Reshape and Optimize Your Workforce With Assessment

A guide to hiring and developing the talent you need to reach your goals

With the right assessments, your organization can optimize its people strategy, hire and develop future-proofed talent and shape a dynamic, adaptable and empowered workforce of the future.

Contents

''Assessment is a powerful tool for reshaping and optimizing the workforce towards a more agile, responsive and resilient organization that thrives in an uncertain future.''

Jouko van Aggelen,
Chief Portfolio and Innovation Officer, Aon's Assessment Solutions

Introduction

Organizations are tackling rapid and exponential change due to the increasingly digital environment and the needs of business transformation.

Business strategies are being radically reshaped, pivoted and advanced with more urgency than anyone could have predicted. When it comes to achieving results in the face of such uncertainty, it is the workforce that needs to put new strategies into action.

HR and talent leaders are facing not only the need to ensure the availability of skills and behaviors in the workforce now, they must also balance this with the imperative for acquiring and developing the skills for the future.

While talent assessment is already embedded within many leading firms to help identify the best candidates pre-hire and those current employees looking for their next career move in-house, assessment holds a greater advantage. It is a powerful tool for reshaping and optimizing the workforce towards a more agile, responsive and resilient organization that thrives in an uncertain future.

This guide explores the impact talent assessment can make to:

- Hire the right people into your organization – and ensure they will be with you in years to come.

- Develop your current workforce and prepare employees for the future, empowering them to upskill and reskill to meet changing needs and to enable internal talent mobility.

- Easily and effectively spot those with the potential to become the leaders of the future.

The following pages will guide you through the practical steps you can take to use talent assessments in order to ensure your workforce is prepared, resilient and empowered for whatever the future might bring.

Are You Getting the Right People Into the Role – And Into the Organization?

There are six focus points all talent leaders must consider in order to ensure that the right people are hired into the right roles.

Pre-hire assessment is the cornerstone of these six areas of focus. Critically, the right assessment can form the backbone of your talent acquisition strategy as you look to bolster the workforce to meet the increasingly complex challenges of the organization now and reshape it to meet the organization's future needs.

Pre-hire assessments have an important role to play in any talent attraction campaign, well before the selection process kicks in. Pre-hire role insights, gamified tests and realistic job previews help convey the culture, values and commitment to fairness and diversity of the hiring organization. Assessments that gauge the fit between applicants and roles improve talent retention. Performing business impact studies during the selection process design makes sure the pre-hire assessments can predict job performance.

Talent Leaders Need To:

1 Reshape and
optimize the workforce
to meet today's business demands and those of the future.

2 Attract
a diverse applicant pool
from which to select the best new talent to take you forward.

3 Portray a realistic view of the job
to potential applicants in order to minimize risk of
talent leaving due to poor person/job fit.

4 Engage with candidates
throughout the selection process to keep the most
promising talent excited about your firm.

5 Identify applicants
with the skills, knowledge and behaviors to
excel in a specific role once hired.

6 Spot
the potential
for future development and progression.

The Business Impact of Getting It Right

Implementing a proven pre-hire assessment process delivers a return on your investment by:

- Positively impacting productivity, performance and diversity.

- Delivering resource savings for the firm.

- Strengthening engagement with, and providing a positive experience for, candidates and internal stakeholders.

Navigating rapid market and organizational change requires you to successfully identify – and develop – those people capable of embracing future change.

What about the skills and performance you need today?

Assessment to Predict Performance: Getting Started

How can you know during the hiring process which candidates have the abilities and competencies to deliver optimal results? Resumes, interviews and track records provide some, but not complete, information. Pre-hire assessment offers more. It gives you the detailed data to determine a candidate's strength *and* their potential.

To introduce the right pre-hire assessments to provide the insight you need, you must first understand exactly what is required in the role and what 'great' performance looks like:

What are the key metrics that define success within the position? And what is expected of job incumbents? What are the skills, behaviors and competencies associated with such success?

❯ Having an idea of what leads to success is one thing; being able to demonstrate the direct link between competencies and performance is essential.

This is where assessment experts' skills are crucial. Aon works with clients to measure the strength of the connection between a person's skill, ability and behavioral profile and job success metrics. This provides a clear idea of not only what you are seeking from a candidate to meet current requirements, but whether they have the traits to drive the growth of the organization into the future.

