AON

Make Better Hiring Decisions

Five Ways Talent Assessments Can Improve Your Hiring Strategy

Contents

Better Informed to Make Better Hiring Decisions

Businesses are being disrupted and strategies are being reshaped with more urgency than ever before. Organizations must ensure their workforce is capable and empowered to deliver a strategy to protect and grow their business.

To answer this challenge, organizations must attract and retain a broader and more diverse talent pool with the skills needed for the future. These skills include resiliency and agility to thrive during change and digital acumen to navigate a competitive environment.

To bolster retention, companies need to focus not only on motivating their current employees but also ensure better hiring decisions. Managers must provide candidates with realistic insight into the role, the organization, and its values.

While talent assessment is already embedded in the hiring process of many leading firms, it is fair to say that assessments are being underutilized.

Aon's Assessments Give You the Clarity and Confidence to Make Better Hiring Decisions By:

Using Data

Using data to hire the best-fit candidates

Supporting DEI

Supporting your commitment to diversity, equity and inclusion in the hiring process

Identifying Future Skills

Identifying candidates with the future competencies and skills your organization needs

Improving the Experience

Delivering a better candidate and employee experience

Providing Flexibility

Providing flexibility and agility in a changing employment market

Read on to learn more about these five practical ways talent assessments can help you make better hiring decisions to protect and grow your business.

1

Using Data to Make Better Hiring Decisions

1

Pre-Hire Assessments Have an Important Role to Play in Talent Attraction

Pre-hire role insights, gamified tests and realistic job previews help communicate the culture, the values and commitment to fairness and diversity of the hiring organization. Assessments that gauge the fit between applicants and roles improve talent retention. Undertaking business impact studies during the selection process also ensures pre-hire assessments can predict job performance.

Assessment to Predict Performance: Getting Started

Resumes, interviews and experience provide some but not all information. Pre-hire assessment give you the detailed data to determine a candidate's strengths and their potential, giving you the clarity and confidence to make better hiring decisions.

To introduce the right pre-hire assessments, you must first understand what is required in the role and what great performance looks like. Ask the following questions:

- What are the key metrics that define success for this position?
- What is expected of incumbents?
- What are the skills, behaviors and competencies associated with success?

Having an idea of what leads to success is one thing; using data to measure the direct link between competencies and performance will make pre-hire assessments a more strategic tool.

This is where the skills and experience of assessment experts are crucial. Working alongside our clients, Aon uses unique tools to measure the strength of the connection between a person's skill, ability and behavioral profile and job success metrics. Our process gives you a clear picture of which competencies a candidate must demonstrate to meet current requirements, and whether they have the traits to drive the growth of the organization in the future.

Establishing the Link Between Assessment and Performance

After determining what 'great' looks like and conducting a job analysis to identify the skills and competencies needed to succeed in the role, the next step is to work out how to spot these qualities in applicants.

In many cases, a psychometric test is used to measure competencies such as numerical reasoning, the ability to multi-task, or the strength of hand-eye coordination depending on the role requirements. Other requirements may be based on behavioral traits, such as decision-making style, agility, cooperativeness, composure, assertiveness and learnability.

Mapping assessments to job requirements starts to shape the selection process. It detects the candidates most likely to deliver results based on difficult-to-measure criteria.

Missing this mapping step means you cannot know if assessment scores impact performance success. Not all assessments provide the data needed to make this link.

A validation study can be undertaken by piloting the assessment with job incumbents and analyzing their scores alongside talent and performance metrics. This builds a clear picture of what is needed from candidates and if the assessment accurately measures these competencies.

This four-step method breaks down the process:

Four-Step Method

Define Success
Understand what great looks like in the role, defining the skills and behaviors that set the best talent apart.

Define

Map

Map Assessments
Map assessments to these skills and behaviors, and how candidates will be measured against the criteria.

Measure Business Impact
Conduct a business impact or validation study to understand the link between assessment scores and performance and monitor any adverse impact for talent subgroups.

