are listed below:

Social media data: not critical to hiring decisions

- While approximately 60% of companies use or plan to use social media searches as a hiring tool in 2013, less than 30% believe the data is useful in determining candidate fit, and only 11% believe it is critical to hiring decisions.

Room for improvement in big data

- Less than a quarter of respondents reported that their organisations have a clear understanding of workforce potential.
- Less than half reported using objective data to make decisions about the workforce.
- Less than half reported their organisations use talent data to drive business decisions.

Emerging economies want to use mobile technology to assess candidates

- HR professionals in emerging economies (including China and India) indicated that more of their candidates are asking to complete tests via mobile devices, and more of their recruiters want mobile access to candidate data, as compared to candidates and recruiters in established economies.

A continued focus on engagement and leadership in 2013

- Engaging the workforce (55%) and developing leaders (52%) remain top priorities for organisations in 2013.
- Performance management, workforce planning/talent analytics and training and development round out the top five priorities.

Not impressed with data management systems

- Fewer than one in five respondents reported being satisfied with their systems' ability to manage talent data.
- Only 17% of HR professionals reported that their HRIS systems are accessible via smart phones/mobile devices.

A desire to improve talent measurement

- Nearly 75% of respondents indicated that their organisations want to improve the way in which they measure talent.
- One in three respondents indicated that their organisations use objective assessments of potential for critical roles.

Pre-hire / post-hire focus linked to specific business outcomes

- HR professionals are more likely to link assessment in pre-hire to productivity improvements, and in post-hire to improved performance.

Notes

This image shows a single sheet of white paper with horizontal ruling lines. The lines are evenly spaced and run across the width of the page. There are no margins or other markings on the paper.

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About CEB

CEB is the leading member-based advisory company. By combining the best practices of thousands of member companies with our advanced research methodologies and human capital analytics, we equip senior leaders and their teams with insight and actionable solutions to transform operations. This distinctive approach, pioneered by CEB, enables executives to harness peer perspectives and tap into breakthrough innovation without costly consulting or reinvention. The CEB member network includes more than 16,000 executives and the majority of top companies globally.

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