Proving the Link Between Assessment and Performance

After determining what great performance 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, for example, numerical reasoning, the ability to multi-task or the strength of hand-eye coordination (depending on the role's requirements). Other requirements may be based on behavioral workstyle competencies, such as decision-making style, agility, cooperativeness, composure, assertiveness and learnability.

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

Missing this mapping step means you cannot know if assessment scores impact performance success. Not all assessments are robust enough to make this link. Only those that have been developed according to modern professional standards and robust scientific principles, as well as meet best practice guidelines for statistical reliability and validity, can prove this link.

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

This Four-Step Method Breaks Down the Process:

1
Understand
what great looks like in the role,
defining those skills and behaviors that set the best talent apart.

2
Map assessments against
these skills and behaviors
and how candidates will be measured against these criteria.

3
Carry out a business impact or validation study
to understand the link between assessment scores and performance
and monitor any adverse impact for talent subgroups.

4
Monitor and analyze assessments
on an ongoing basis to continually optimize
and refine the process.

Real-World Performance and Retention Impacts

Aon has worked with a range of clients across different job roles to implement pre-hire assessment processes that accurately predict specific organization success and to identify:

- Delivery drivers who have 40% fewer accidents.

- Maintenance workers who are 78% more likely to work safely.

- Sales professionals who deliver 50% more profit.

- Managers who are 180% more likely to be a top performer at a global financial services company.

- Staff who are 60% more likely to be recognized by customers as providing great service at a global hospitality company.

40%
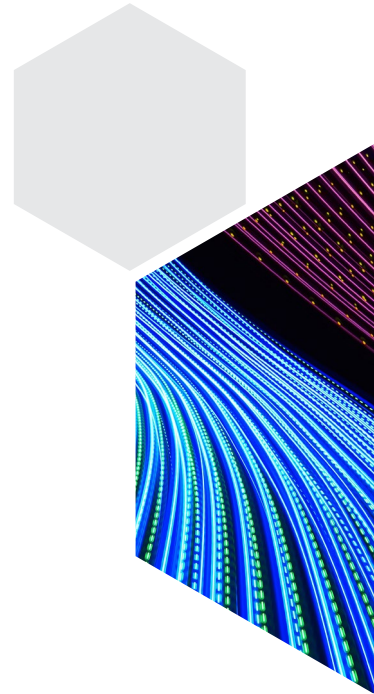
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Resource Savings From Assessment

Predicting job performance can deliver a significant return on investment (ROI). Pre-hire assessment ROI is also achieved through optimizing resources. Aon's clients have realized significant time and resource savings, including:

- Nearly 600 hours of interview hours saved across a graduate hiring program by switching to AI-supported interviews.

- A 40% reduction in time-to-hire of sales associates by introducing assessment within a retail firm.

- 50% time savings in the hiring process due to online assessment for a healthcare technology company.

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of sales associates

50%

time savings
in the hiring process

Well-designed, candidate-centric assessments deliver a more positive and engaging candidate experience: think short-to-complete, easy-to-understand, job-relevant tests and questionnaires and mobile-friendly, well-designed interfaces. Think fast decision-making with timely and insightful feedback.

''Well-designed, candidate-centric assessments deliver a more positive and engaging candidate experience.''

Ernie Paskey,
Partner, Chief Regional Officer – North America, Aon's Assessment Solutions
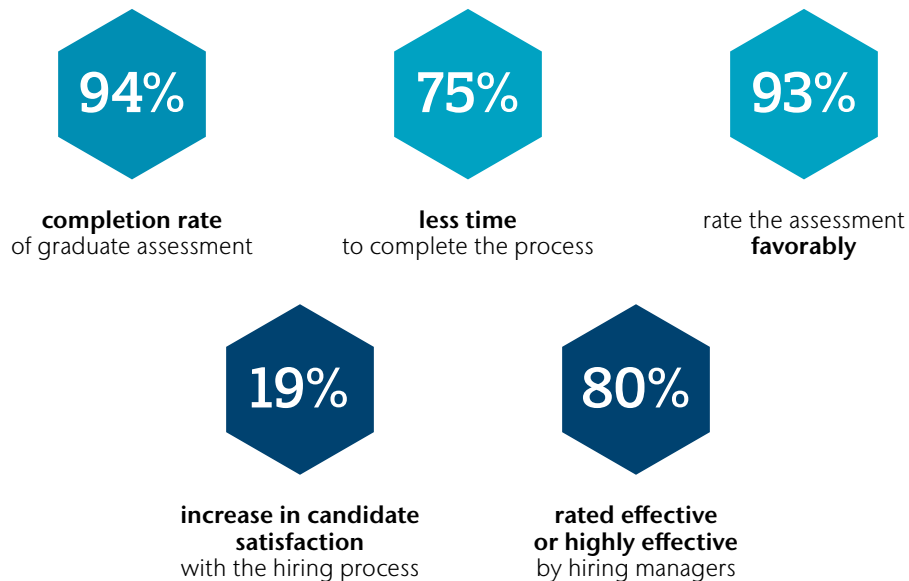
''Defining key performance indicators to measure performance allows HR and talent leaders to understand the business impact of assessment.''

