



Assessment and Selection



Insight Report

December 2022



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Matthew Jeffery

Director, UKI Talent Attraction & Acquisition (TA2) Leader, EY

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Introduction

Since 2008 the amount of talent available in the recruitment market has been consistently volatile. But it's unlikely we have ever seen such significant swings in such short periods of time as we have over the last 3 years. As recently as 18 months ago there was a surplus of candidates and organisations were desperate to make sure they had the technology, recruiter resource and budget to deal with the candidate numbers. Now, companies are fighting hard over smaller pools of talent and are reporting candidate quality and efficiency of process as their biggest challenges.

But is this summary too simplistic? Is this necessarily the case in all sectors? Is this the case at all levels of recruitment (early career right through to executive hire)? Is this the case regard-less of whether organisations are looking for 250 candidates for a volume role or one candidate for a very niche, experienced hire role. And what do these differences mean in terms of how we assess and select?

As it becomes harder to a) find quality candidates b) convince them to accept your offer and c) actually ensure they start on their first day - with renege rates becoming a significant problem - we need to think about assessment and selection in terms of the challenges faced in specific sectors and in specific types of recruitment.

This is why we at Amberjack have enjoyed being part of this research where The Firm have successfully delved deeply into the world of selection and assessment and identified some really key insights which will call out particular points of interest for specific types of recruitment.

A great example is the use of CVs. 65% of respondents in this research reported using these in their processes. This figure becomes more interesting when you look at the breakdown by type of recruiter. This research found CVs are more commonly used in early career recruitment than executive hiring. It seems counter-intuitive that, at a time where quality candidates are scarce, when we are looking to make processes more efficient, we are asking early career talent - who by definition are likely to have limited career experience - for their CVs. It's even more surprising that we are more likely to ask a potential new graduate/apprentice for their CV than a potential new executive.

I personally found surprising the lack of assessing for potential, with competency-based assessment dominant across almost all types and size of recruitment campaigns. Could this be an indication of the market thinking short-term to address specific skills shortages rather than thinking about identifying those who will grow with their organisation and address a resource challenge an organisation doesn't know they have yet?

At Amberjack, our mission is to support our clients in enabling a world where people are hired and progressed on the basis of their future potential rather than past experience or privilege. Given this, it makes sense I've picked these two takeaways to highlight among many, many others from this research. The beauty of this report is it will provide very specific insight regardless of what sector or type of selection and assessment you're involved in. I hope you get as much out of reading this report as I have.

Martin Kavanagh
Head of Assessment
Amberjack





Summary

All recruiters

- Online application, final interview and CV are used by at least two-thirds – followed by other types of interview and then assessment centres.
- Competency assessment is dominant
- Average time to offer is between 22 and 56 days
- Two thirds use a third party in assessment
- Most of the time, 80% acceptance is typical
- Most people start the job they accepted, but a significant minority don't
- Final round interview, blended assessment, video interview, telephone interview, SJT are perceived to be as effective whatever the hiring
- Two interviewers are generally seen as a minimum
- Most (72%) measure candidate experience, usually with a survey (79%)



Candidate quality and efficiency of process are the leading challenges. Recruiters would like to improve, in order:

- Consistency or quality of decisions
- Employ / improve specific methods
- Speed / candidate experience
- Processes or systems
- Diversity and inclusion

Early careers

- Most common to hire 11-50
- Most variable number of stages, but almost never more than 4
- More likely to use assessment centres
- More likely to use strength-based assessment
- 29% make an offer in two weeks
- More likely to use a third party in assessment
- Has a lower average acceptance rate and higher frequency of non-starters
- Candidate Quality is a bigger concern



The challenge appears to be how to balance speed vs quality – for a group that has little working experience

Summary

Executive

- Most common to hire 10 or fewer
- The most stages and 45% of the time 4 or more stages
- More likely to use online application, final interview, blended assessment
- The longest time to offer
- More likely to use bespoke assessment tools
- Most often an 81-90% acceptance rate
- Efficiency of process is a bigger concern
- Online application, CV, Virtual Assessment and Cognitive ability are seen as especially effective
- One interviewer is more common
- Candidate experience is measured more often



