Talent Assessment Impact









Introduction



Part 1: Customer Success Stories



Part 2: Scientific Outcome Studies



Conclusion

INTRODUCTION

Why Use Talent Assessment?

Organizations often succeed or fail according to the strength of their people. They are their most costly investment, their biggest risk—and provide their greatest opportunity to move ahead of competitors.



The Role of Talent Assessment in Today's Work Environment

Since we last produced this report in 2014, the world of work has evolved. Organizations are experiencing changes to the working environment which drive an ever higher need for precise, objective talent decisions. In this new world, talent assessment provides:

1. Real-Time Precision in a Fast-Moving World

Change is no longer a periodic event; it's the new constant for organizations today. In a world where things move fast, precision becomes critical. The ability to put the right person in the right role at the right time is essential to maximize opportunity and drive growth. Coupled with the need for quicker time to performance for new hires, the pace of change also generates a greater cost of getting it wrong.

2. Insight into the Looming Leadership Crisis

With flatter hierarchies, more geographically dispersed teams, and a larger scope of responsibilities, the spotlight on leader performance is more intense than ever before. Coupled with the rate of change, the key skills that got leaders to where they are today are not, for many organizations, what is needed in the future. Talent assessment optimizes point-in-time decision making and removes gut instinct from these critical high-profile, high-impact talent decisions.

3. An Edge in the Escalating War for Top Talent

Demand for critical talent is growing at a fast pace. In roles which are characterized by a reliance on expertise in new technologies and data analytics, this demand is outstripping the available supply. Talent Assessment enables employers to identify best fit candidates quickly, and fast track them through the process to ensure they are not lost to competitors.

4. An Opportunity to Strengthen Employer Brand

Candidates increasingly want to be able to drive their own application and make informed decisions. Their experience during the hiring process not only influences their decision to join the organization, but has a broader impact as candidates increasingly use social platforms to share their experiences. A well-managed assessment program reinforces employer brand and provides a frustration-free, effortless process which feels rewarding, even when the candidate is unsuccessful.

5. Data to Proactively Manage Internal Mobility and Career Paths

Employer-employee contracts are evolving with the emergence of the gig economy and portfolio careers. Organizations need to create solutions and processes to accommodate faster career management with the reduced focus on lifetime careers. Talent assessment provides flexible and accessible data to enable organizations to take an individualized approach to develop, grow, and retain internal talent.

So it's no longer a question of whether to use objective assessment tools or not, it's more about finding ways for both companies and candidates to gain greater value and insight from the experience. Most importantly, it is critical for organizations that do deploy assessments to use the outputs to boost workforce performance and maximize employees' potential in order to realize competitive advantage and ultimately drive growth in the current work environment.

Our Outcomes Based Approach to Assessment

To support our clients with the goal of approaching assessment as a holistic business solution rather than a stand-alone test, we have leveraged over 40 years' experience as the psychometric assessment market leader to create an outcomes based approach to assessment.

This puts the focus on important organizational goals and the contribution of assessment in achieving them. It is an approach in which assessment tools and methods are selected, deployed, monitored, and optimized for their ability to deliver specific and measurable business outcomes.





Brand Strength

Strength of talent attraction in volume and quality in relation to company size and market position

Quality of Hire

Quality of hiring decisions based on stakeholder view and analysis

Diversity

The extent to which assessment processes enable a company to recruit, develop and retain a diverse workforce

Efficiency

The extent to which an assessment process optimizes efficient use of time, resources and money

Internal Mobility

The extent to which an organization's assessment processes enable internal mobility

Productivity

The relationship between assessment use, productivity and business results

Manager Engagement

The extent to which managers support and promote assessment use in selection and development

Participant Engagement

The extent to which an assessment process helps drive positive participant engagement and influences behavioral change It's not just our focus on outcomes that sets us apart; our clients also benefit from:



Robust, scalable assessment tools



Over 10,000 clients worldwide



Rigorous science



45 million assessments each year



40 years of demonstrating business results



Over 30 languages



Experience across all industries



Experience across all major job families, levels and roles



Interconnected solutions across the employee lifecycle



Industry and job level benchmark data



Intuitive candidate experience

In this report we showcase the value that our approach has driven for our clients, and the outcomes they are achieving through talent assessment

Our clients span a wide range of industries including financial services, technology, hospitality, and health care. They also cover many different job types, from scientists to sales to management roles.