Mina Morris,
Partner, Chief Commercial Officer – North America, Aon's Assessment Solutions

Candidate experience is important. Our clients understand this and know the value of investing in it.

- 94% completion rate of graduate assessment for a global, fast-moving consumer goods firm that, after a revamp, takes 75% less time to complete than its previous process; 93% of candidates saying they would speak favorably about the assessment.

- 19% increase in candidate satisfaction with the hiring process.

- Nearly 80% of hiring managers rated the overall early career recruitment process as effective or highly effective at a global asset management firm.

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by hiring managers

The Importance of Data

Measuring the success of recruitment programs, understanding the gain in resource efficiencies and seeing the impact of a stronger candidate experience all require one thing: data.

Defining key performance indicators to measure performance, be it of an employee or a process, allows HR and talent leaders to understand the business impact of assessment and improve the hiring process.

The Importance of 'Fit'

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

Skills and knowledge for job performance are success factors, but how a person behaves within an organization's culture is also essential to their own and the organization's success. Getting the fit right means you will avoid a 'just ok' or bad hire.

The concept of 'fit' is fundamental when looking at hiring into an organization. However, it can be easily overlooked or ignored due to the anticipated difficulty of measuring what it means to 'fit'.

Pre-hire assessments can gauge this fit between candidate, the role and the organization.

Identifying a Strong Fit

Specific pre-hire assessments, such as Situational Judgment Questionnaires custom-built for the organization include company- and role-specific scenarios and challenges.

Candidates get an insight into what working in the role is like and the hiring firm can score candidates against the firm's expectations. Such tools spot those with a strong fit, both within the role and within company expectations.

The result is clear: you can measure likely cultural fit and job success during the assessment and selection process.

Aon draws on decades of experience in building measures of fit for its clients. Our experts have direct experience of what works and what does not, the pitfalls to avoid throughout the process and where to focus effort for maximum efficacy.

Spotlight on Assessment

Pre-hire assessments that measure the fit between the candidate and the role or organization are built around the firm's values, behaviors and competencies. Look for tools that are customizable when it comes to question content, language and branding, and showcase each role's likely challenges.
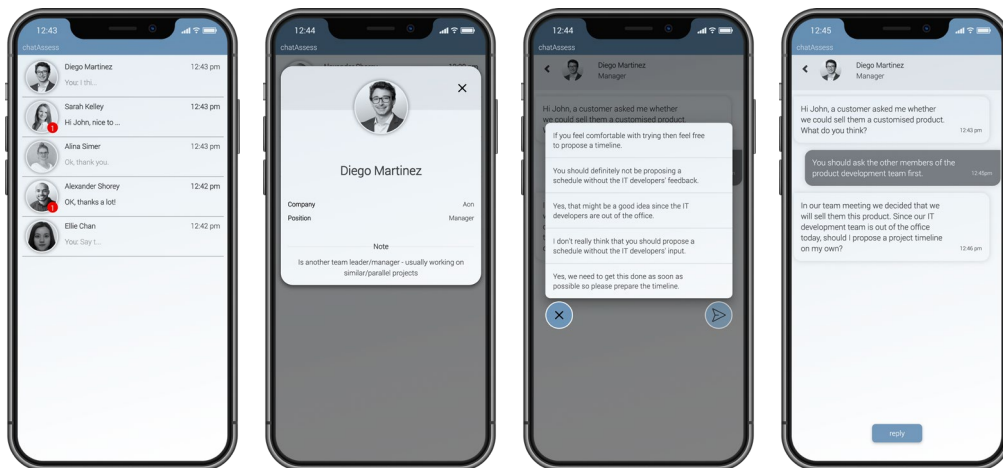
Example of a customizable Situational Judgment Test: chatAssess

Gamified Assessment

chatAssess is a gamified Situational Judgment Test. This powerful tool is designed to be like the instant messaging interfaces of WhatsApp or Facebook Messenger and assesses a candidate's strengths, personality and abilities. chatAssess can be customized to suit any role, at any level, in any organization.