Measure

Monitor

Monitor the Process
Monitor and analyze assessments on an ongoing basis to continually optimize and refine the process.

1

The Importance of Values in Making Better Hiring Decisions

It is not just what an employee does that matters, but *how* they do it.

Skills and knowledge are factor of performance, but how a person behaves in relation to the values of the organization is also essential to their own and the organization's success. Getting the alignment between values means you will avoid a "just ok" or a bad hire.

This concept of a 'values fit' is fundamental when looking at hiring into an organization, but it can be easily overlooked or misread due to the perceived difficulty of measuring what it means to fit, or identify with, organizational values.

Pre-hire assessments can objectively gauge the match between a candidate, the role and the

organization. We can work with you to define the key elements, and how to best to measure them. Using data on how a candidate's values correspond with the organization also indicates who is most likely to stay with the company for the longer term. One way to improve retention, is to identify those most likely to stay with the organization at the point of hire.

Spotlight on the Tools

Assessments designed to measure role and values fit are built around the organization's unique values, behaviors and competencies. Aon's tools for assessing the fit between a candidate and a role and organization can be customized for content, language and branding, and showcasing the roles' likely challenges.
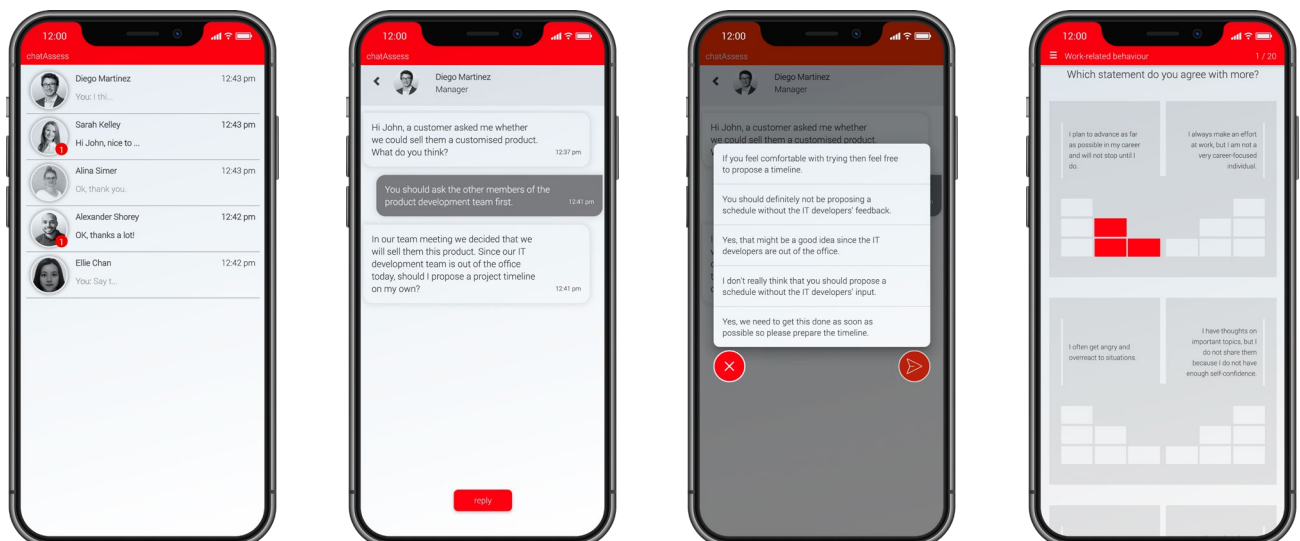
Screenshots of chatAssess and ADEPT-15®

In Practice: Reducing Attrition at Transcom

Transcom, a business services outsourcing company, was seeking to improve performance and reduce turnover by identifying the best talent in the hiring process. Aon worked with Transcom to identify the specific abilities and characteristics that predict tenure in Transcom and designed a new hiring process that included assessments that measured these skills and competencies.

