

Critical Selection Decisions

Predicting Fit and Performance

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All organisations have problems, and they nearly always concern people. How to manage them, whom to hire, release or promote, and how to motivate, develop and retain them.

Psychology, the science of understanding people and their behaviour, should be a pivotal tool for solving these problems, yet many organisations play it by ear. As a result, billions of dollars are wasted on futile interventions to attract and retain the right people in key roles, and many people remain disenchanted with their careers.

The effects are felt all over.

Predicting Performance

Predicting performance is a high-stakes game. For starters, it is important to recognise that 'being a star performer' is not an enduring trait of a person. It does not necessarily carry over from one situation to the next.

Great performance is a state, a condition of enjoying a good match between a person's capabilities and the requirements of the job – and it lasts if that match stays in balance, with challenges that are neither too easy nor too hard.

The Business Case for Rigorous Selection

As the business world is transformed by the sheer volume, speed and availability of data, and as the search for comparative advantage intensifies, there is a growing demand for data about people, their performance and the effectiveness of talent management systems and processes.

Specifically, executives need data to drive decisions, better inform strategy, uncover incremental revenue, enhance customer retention and improve efficiency – more than ever before. And no source of data is more critical than talent analytics.

Differences in peoples' performance impact the bottom line.

Strong performers increase revenue and profit by developing effective ideas and strategies, winning support for them, and inspiring others to get them implemented. They cut through bureaucracy and complexity, bring ideas to market quickly, meet commitments, and reduce costs.

Weak, or marginal performers, hurt the bottom line by making poor decisions, working inefficiently, failing to get others' support, and being resistant to change. They are frequently also slow learners.

The Strategic Value of Assessment

People are the essential drivers of business strategy.

Every day, organizations make critical business decisions, many of which are centered on people, such as:

- Rapidly building workforce capacity (e.g. expanding certain segments of the workforce, starting a new project)
- Driving a shift in strategic direction (requiring new capabilities)
- Entering a new market
- Identifying high-potential candidates (e.g. following a merger, choosing among internal or external candidates for key roles)
- Strengthening current talent pipelines (e.g. through steady state hiring, or developing current talent for future roles)
- Growing an organizational culture rooted in strategically important competencies.

To make the best possible people decisions, many organizations turn to various forms of assessment.

Robust assessment:

- Reduces errors when making decisions between candidates and increases the probability that an individual who is chosen meets the required profile (competencies, portfolio of relevant experience) to succeed in a target role.
- Provides insights that can accelerate an individual's development.

“In a world where organisations are placing an unerring focus on results, they seem to tolerate surprisingly low success rates when it comes to hiring and promoting people.”

Asking the Right Questions

The ability to deliver a strategy or execute a mandate is dependent on having and retaining top talent.

The adage applies: The RIGHT people in the RIGHT roles at the RIGHT time will deliver the RIGHT results. The statement makes for common sense, but how come so few organisations get it right?

As a point of departure executives should at least be asking the following questions:

- Do we appoint, or promote the best possible candidates into vacant roles?
Or, do we compromise on quality, tolerate mediocrity, condone nepotism and exercise poor judgement?
- On average, what is the speed-to-performance of new hires?
- What does our leader pipeline look like? How strong is our 'bench'?
- Do we have a pool of future leaders for key roles?
- How ready are our next-generation leaders for higher-level, more complex roles?
- Do we have insight into who our high-potential employees (HiPOs) and key talents are, their aspirations and possible flight risk?
- If our strategy is so good, why is our performance so poor?

If the answers to these questions are not clear, you may need professional support.

Things We Know

Regardless of your business context, accurate assessment can help you identify, select, and deploy the right talent who can make faster and lasting contributions to your company.

In particular, we know that:

- A well-designed assessment solution has a strong and measurable impact on organisational performance
- Organisations that are better at talent management, and better able to find and keep the best people, tend to outperform their industry peers by a significant margin
- Making good hiring and promotion decisions drives market value
- Effective selection has a significant impact on cost reduction (e.g. training and development spend) and business growth.

Confident Selection Decision-Making

As the business environment becomes more competitive, people – not processes or technology – increasingly become the differentiators. As a result, it is more important than ever to implement the best possible assessment systems in order to select, retain and develop talented people.