Finding the Balance Between the Skills of the 'Here and Now' and Those of the 'Future'

Hiring is a multi–perspective operation. As the HR or talent leader, you need to optimize your workforce skills and structure to deliver the near–term business strategy, while you prepare for the future.

The half-life of a learned skill is approximately five years[1]. If you want to future-proof your workforce, your hiring needs to focus not only on those skills needed today, but on talent with the ability and mindset to develop, upskill, reskill 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 are – but focus around the ability to be flexible, embrace change and recognize the necessity to upskill. Aon defines these future, core digital competencies as:

Agility   **Curiosity**   **Learnability**

Cultivating and hiring for these behaviors are essential in supporting the agility needed in the future. The challenge is that 61% of organizations do not know how to spot digital talent[2] and only 35% say that their organization has processes in place to make decisions quickly about digital potential.

Is it time you included assessment of digital potential in your pre-hire assessment process?
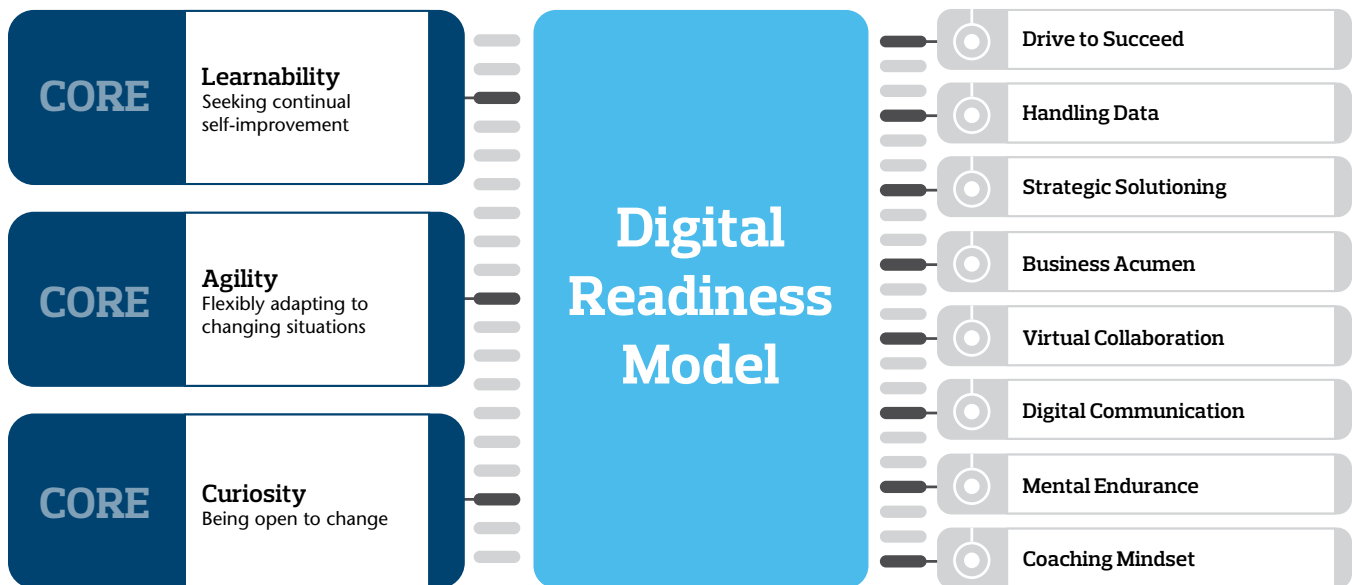
[1] Skill, re-skill and re-skill again. How to keep up with the future of work, 2017, World Economic Forum
[2] Scaling the Digitally-Ready Workforce Report, 2020, Aon

Aon's Digital Readiness Model in Practice

Aon's Digital Readiness Model 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 11 competencies.

CORE	**Learnability** Seeking continual self-improvement
CORE	**Agility** Flexibly adapting to changing situations
CORE	**Curiosity** Being open to change

Digital Readiness Model

- Drive to Succeed
- Handling Data
- Strategic Solutioning
- Business Acumen
- Virtual Collaboration
- Digital Communication
- Mental Endurance
- Coaching Mindset

Are You Identifying and Developing Your Talent – And Your Future Leaders

With hiring costs of external, mid–career talent between 1.5 and 2 times the hire's salary, it makes sense to grow talent from within.