25%
Tenure improved by 25%

12%
Saved €750,000 by reducing attrition by 12%

45 min
Reduced time spent per hire by 45 minutes

130%
Those who scored in the top 10% on the assessments are 130% more likely to remain at Transcom

2

Spot the Future Skills and Competencies Your Business Needs

2

Securing the Skills Your Organization Will Need in the Future

Making better hiring decisions means more than selecting the best-fit talent for today's requirements. It also means considering the skills your organization will need to grow your business in the future.

There is no doubt that the skills needed for organizational success today will be different to those needed in the future.

- Automation will make some roles obsolete, requiring workers to reskill and move into new areas.
- Graduate, intern and apprentice-level talent will need the core characteristics of adaptability which may make historical academic achievement less important.
- Digital skills will become increasingly important and technology roles harder to fill.
- Fewer individuals working in knowledge industries will be office-based and will need to adapt to remote and hybrid work.

Given these shifts, information and data from pre-hire talent assessments can offer essential insights beyond the aptitude needed for existing roles.

Future-Proofed Competencies: Assessing Upskilling and Reskilling Potential at the Point of Hire

To future-proof your workforce, your selection practices need to focus on those individuals with the ability and mindset to develop and learn new competencies as the environment, technologies and requirements change.

These future competencies are not concerned with specifics — as we cannot predict what these will be. They are focused on the ability to be flexible, embrace change and recognize the necessity to upskill. Aon defines these future, core digital competencies as:

- Agility
- Curiosity
- Learnability

14

Aon's Digital Readiness Model
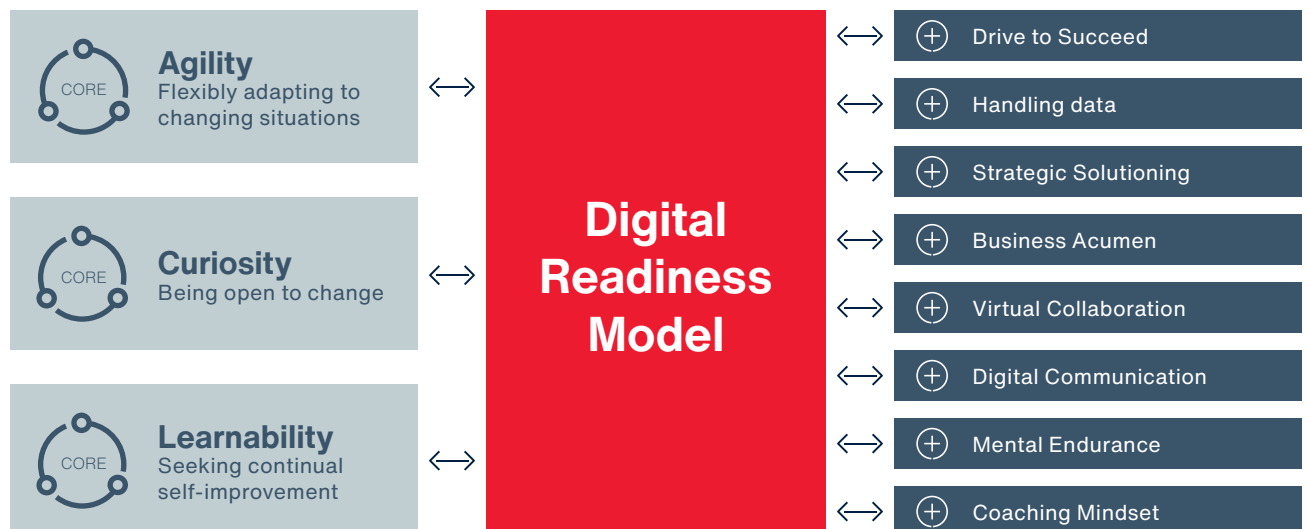
In Practice: Hiring for the Future Mindset at Siemens

Aon's Digital Readiness Model in Practice

To measure future readiness, Aon developed a Digital Readiness Model, which can be used to assess and understand individuals, teams or the entire workforce's digital competencies.In a pre-hire scenario, HR leaders deploy Aon's ADEPT-15® personality questionnaire in combination with the cognitive ability test gridChallenge™. Together, these provide a comprehensive overview of a candidate's digital readiness and a profile mapped onto the model's eleven competencies.