For these most crucial and high-profile appointments, the challenge appears to be in making the right decision, but to do so at a pace and in a style that suits employer and candidate – perhaps now there is too much in the process

Experienced

- Most common to hire 50-250
- Most often 2 or 3 stages
- A little more likely to use telephone interview
- More likely to use a combination of bespoke and off-the-shelf assessment tools
- Over half of recruiters have an 80% acceptance rate
- Efficiency of process is a bigger concern



The challenge here is that the process is too complex and needs to be simplified – to use fewer stages or tools to get to the same outcome

Volume

- Most common to hire 50-500
- Most often 2 or 3 stages
- A little more likely to use video interview
- 37% make an offer in two weeks
- More likely to use a third party in assessment
- 71-80% acceptance is typical, but a higher rate of non-starters
- Candidate Quality is a very big concern
- F2F Assessment centre and online application form are seen as less effective
- Virtual Assessment and Cognitive ability are seen as especially effective
- NPS is used more to measure candidate experience
- More of a challenge for Consistency / Quality of decisions

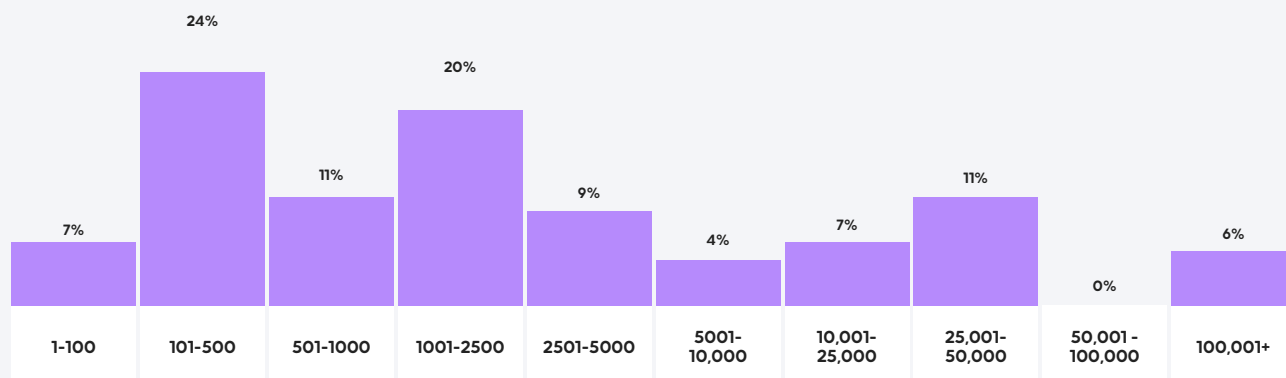


The challenge here appears to be to make quality decisions, at pace – recruiters “do” more to enable assessment of their volume applicants, but still have concerns about the decisions made.