The challenge is three-fold: understanding the potential of your current workforce to fulfill the roles of the future; identifying potential leaders; and empowering employees to make smart re-skilling and career choices.

To prepare to move forward, the organization must be future-ready, incorporating agility into its culture and developing an adaptable workforce. Your role is to provide the structure and resources to empower your existing workforce to become the workforce of the future.

Hiring talent into your business through job profiles and competency analysis and pre-hire assessment helps you measure your candidates against these requirements.

What about current employees?

How do firms understand their current talent's profile and identify who has the characteristics to progress into new roles, learn new skills and lead in the future?

Identifying and Developing the Leadership Pipeline

Generally speaking, employees with high potential get promoted faster than other employees, even though, for many organizations, there is a lack of certainty about what 'high potential' actually means – let alone how it can be identified.

This often leads organizations to rely on a combination of performance data and gut instinct to identify future leaders. However, leveraging assessments creates a more holistic, objective and future-facing process for spotting leadership potential.

What Got Us Here Will Not Take Us There
Leadership skills and styles change – and will continue to change. Companies need leaders who thrive in constant and rapid shifts in opportunity and who are capable of embracing the uncertainty and challenges of a workplace characterized by constant digital transformation. One-third of organizations report that they do not have leaders in critical roles to drive digital change[3].

❯ A robust model of leadership is needed to identify potential in up–and–comers that includes the leadership characteristics most needed in the future:

agile mindset; leading change; and driving business

It requires the assessment of probable success in leadership roles that considers ability, agility and aspiration beyond the limited focus on track record. We know success in a current role does not always translate into success in a leadership role. For example, not all high-achieving frontline salespeople go on to become stellar sales managers, as the skills that make for a great salesperson are not the same as those that make a great manager.

[3] Scaling the Digitally-Ready Workforce Report, 2020, Aon

Leaders in the Digital World

A leader in our more digital, agile and rapidly changing era draws on the same leadership skills as the past, but now they need more. An ever-changing environment is not new. However, the speed at which job automation and market disruptors are shaping jobs and the workforce is accelerating.

Those with the most potential to succeed in future leadership roles display an agility of thought and action. They have the ability to learn, adapt to changes in their environment and seek new skills and experiences at work. Like all future-ready talent, future leaders require flexibility, adaptability and resilience. They know how and when to empower, support, experiment and learn – and when to switch behavior accordingly. Good leaders are able to innovate and collaborate in new ways and are humble enough to move into the role of facilitator.

❯ Leadership effectiveness is a product of workstyle and likely behaviors.

It is true that individuals with strong leadership potential score highly across all dimensions of leadership traits. Leadership tactics and tools can be learned, but it is work styles and likely behaviors, especially the ability to adopt new behaviors, that sets strong leaders apart.

Data from personality assessments can pinpoint the specific key qualities that are proven in research to be linked to success in leadership roles.

Those scoring high on these leadership behaviors are:

| 30%	25%	15%	20%
better at **continuous improvement**	stronger at **problem-solving**	more likely to **manage their own workload and self-develop**.	higher rated on **job performance**

Aon's Digital Leader Model

Aon's leadership assessment model identifies those traits needed to lead right now – and also those that are increasing in relevance.

As well as the core agile mindset competencies of learnability, agility and curiosity, the digital leader also needs the skills critical to leading digital readiness efforts, such as championing collaboration and showing a drive to lead. However, leaders also need to be aware of their shortcomings. A sense of humility and empowerment will help ensure they have people with the right skills around them to supplement their own skill sets and will empower their people in the right ways. Future leaders also require the supplemental skills of business acumen, handling data and mental endurance.
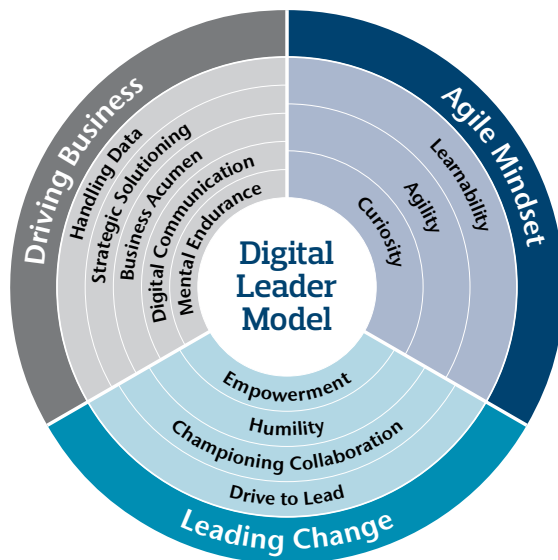
What to Look For in Assessment for Future Leaders

- Assessments that measure the relevant aspects of personality, behavior, ability and motivation to provide breadth of insight.