Remote-Ability

As a result of the pandemic, understanding which jobs can be performed remotely and which individuals can work effectively in these roles has become a hot topic. Innovative assessments pinpoint those with the capabilities and competencies key to effective, long-term remote or hybrid working. These include working independently, taking responsibility for own tasks and commitments, acting with integrity, and demonstrating resilience. Having insight into candidates' ability to effectively communicate and collaborate through virtual channels helps make better hiring decisions for roles that require working without close supervision and in-person communication.

The Skills for Your Future Organization

As the organization changes, it needs different skills. Aon's Future Skills framework details the future skills your organization will need based on your strategy, benchmarking the current skill prevalence and maps out how to bridge the gap.

Siemens, a technology company focused on industry, infrastructure, transport and healthcare, needed to transform the way it brought talent into the organization to respond to digital disruption, new competitors and shifting customer needs. Siemens developed their Mindset Model to unify the organization's culture, values and behaviors that are important for future success. Aon worked with Siemens to map their Mindset Model onto pre-validated assessments to measure candidates' abilities, work styles and preferences. Four of Aon's assessments helped Siemen's talent team and hiring managers understand candidates' numerical reasoning, logical reasoning, learning/memory capacity and personality. The data from Aon's assessments allowed Siemens to make better hiring decisions rooted in science by identifying those with the mindset and ability to keep up with the unpredictable ways in which roles, the organization and the industry change.

12%
Twelve percent higher performance by those with the future mindset competencies

77%
Seventy-seven percent candidates reported an engaging candidate experience

"

We reached out to suppliers, aiming to find out how to translate our ideas into actions, needing to have a lens into how candidates measure up. Aon was the best, its science and expertise brought our ideas to life."

Simon Roberts
Siemens Energy

3

Support Your Commitment to DE&I in the Hiring Process

3

Talent Assessment Supports Diversity

Making better hiring decisions requires organizations to attract a broader talent pool to build a more diverse workforce.

The Aon approach to rigorous test design, extensive piloting and continual data analysis ensures that tests are bias-free. Using assessment within a hiring journey means that candidates are selected objectively.

Our AI-supported video assessment brings impartiality to video interviewing by objectively scoring only the words spoken by interviewees in their responses and then scoring them in each competency area.

Our tools generate an interview guide for the hiring manager to use during the feedback discussion to ensure fairness and standardization of the interview.
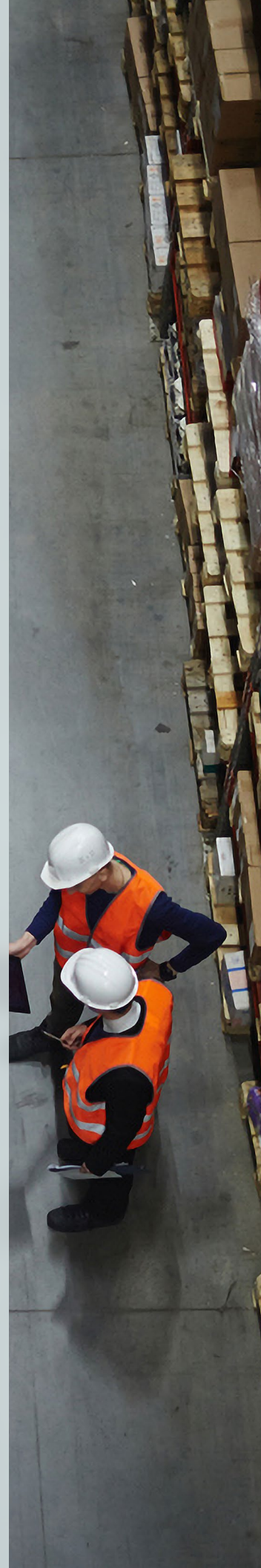
In Practice: Broadening the Talent Pool at Ocado Group