The report is divided into two sections:

PART (1)

We asked our clients to summarize their challenges and the business value they derive from talent assessment — whether that is in hiring, employee development, or right across the employee lifecycle.

PART (2)

Results are based on formal scientific outcome studies we have conducted with clients, to help them tangibly demonstrate the value of talent assessment to key stakeholders and to help secure buy-in for future programs.



Tangible Business Benefits Across Leading Organizations

Organization/Industry	Country	Job/Level	Assessment Outcomes
Microsoft	China	Graduate entry level	BRAND STRENGTH EFFICIENCY
Heineken	Netherlands	Graduate entry level	EFFICIENCY QUALITY OF HIRE PRAGEMENT
MetroHealth	United States	Health care practitioners	GUALITY PRODUCTIVITY
Sonic Automotive	United States	Sales representatives	EFFICIENCY PRODUCTIVITY PARTICIPANT ENGAGEMENT
HOSPITALITY	United Kingdom	Professional/individual contributors	EFFICIENCY QUALITY PRODUCTIVITY
RETAIL	Global	Hotel managers	EFFICIENCY QUALITY MANAGER ENGAGEMENT
CAMPARI	ltaly	Current and future leaders	PARTICIPANT INTERNAL ENGAGEMENT MOBILITY
Nationwide	United Kingdom	Future leaders	EFFICIENCY INTERNAL MOBILITY
Saski	South Africa	Research scientists	INTERNAL QUALITY OF HIRE
Cenea WORLD LEADING FERTILITY	Australia	Senior leaders	PRODUCTIVITY INTERNAL MOBILITY

Organization/Industry	Country	Job/Level	Assessment Outcome
≣ TIM	Italy	Sales representatives	PRODUCTIVITY
Wills Group	United States	Future leaders	INTERNAL MOBILITY
RETAIL	United Kingdom	Pharmacists	PRODUCTIVITY
FINANCIAL SERVICES	United States	Financial advisors	PRODUCTIVITY EFFICIENCY
INSURANCE	United States	Call center agents	PRODUCTIVITY
FINANCIAL SERVICES	United States	Customer service representatives	PRODUCTIVITY
FINANCIAL SERVICES	United States	Call center agents	PRODUCTIVITY
ENERGY	Australia	Professional/individual contributors	PRODUCTIVITY
FINANCIAL SERVICES	South Africa	Sales representatives	PRODUCTIVITY



Articulating the Business Impact of Talent Assessment

Some of our clients share their challenges and the value they gain from talent assessment—whether for hiring, employee development or right across the employee lifecycle.



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CEB helped us get first pick of the top-tier graduates and lighten the load on the HR team, helping us process more applications with the same number of staff.

Vine Zhou Recruiting Manager Microsoft University





Microsoft Hires Best Talent Faster Technology, China

Graduate Recruitment: Microsoft China used CEB assessments to get the first pick of top tech talent. Now, time to hire is faster and candidates are in the top 25% of technology talent.

Challenge

- Beat local competitors to top-quality graduate talent.
- Give candidates a more responsive and engaging hire process.
- Choose a select number of candidates, efficiently and fairly, from over 6,000 applications.

Solution

- Identified five key competencies needed to succeed with the firm
- Designed and implemented a talent assessment program, including personality assessments and verbal/numerical ability tests, aligned to the five key competencies
- Benchmarked candidates' results to high-tech industry

- Successful candidates are in top 25% of technology talent.
- Time to hire reduced 33%, to just four weeks
- More cost-efficient hiring process







Heineken Improves Graduate Candidate Quality at Less Cost

Food and Beverages, Netherlands

Graduate Recruitment: Heineken partnered with us to improve the quality and efficiency of its International Graduate Program. The solution delivered rapid ROI and enabled the company to establish a strong leadership pipeline.

Challenge

- Secure a strong leadership pipeline.
- Recruit the most talented and committed graduates.
- Minimize costs of graduate selection.
- Reduce involvement of senior management team.