- Research- and evidence-based foundations, with clear relevance to enable buy-in from the participant.

- Accurate insight, summary of strengths and guidance for development.

- Comparison of an individual's profile against a future leader's model.

Empower Career Mobility and Development

Development of current employees is most successful when they have ownership of their progress and career development.
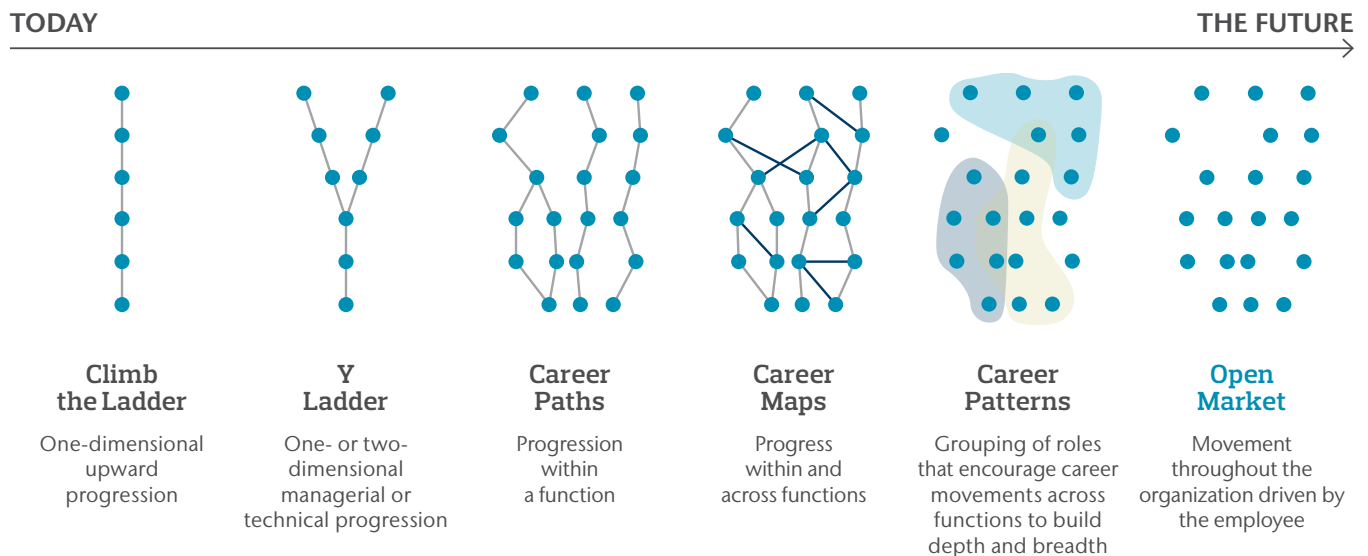
Careers rarely follow a traditional linear path upwards. More often, careers involve taking sideways steps to acquire experience and exposure to new functions or markets. A better analogy may be a climbing wall with no set route mapped out to the top, rather than a ladder.

How can you convey this to your workforce?

The Power of Job Neighborhoods

Building job neighborhoods showcases the competencies – and the groupings of competencies – that are relevant in your business. It means that, regardless of where individuals are currently in the organization, they can understand how the skills and competencies they have right now intersect with those required in other roles.

Link this to career pathways and the individual begins to imagine how, with reskilling or upskilling, a future career path can be mapped. With clear reskilling paths outlined, ownership of their professional growth and development is underscored.

TODAY

THE FUTURE

Climb the Ladder	Y Ladder	Career Paths	Career Maps	Career Patterns	Open Market
One-dimensional upward progression	One- or two-dimensional managerial or technical progression	Progression within a function	Progress within and across functions	Grouping of roles that encourage career movements across functions to build depth and breadth	Movement throughout the organization driven by the employee

Five Steps to Empowering Development

1 Understand the skills profile of current talent

Gain insights into abilities, preferences and competencies using talent assessments. The skills required to become future-ready likely already exist within your company – at least in part. If you can understand what these skills are and articulate how you want them to be used in the future, you can then begin to share and promote them. An audit of current skills will give individuals valuable insight into their own strengths, as well as providing you with a view of where you are now.