The Ocado Group, an online grocery store, was focused on hiring graduates to enable the company's shift from a retail business strategy to a technology centered strategy. The company needed to identify and hire graduates to be the leaders of the future, with the skills and competencies needed to deliver its digital and technological strategy. They also wanted to expand the traditional applicant pool to encourage a more diverse group of candidates. Aon worked with Ocado to deliver a fair, robust selection process that engaged candidates and provided the company data and insights to make better hiring decisions. The redesigned selection process includes objective measures of future readiness and adaptability to change and an AI-supported video interview.

40%

A more diverse cohort hired. Forty percent of the program intake would not have previously progressed past the initial application stage.

53% / 47%

A more equal gender split.
A shift from 36%/64% to 53%/47% (female/male).

1,200h

More than 1,200 interview hours saved.
AI-scored interview questions replaced telephone interviews

"

We have transformed our graduate recruitment process, using AI and digital assessment tools to help us hire more diverse people. In doing so, we're now far more inclusive and have found great people who fit our current and future needs."

Abbie Lopez
Ocado Group

4

Deliver a
Stronger
Candidate
and Employee
Experience

4

Assessment to Engage Candidates

Candidate experience is important, particularly in a candidate-driven market. Well-designed, candidate-centric assessments deliver a more positive and engaging candidate experience, and typically include short-to-complete, easy to understand, job relevant tests and questionnaires, and mobile-friendly, well-designed interfaces. Think better informed, fast decision-making with timely and insightful feedback.

Although technology that is easy to access and use is an important part of the candidate experience, many other factors come into play; candidates demand personalization, insight into the company and job and timely feedback.

Personalize the Candidate Experience

Aon's award-winning assessments are built to adapt. Because of the way we develop our tests, they display only what is relevant based on the organization's needs and the candidate's previous responses. It means shorter tests while still delivering reliability.

Give Insight Into the Job and Company Through Customization

Candidates engage when they can imagine working with you – and want to make that a reality. Candidates increasingly choose employers that closely match their own values and purpose.

Weave your values and culture into customized pre-hire assessments and give insight into the role through realistic job previews. These assessments provide engaging and memorable points in the hiring journey as well as valuable hiring information to the business.

We can create a storyline that acts as a backdrop to the full range of our customizable assessments and include the client's own video, information and scenarios. These elements lead to higher engagement and increase completion rates.

Deliver Valuable Feedback

All our assessments allow for instant feedback to be given to candidates. Individual reports with strengths and areas to develop are seen as a valuable and considerate output from the time invested in assessments. The hiring process should be an even exchange of information, where both the candidate and the company walk away armed with knowledge about the other to make the best-informed decision.
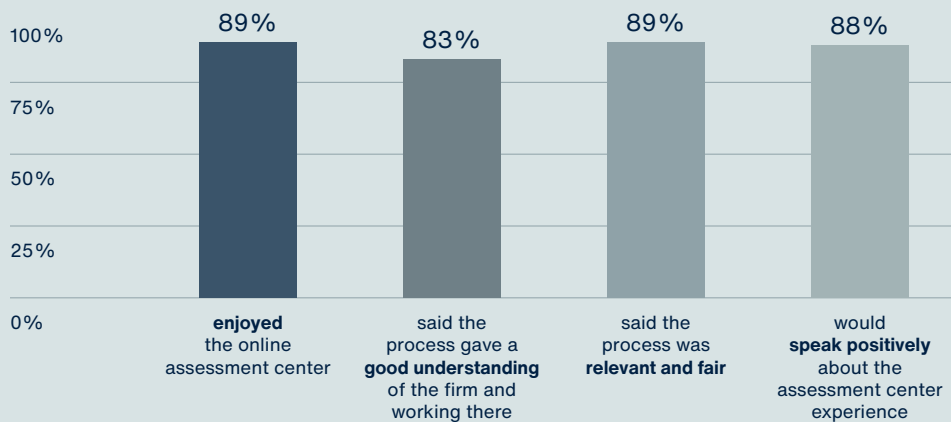
In Practice: Strengthening the Candidate Experience at Vodafone