Solution

- Graduate shortlisting via a broader range of objective assessments to improve candidate quality and fit to the organization
- Ability tests plus personality and motivation questionnaires linked to leadership competencies

- ROI of 175% per year
- Saved 29 days of senior management time
- 91% applicant satisfaction rate
- Improved quality and consistency of graduate recruits
- Stronger pipeline of potential business leaders







OF HIRE



ENGAGEMENT



MetroHealth Reduces New Hire Turnover by 33%

Health Care, USA

Volume Hire: By working with us to measure job applicants against its key cultural values, MetroHealth has improved quality of hire, reduced employee turnover and boosted HR productivity, helping maintain its unrivaled standards of care.

Challenge

- Reduce high staff turnover levels in new hires.
- Ensure all hires share the core Star IQ values that are central to MetroHealth's success.

Solution

- Mapped our Realistic Culture Assessments to MetroHealth Star IQ values
- Integrated cultural assessments into MetroHealth's talent management system and hiring process
- Ensured only candidates who met the values requirement were hired.

- New hire turnover fell by 33% year-over-year.
- 95% of new hires were still with the organization after 90 days





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By partnering with us to drive higher sales, higher customer satisfaction, and a better candidate experience, CEB is helping us be the best place to work and shop.

John Perez Senior Director Talent Acquisition Sonic Automotive





Sonic Automotive Drives \$79 Million More Car Sales Retail, USA

Volume Recruitment: Sonic Automotive partnered with us to support a new customer-centric sales model. Our solution helped drive sales, reduce employee turnover, and improved the customer and candidate experience.

Challenge

- Increase car sales and customer satisfaction.
- Hire better performers more efficiently.
- Reduce staff turnover by engaging and retaining the best employees.

Solution

- Precisely defined new job profiles and attributes to support the new sales model
- Weighted pre-hire assessments mapped to key competencies enabled the company to quickly and easily identify the right talent.

- Identified candidates who sell 48 more cars per year projected increase of \$79 million annually
- Helped reduce time to hire by 30%
- Improved turnover rates—New hire turnover of 1.5% versus overall company rate in double digits
- Improved candidate experience with high net promoter score







Multinational Retail Chain Innovates to Get the Right People Fast

Retail, UK

Managerial and Professional Hire: The organization needed to select better candidates more quickly. Our team helped the organization recruit higher-quality candidates and save over £1.5 million in recruitment costs.

Challenge

- Improve speed and efficiency of recruitment process.
- Ensure competitive advantage through high-calibre recruitment.

Solution

- Developed tailored Talent Screener sifting tool to measure the skills and attitudes required to deal with typical situations and challenges for the role
- Ensured that those invited for interview had the right skills and attitudes for success

- £1.5 million savings in recruitment costs
- 75% of line managers rated performance of employees selected as "better".
- 45% increase in success rate at interview
- 76% who scored highly in screening rated as "exceeding" or "outstanding" in their first six-month appraisal







Global Hotel Group Identifies Its Brand Stars for High-Quality Growth

Hospitality, Global

Managerial and Professional Hire: To recruit the talent it needed to ensure high-quality growth, the organization streamlined its recruitment process to improve HR productivity and enable faster and better recruitment decisions.

Challenge

- Recruit for 90,000 new positions globally.
- Select candidates with the right leadership skills and behaviors to support the organization's brand experience.
- Enable faster and better hiring decisions.

Solution

- Eased interpretation of assessment results and strengthened internal buy-in by tailoring SHL Occupational Personality Questionnaire (OPQ) to the organization's competencies and brand
- Provided reporting to give the organization's recruiting managers an overall recommendation of suitability for role, incorporating personality and ability assessment results plus career history
- Streamlined assessments by integration with the organization's Applicant Tracking System (ATS)

- · Improved quality of hire
- Faster hiring decisions
- 156 days saved in first year through streamlined process
- Improved internal buy-in for assessments





QUALITY OF HIRE



MANAGER ENGAGEMENT

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In three years we've moved from succession planning based on gut feel and personal likes to a fully-fledged HR architecture and system that helps us make better decisions and enables targeted development.

Vijay Kashyap Senior Director, Global Human Resources Campari





Campari Builds Successful Leaders

Food and Beverages, Italy

Leadership Identification and Development: CEB's development centers and workshops reduced the risk of bad appointments, built better current and future leaders, and helped Campari retain the entrepreneurial spirit to drive growth.

Challenge

- Retain entrepreneurial spirit.
- Reduce risk of failure in new appointments.
- Embed fact-based leadership selection and development decisions.