2 Isolate and identify the skills needed in the future

Once you understand the skills you need in the future, you can replicate them.

3 Map out job neighborhoods

Create job neighborhoods by building maps and highlighting career paths and patterns. Certain competencies and behaviors needed for success in different parts of the organization can be grouped together.

4 Make sure talent has a line of sight into the opportunities available

Give employees the tools to plot out and try different career paths. Help them see a developing career, not necessarily up the traditional ladder, but by making sideways moves or venturing onto a new path entirely. Show them the possibilities and re-skilling options – and provide a significant degree of control over their training and development route.

5 Start the career conversation

Create space for career conversations regarding mobility, interests, reskilling and upskilling. People who work with their managers to determine their own career trajectories are more likely to buy into re-skilling initiatives and contribute to the growth of the organization's internal talent pipeline.

Empowerment in Practice

Siemens, a multinational leading technology firm calculated that, within five years, 30% of its current workforce skills would become obsolete. Following extensive and in-depth work and job analysis, it realized now was the time to rethink and invest in those skills needed for its future and to support its workforce during the shift.

Siemens worked with Aon to bring together a new combination of fully mobile-enabled assessments of vocational interests and abilities, attitudes, learning styles and cognitive abilities, as well as an indicator of 'willingness to change'. A complex matching algorithm developed by the Aon team takes these results (alongside biographic information) and highlights the top three best matches between their own interests and those identified as a future skill for the firm, all the while offering development actions, suggestions and ideas.

The individual is then encouraged to apply for support and funding to learn and develop a new role with new skills.
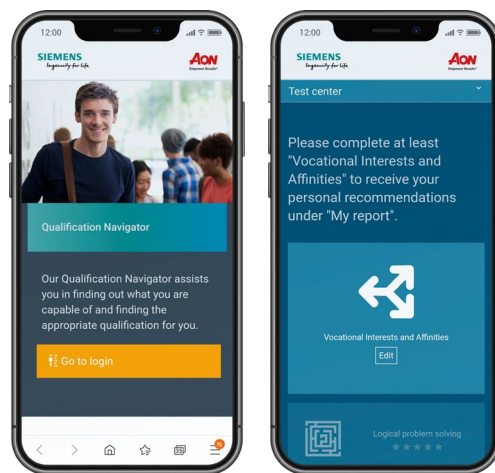
Sample screenshots of Siemens Qualifications Navigator

Spotlight on Assessment

Aon's Pathfinder is a career-pathing tool that profiles the strengths and highlights the development areas of employees, and then uses this to present their 'fit' with potential roles across the organization. It helps boost career ownership, support lateral career movement and encourage more agile career path consideration. It pushes past the traditional career support tools of interest and preference questionnaires and suggests the fit between an individual and job role or family. Pathfinder goes on to highlight areas for learning and development.

There is potential in every employee: help in-house talent to see and understand available opportunities.

Assess cognitive ability and find out how new things are learned.
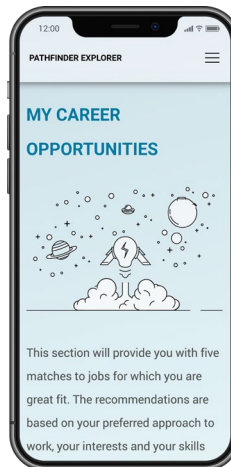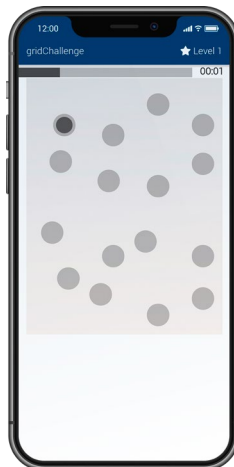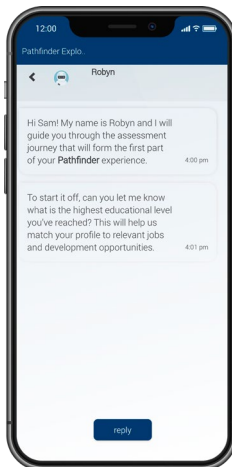
Gather more insights about employees' experience, motives and work-related behavior.

Assessments result in a combined feedback report, providing insights into strengths and development opportunities, and matching employees to job roles.

Inform Upskilling and Reskilling

The specific skills and talents that will be needed in the future are largely undefined.