Vodafone Group Plc, one of the world's leading telecommunications groups, set out to revamp their assessment process to save resources and time, while boosting their brand. Aon worked with Vodafone to implement virtual assessments to measure the core values needed to deliver business transformation. The new process included a customized online assessment center platform that delivered a seamless, brand supporting candidate experience.

Candidate Feedback

Net Promoter Scores

89%	**83%**	**89%**	**88%**
enjoyed the online assessment center	said the process gave a **good understanding** of the firm and working there	said the process was **relevant and fair**	would **speak positively** about the assessment center experience

> Candidates can explore what it feels and looks like to work with us at Vodafone. Our process entirely embraces this immersive and digital experience We are utilizing technology to help create a more level playing field. Assessing this way opens up a big wide world of talent we can invite into our tech space."
>
> **Amy Rutterford**
> **Vodafone**

5

Remain Flexible and Agile in Your Hiring Practices

5

HR Teams Need
Agile Processes and Systems

With disruptive forces continuing to reshape business strategies, and with individuals reevaluating their careers and opportunities, talent and HR teams need systems and processes that are agile.

Aon's future-proofed assessments are built with agility and customization in mind.

- Assessments are built to focus on the very best talent – while allowing for adjustments to the scoring depending on the business need.

- Adaptive test design means that the tests are as short as possible – and only include questions based on the candidate's previous responses and the organization's specific requirements.

- Realistic job previews and Situational Judgement Questionnaires help candidates quickly understand the role and help them to decide on the fit with the potential employer.

- Virtual, online assessments allow candidates to complete them where and when they are most comfortable, cutting the time-to-hire and expanding the number of candidates that can be assessed.

The value of assessment also does not stop once hired. The insight into strengths and skills gaps can inform development programs, and workforce planning. Assessment provides the ability to benchmark and compare internal candidates for promotion and highlight areas of opportunity for reskilling and upskilling.
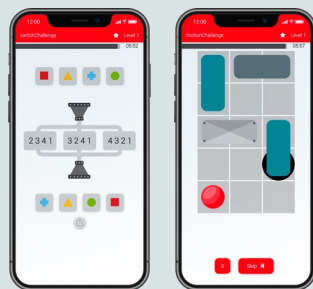
⚠️

**This is an important factor in building and maintaining an agile workforce.**
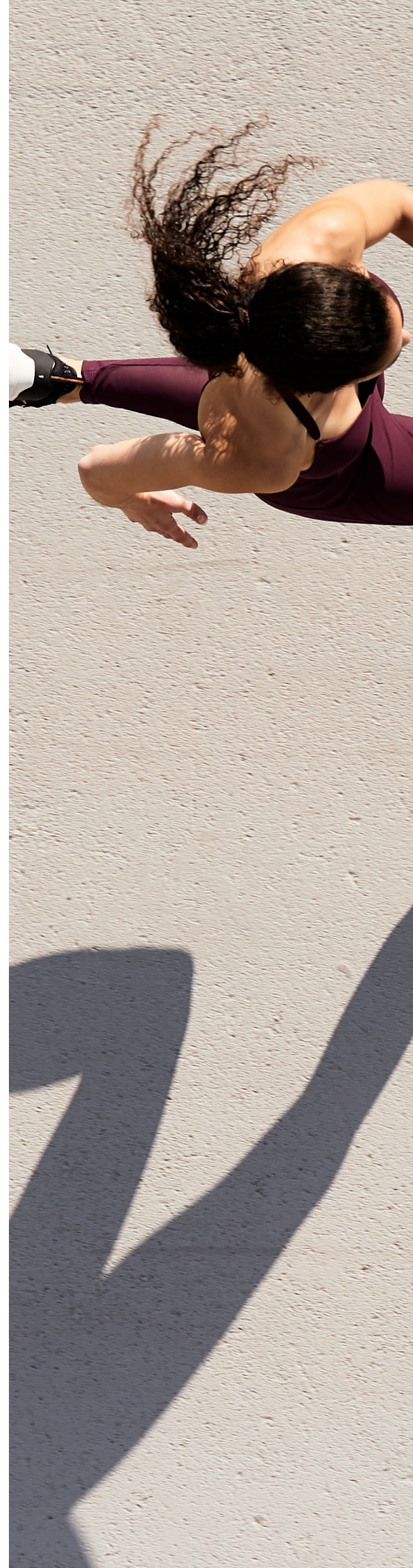
# In Practice: Designing a More Agile Hiring Process at P&G