Solution

- Defined key leadership competencies for Campari and mapped to our Universal Competency Framework (UCF)
- Objectively assessed existing and emerging leader talent pools against these competencies
- Informed succession and promotion decisions using objective talent data from development centers, including assessment results

- Improved appointment decisions with zero failures
- Embedded the new approach in the Campari culture after just three years
- Enhanced internal fill of appointments—60% now filled internally, exceeding target of 50%.
- Positive feedback from participants and managers on the experience and impact on performance in role







Nationwide Targets Business Growth and Helps Future Leaders Flourish

Financial Services, UK

High-Potential Identification: Nationwide Building Society needed future leaders who would deliver its strategy and help build strong brand reputation. Our HIPO solution has given the company a leadership pipeline ahead of its market and seen a 50% reduction in development and preselection costs.

Challenge

- Develop the people needed to realize its strategic ambitions.
- Ensure a robust and diverse pipeline of future leaders with the objective characteristics needed to flourish and succeed.

Solution

 Used high-potential talent assessments in all development programs to accurately identify 4 factors proven to be effective in predicting future success: Overall Potential, Aspiration and Drive, Emotional Intelligence, and Intellectual Capacity

- People identified who are twice as likely to be promoted or to perform exceptionally
- Reduced development and preselection costs by 50%







SASRI Identifies STEM Talent Bench Strength to Reduce Succession Risk

Nonprofit, South Africa

Succession Planning: SASRI needed to understand its research scientist talent pool bench strength due to a succession gap in an aging workforce. CEB helped identify and develop the most promising talent amongst the company's interns, students, and current employees.

Challenge

- Address a succession gap in research scientists.
- Achieve a better understanding of strengths and required development areas.

Solution

- Used objective assessment to identify strongest STEM talent in the organization, potential successors, and development needs
- Analyzed trends and gaps and used these to identify which assessments would be most effective for future recruitment and employee development
- Identified key motivators for SASRI scientists to better understand how to attract and retain top STEM talent

- Detailed insight into what makes a top SASRI researcher, plus talent pool strengths and gaps
- Enabled more objective and accurate talent decisions
- Improved quality of hire and STEM talent retention





We wanted to objectively assess how our leaders were operating to get a baseline, and to demonstrate to the board the issues we were trying to address. We felt this approach would hold up a credible mirror to the group and help us gain buy-in for what we wanted to achieve.

Andy Brown HR Director Genea





Genea Identifies Leaders to Drive Results in a Diversifying, Changing Environment

Health Care, Australia

Leadership Identification and Development: Faced with the pressures of increased competition and business diversification, Genea leveraged our talent assessments and leadership development program to change mind-sets, building leaders who take a broader view and collectively drive results.

Challenge

- Sustain growth in a changing internal and external environment.
- Grow collaborative, networked leaders for today and the future.

Solution

- Deployed assessments for senior leaders to provide a detailed, data-driven view against the drivers of Enterprise Leadership
- Facilitated feedback on assessment results to drive awareness around potential gaps
- Delivered face-to-face development workshops

- Objective view and understanding of leadership bench capabilities
- Reduced leadership capability gaps:
 - 49% uplift in ability of leaders to create a business unit strategy that supports other business units as well as the organizational strategy, and
 - Number of leaders proactively identifying and sharing best practices with other leaders has almost doubled.







Telecom Italia Identifies Sales People Twice as Likely to Exceed Their Targets

Telecommunications, Italy

Sales Talent Audit: Telecom Italia needed to increase sales and win new market share. Our objective assessments helped them identify which salespeople would enable them to realize this growth strategy.

Challenge

- Increase sales, winning new market share.
- Reduce risk of client attrition across business to consumer (B2C) channels.

Solution

 Audited current B2C sales people, using objective assessment coupled with a customized sales report

- Sales people with high assessment results were:
 - 2x more likely to achieve 150% or more of their individual sales target,
 - 5x more likely to sell additional services on top of the standard proposal, and
 - 59% more likely to acquire new clients from competitors.





The Wills Group Reduces Talent Gaps

Retail, USA

High-Potential Identification and Development: To sustain rapid growth, the Wills Group needed to quickly address talent and capability gaps in an objective and scalable way. CEB assessments provided increased clarity on high potential within the organization and enabled the Wills Group to build targeted development for emerging talent.