While it is clear there are jobs that have reached their peak and are on the decline[4], others are on an upward trajectory – and some have not even been created yet! You need to optimize your current workforce – encouraging them to develop and learn new skills, take on different roles and move into positions that are created as the organization shifts.

However, there are some skills which, without a doubt, will feature in the future world of work. Aon's Future Skills Framework draws these together. They are, unsurprisingly, digitally related but also reflect the agility, comfort with change and the acceptance of reskilling needed going forward. Hiring such skills can be costly: attracting, assessing, hiring and onboarding each require different resources from the firm.

❯ **A more workforce-supportive and economic approach is it to consider talent already in place,** understand its capacity for internal mobility and support its development and reskilling to progress into the jobs of the future.

Organizations are coming around to this idea of identifying and nurturing existing talent – and Aon is helping to lead the way.

[4] The Future of Jobs Report 2020, World Economic Forum

Getting From Here to There

The starting point for reskilling the workforce must be to a solid understanding of the current behavior and skills profile and prevalence. This is achieved through the use of assessments to measure employees against future-facing skills and competencies.

In isolation, this is not enough. You need an understanding of the optimal skillsets needed. This comes only through analysis of the business and people strategies – and modeling the talent and business data you have.

The result is a clear picture of your organization's skills gap. This becomes the springboard to optimizing your workforce. Understand the skills of your current roles – and get to know what is needed in the future. Bridge the gap by empowering your people to see their strengths, where they can develop and how they can progress.

Investment in Reskilling in Practice

A financial services firm had a long-standing, traditional, waterfall approach to project management. Its product development was thorough and there was a strong desire to have the final product released to the market as complete as it could be. This model, though, became flawed as the more nimble and iterative product development processes of its competitors left them behind.

In response, the firm chose to rethink its processes and reconsider the roles and skills it required. This reconsideration led to new and more agile ways of working being adopted by employees, with the traditional project manager role being replaced and three new agile roles being created.

This is not a story of redundancy. Project managers were given the opportunity for assessment, not just to learn more about themselves and their strengths but also how they could develop into the new roles with confidence.

Within 90 days of the introduction of the Aon-designed development assessment center, 30% of project managers had either moved into or were well on their way to transitioning into an agile role.

The firm had successfully and radically reshaped and optimized its workforce by providing the tools and empowering their people to make the change needed to match the agility of its competitors.

Talent Assessment: The Next Steps

Assessment has long been built into pre–hire selection processes. Its standardized format delivers objectivity and fairness, and its profiling delivers benchmarks and comparison. It augments other candidate information and acts as a vehicle for employer brand.

For some organizations, the use of talent assessments stops once candidates are hired. However, development assessments provide highly valuable information that can transform the shape of their workforce, support internal mobility and optimize employee capability to stay ahead in rapidly-shifting environments.

Jobs are changing beyond our current knowledge. Roles are being created every day and the skills needed in the future are being defined right now.

All employees benefit from understanding their strengths, capabilities and the next steps in their career to reach their potential and fit with future roles. Potential leaders need to be identified and advanced within the business.

> ❱ Assessment provides the insight needed to optimize the workforce.

With the right assessments, your organization can optimize its people strategy, hire and develop future-proofed talent and shape a dynamic, adaptable and empowered workforce of the future *before* you start to lose traction.

If you are ready to take your assessments to the next level, to review your hiring processes and to rethink your internal mobility activities, contact us and let us start the conversation.

''Jobs are changing beyond our current knowledge. Roles are being created every day and the skills needed in the future are being defined right now.''

Ernie Paskey,
Partner, Chief Regional Officer – North America, Aon's Assessment Solutions

Contact

To learn more about Aon's
Assessment Solutions, visit us at:
assessment.aon.com

Or email us at:
APME.assess@aon.com
EU.assess@aon.com
NA.assess@aon.com

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Aon plc (NYSE:AON) is a leading global
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a broad range of risk, retirement and
health solutions. Our 50,000 colleagues
in 120 countries empower results for
clients by using proprietary data and
analytics to deliver insights that reduce
volatility and improve performance.

About Assessment Solutions

Aon's Assessment Solutions provides clients
with powerful tools and insights to help
them make better talent decisions at every
stage of the employee lifecycle. This includes
pre-hire assessments, identifying future
leaders, screening for digital skills and agility,
and AI-enabled solutions. Aon's Assessment
Solutions undertakes 30 million assessments
each year in 90 countries and 40 languages.