In the context of leader selection, you probably want to have the following questions answered:

- Given a set of leader competencies, what are the person's strengths and development needs?
- In what type of role is the person likely to excel?
- What is the person likely to struggle with?
- Will the person's appointment strengthen our leader pipeline?
- Which personal attributes or dispositions could cause this person to derail in a leader role?
- Does the person have the necessary intellectual ability to cope with the cognitive demands of the role in question?
- Will this person be able to build and lead a team?
- Will this person be an effective leader?
- What are the possible risks attached to this person's appointment or promotion?

In the context of key role succession, you probably want to know:

- Does this person have what it takes to function effectively in a next-level, expanded role?
- Is this person able to simplify complexity, and take decisions in the face of uncertainty and ambiguity?
- Are we backing the right choices?

A robust assessment will generate analytics that will put you in a position to make informed decisions.

When Technology Meets Psychology

Technology continues to advance our ability to collect and track information about people, presenting vast benefits.

Considered the gold standard of assessment, conventional assessment centres are expensive, time-consuming and resource-hungry. As a result, we have seen the advent of virtual assessment centres (VACs), or technology-enabled assessment centres (TEACs), which combine online psychometric assessments with virtual simulations.

Although appealing in many respects, VACs are still in their infancy, and must overcome several technological challenges before it becomes mainstream methodology.

Meanwhile, most test developers have created technology platforms to effectively deliver psychometric measures, which is a major step forward.

This having been said, conventional assessment centres remain the most accurate predictor of performance for roles candidates have not yet experienced. It is the option of choice for critical selection decisions (external hiring, promotion, key role succession), and for development.

“Decades of research have unequivocally demonstrated that some measurement methods and tools are better at predicting performance than others.”

Benefits of Online Assessments

The following benefits have been cited:

- Speed of process (with reduced application-to-hire times)
- Convenience for candidates in taking tests at a time and place of their choosing
- The 'long reach' of the method being able to access applicants anywhere without the traditional travel costs.

Typical Online Psychometric Measures

The Talent Institute is accredited with a range of leading test developers and distributors. This enables us to tailor solutions to client needs.

Standard data-sources include measures of:

- Personality (including the 'dark side')
- Emotional intelligence
- Motivation, values and preferences
- Cognitive ability.

In addition, and depending on the role, a measure of the individual's capability to navigate complexity and uncertainty is included. This measure is especially relevant in the context of succession planning.

Measures are available in several languages, including Arabic, Spanish and French.

Output Reports

Clients may select the type of report they are most interested in.

- Snapshot Report (contains the integrated assessment results for an individual)
- Dashboard Report (allows for a quick comparison of several candidates under consideration for the same role)
- Individual Feedback Report (a crisp personalised report detailing, strengths, development areas and some practical tips).

Important Considerations

It is important to note that a psychometric assessment does NOT include an evaluation of technical or functional competence. It is the appointing manager's responsibility to determine functional competence ahead of an online assessment or an assessment centre.

It is equally important to know that an online assessment is NOT a substitute for a well-designed assessment centre, which invariably generates much richer information.

Online Assessments – How it Works

No matter where in the world you, or the candidates, are located, should you wish to have shortlisted candidates assessed, simply contact us by sending an e-mail to:

assess@talentinstitute.ae.

Once we have attended to the formalities, the assessments are scheduled and executed.

“Risk-intelligent organisations understand the many complex ways in which talent and risk interact – and the impact talent has on the ability of the organisation to pursue and achieve its strategic goals.”

About the Talent Institute

The Talent Institute is a privately held boutique professional services firm that specialises in strategic talent management consulting. Specifically, we focus on helping clients develop and implement strategies and practices to more effectively manage the selection, deployment, development and retention of talent to support current business strategies and to prepare for future challenges.

Our core competency lies in our ability to interpret talent analytics in the context of strategy and business impact, and the use of predictive intelligence to inform risk mitigation, capability development and talent investments.

Grounded in organizational psychology, we leverage research, analytics, expertise and industry insights to enable business performance by removing the guesswork from making decisions about people.

Your Contact

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