Challenge

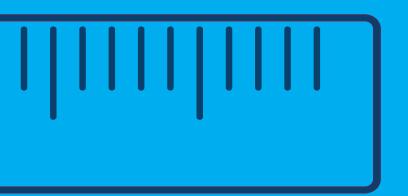
- Sustain rapid growth by addressing talent gaps in key areas of the business.
- Embed structured, objective and scalable talent decisions.
- Identify and grow a stronger leadership pipeline for today and the future.

Solution

- Objectively assessed talent against our model of high potential
- Facilitated a focused talent review session for senior leaders
- Divided participants into different development tracks based on their assessment results

- Objective understanding of leadership bench capabilities
- 4x more confidence that the candidates being selected for the HIPO program are the best for the future of the organization.
- More intentional and tailored development spend with 3x more clarity on how to target individual and group development than previously





PART (2)

SCIENTIFIC OUTCOME STUDIES

Science-Based Evidence for the Success of Talent Assessment

Many of our clients work with us to scientifically quantify the outcome of their talent measurement programs to demonstrate ROI to key stakeholders and help secure buy-in for future programs.

Methodology and Approach

Scientific outcome studies, conducted jointly with our clients, are designed to demonstrate the value of our solutions, as measured against the goals specific to each project and to each client organization.

These studies typically include performance outcomes such as increased sales, reduced customer agent call times, lower costs, or reduced employee turnover.

Sophisticated research strategies and data analyses are used to quantify the extent to which these outcomes are influenced by the use of our talent measurement solutions.

To ensure the reliability of the findings, every business outcome study must meet the following criteria:

- Employees must have been in the role long enough to provide a reliable measure of their performance, beyond the initial onboarding or training period.
- Reliable performance metrics must be available and these must be influenced by an individual's behavior on the job.
- Multiple measures of performance data must be available for each employee.

Our organizational psychologists conduct these studies, based on rigorous professional and scientific guidelines, to evaluate the true link between assessment results and on-the-job performance.

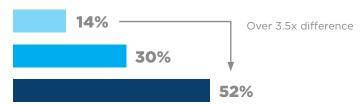
In the following pages, we present a sample of results from recent scientific outcome studies we have conducted. Out of consideration for our clients, and as some of the information may be commercially sensitive, we have not named the client organizations.

Identify the Pharmacists More Likely to be Top Performers

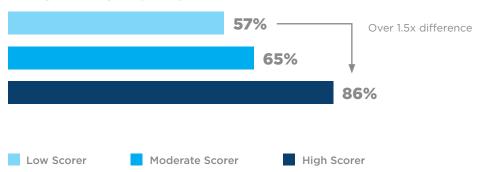
Pharmacists for a UK retail organization who scored highly on assessments were over 3.5 times more likely to receive above average overall performance ratings and 1.5 times more likely to achieve meet-or-exceed ratings on competency performance.



Above Average Performance



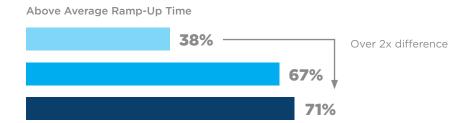
Meeting/Exceeding Competency Performance



Fast-Track Onboarding Time and Productivity for Financial Advisors

Financial advisors for an American financial services firm who scored highly on assessments were almost twice as likely to have an above average ramp-up time and four times as likely to be rated well above average in terms of productivity.







9% Over 4x difference
17% 39%

Moderate Scorer

Well Above Average Productivity

Low Scorer

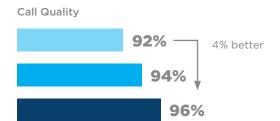
The financial advisors scoring highly on the assessments were also six times more likely to be rated as having well above average potential for promotion.

High Scorer

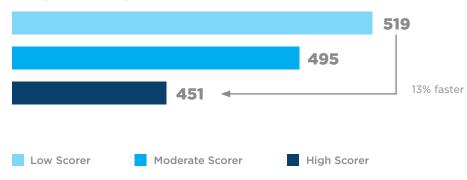
Improve Quality and Efficiency For Call Center Agents

Call center agents for an American insurance firm who scored highly on assessments showed 4% better call quality ratings and 13% faster call handling time off an already high base.