The Response

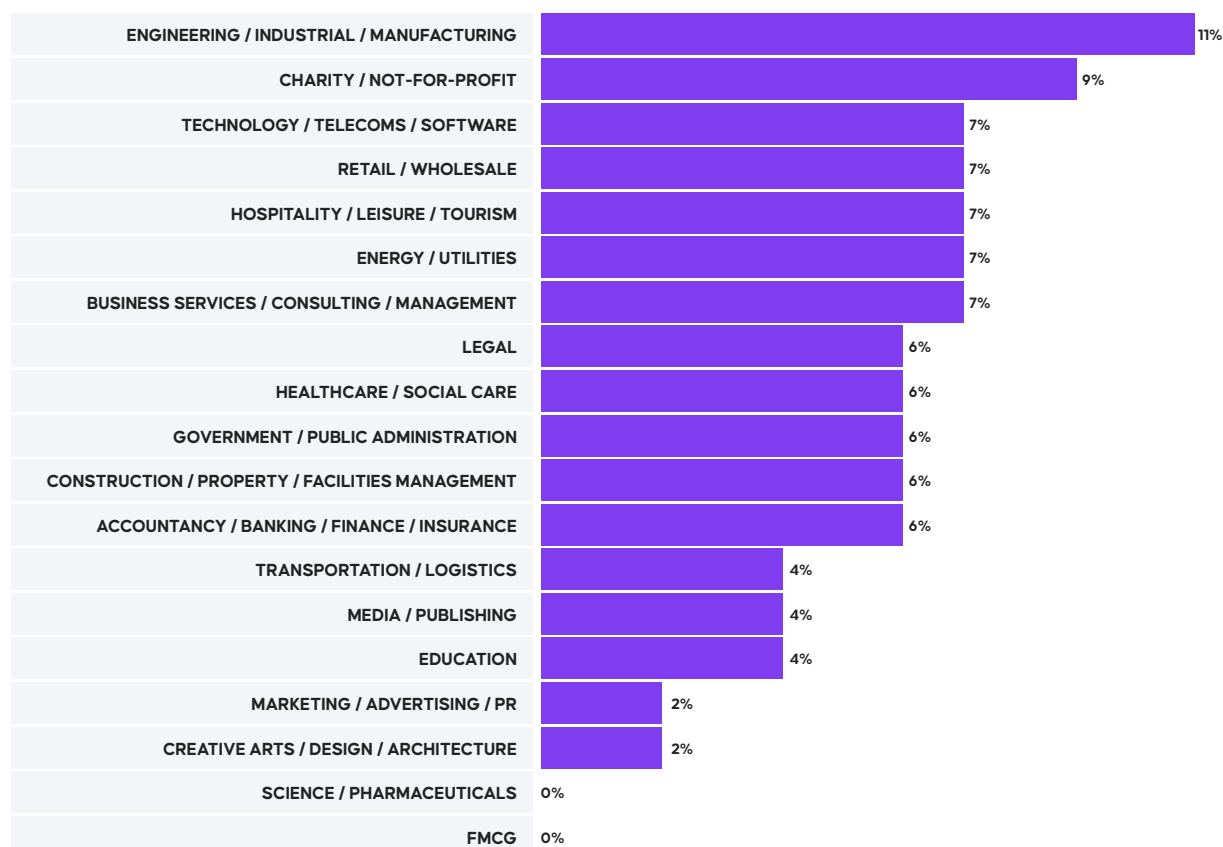
What is your company size?

We heard from 54 separate respondents and from people in diverse sizes of companies.



Please indicate your sector

And we have also heard from diverse industries.

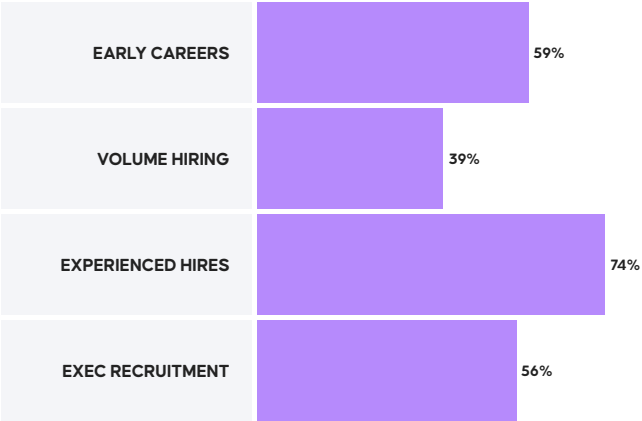




The Response

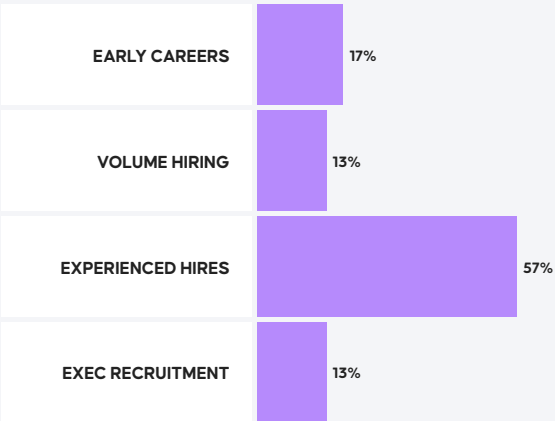
What types of recruitment are you personally responsible for? (select all that apply)

And with a good spread of the four main types of recruiting.