Procter & Gamble (P&G), one of the world's largest consumer good companies, needed to evolve its assessment process to be more agile and candidate-focused while retaining high validity and fairness standards. P&G was concerned that aspects of its assessment process, for example in-person assessments, might deter more technologically minded candidates from participating in the process and cause P&G to lost out on top talent. For P&G, a robust and validated assessment process and delivering a top-notch candidate experience were crucial for ensuring the right fit for both the company and new employees. Using gamification principles to develop interactive, responsive assessments, Aon worked with P&G to transform their cognitive, proctored assessments into a mobile solution that maximized efficiencies in the selection process and delivered a more candidate-centered experience.

Scaling an Agile, Best in Class Candidate Experience

Results of the New Assessment Process

75%
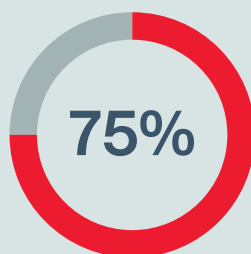
Seventy-five percent **less time** to complete the assessments

94%
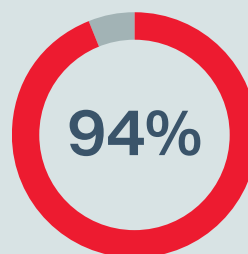
Increased **completion rate** to 94%

3x

3x increase in favorable employee outcomes (such as performance, potential and retention)

> "
> Candidate assessment is no longer just about evaluating the employees' performance potential. It is about considering the candidate and their user experiences as they go through our process."

Daniele Bologna
PhD, Manager Global Selection and Assessments at P&G

Take the Next Step

Robust Talent Assessments

With the right practices in place, organizations can hire those most likely to remain and grow with the organization. They can build a more diverse workforce and introduce the future-skills and competencies needed.

Robust talent assessments from Aon play a pivotal role in hiring practices because of our commitment to:

- The objective, robust, and reliable measurement of candidates' skills and behaviors.
- Understanding assessment data and combining this with Aon United datasets and expertise.
- Meeting the needs of clients by creating customizable and configurable assessments and solutions.
- Proving the business impact of assessment.
- Peer-reviewed research and practical client usage.
- Delivering an engaging candidate experience.
- Development that is rooted in science and rigorous in its testing.
- Resource saving capabilities.

Contact Us

if you are ready to explore how the assessments used in your hiring journey can help reset and deliver your talent strategy.

Book a Free Consultation Now

Are you ready to rethink how you select, hire, develop, retain and reward talent?

Visit us at: humancapital.aon.com

Or email us at:
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About

Aon plc (NYSE: AON) exists to shape decisions for the better—to protect and enrich the lives of people around the world. Our colleagues provide our clients in over 120 countries with advice and solutions that give them the clarity and confidence to make better decisions to protect and grow their business.