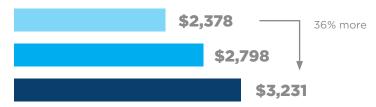


Identify Customer Service Representatives Who Achieve 36% More Collections Revenue

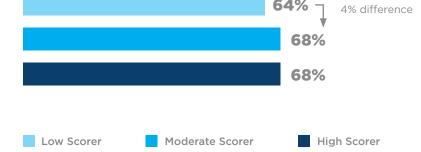
Customer service representatives for an American financial services firm who scored highly on assessments had a higher outbound conversion rate and collected 36% more dollars.



Inbound Dollars Collected



Outbound Conversion Rate



54% of high-scoring employees reported being highly engaged compared to only 9% of low scorers.

51% of high-scoring employees reported high intentions to stay compared to only 15% of low scorers. Last year we documented over 50 formal outcome studies for clients using CEB Talent Assessments.

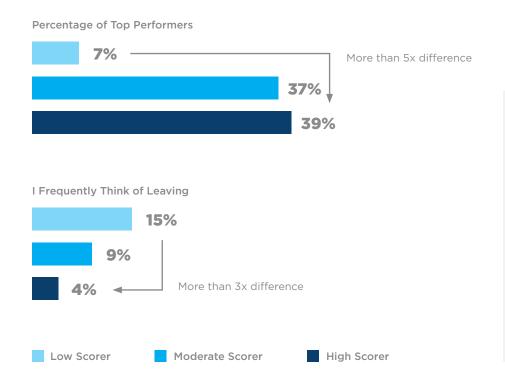
Of these studies, 84% demonstrated that the assessment solution we provided had a strong and measurable impact on the organization's performance metrics.



Discover Call Center Agents With Low Turnover Intentions

Call center agents in an American financial services firm who scored highly on assessments were more than five times as likely to be a top performer and more than three times less likely to consider leaving the organization.





The call center agents scoring highly on the assessments were also twice as likely to be rated better in customer service quality, compared to low scoring agents.

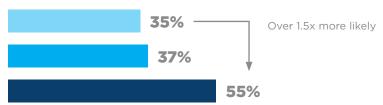
Managers expressed satisfaction with higher scoring agents, being 2.5 times more likely to definitely rehire them than lower scorers.

Identify Top-Performing Professionals Highly Skilled in Effectiveness and Execution

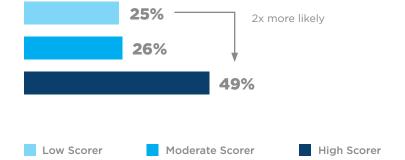
Professionals for an Australian oil and gas company who scored highly on assessments were almost twice as likely to receive strong manager ratings in their technical analytical skills and more than 1.5 times more likely to receive strong manager ratings in terms of their effectiveness in analysis.



Effectiveness in Analysis



Strong Performers

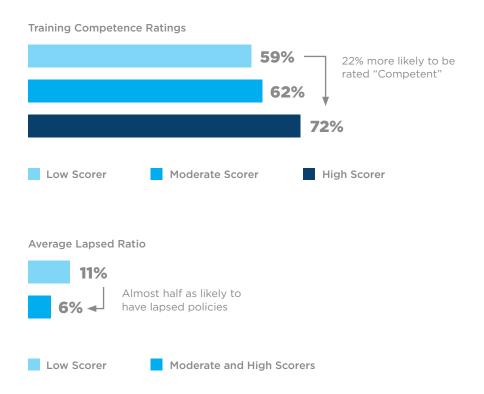


The professionals scoring highly on the assessments were also over six times more likely to be rated strongly in terms of their execution skills.

Predict Which Sales Representatives Will Retain More Business

Sales representatives for a South African financial services firm who scored highly on assessments were 50% less likely to have lapsed policies than lower performers.





The sales representatives were also 22% more likely to be rated as "competent" in training.

Low scoring sales representatives lose R 638.62 more value due to policies lost than moderate or high scorers.

CONCLUSION



The Answers You Need to Satisfy Your Board

Are you ready to answer challenging questions such as:

- What are the talent qualities we need for better performance, or to meet our strategic priorities?
- How do our people measure up against bestin-class talent, or our competitors' talent?
- How should we recruit, develop, or restructure to close talent gaps?

It's insights like these that are enabling the organizations in this report to demonstrate the value of their talent programs—both to HR and to the broader business.

You, too, can achieve real talent impact at your organization.

Find out more at cebglobal.com/assess







About CEB, Now Gartner

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