What types of recruitment are you chiefly responsible for or can speak most knowledgeably about?

Most work primarily with experienced hires – but all types of recruitment have representation.



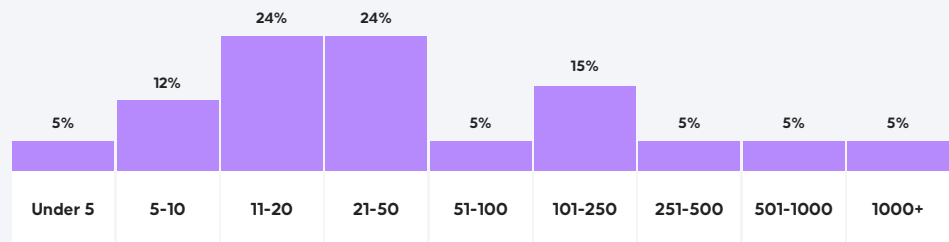


The Generalist Approach

How many individuals do you hire each year?

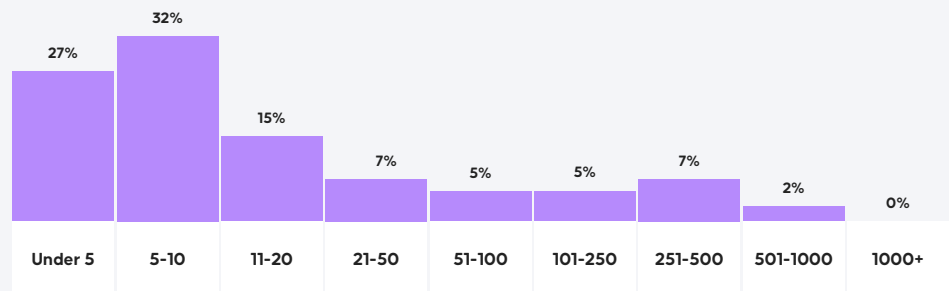
Early Careers

Just under half of recruiters hire 11 – 50 individuals each year.



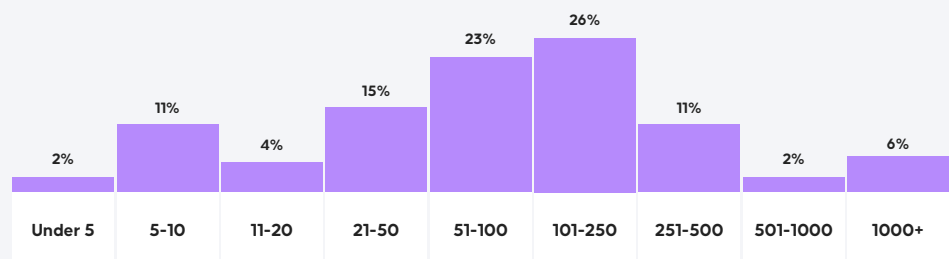
Exec recruitment

Just under half of recruiters hire 50-250 individuals each year.



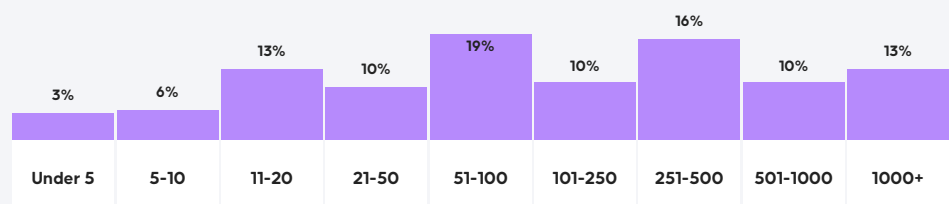
Experienced hires

59% hire 10 or fewer candidates each year.



Volume Hiring

45% hire 50-500 individuals each year.





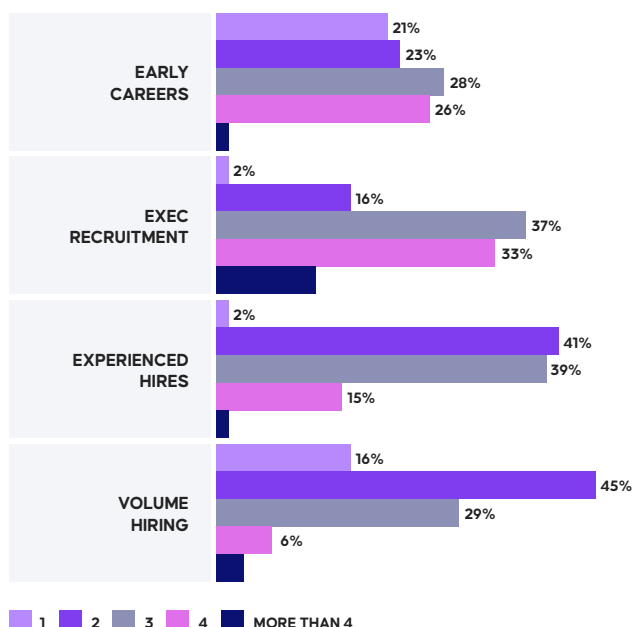
The Generalist Approach

How many stages do you currently have in your standard process?

Exec recruitment has the most stages and 45% of the time has four or more stages.

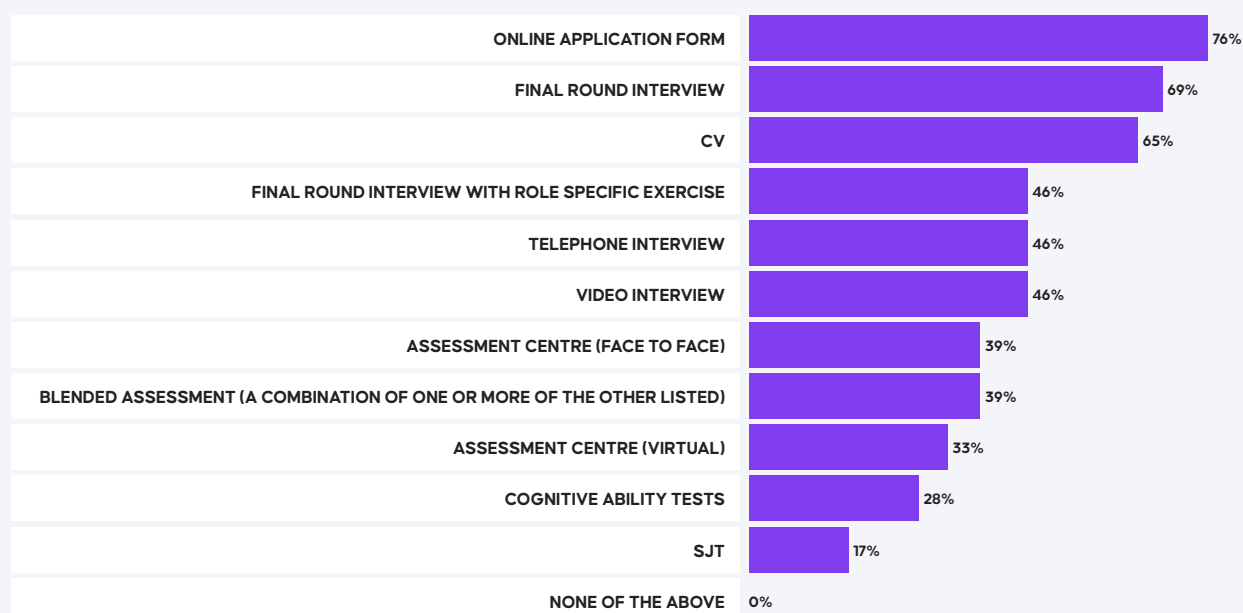
Early careers have the next most stages. It is very unlikely to have more than four stages, and for one-fifth of recruiters just one stage is enough.

Volume hiring is most likely to have two stages, Experienced hiring two or three stages.



Which recruitment practices do you have in your process? (select all that apply)

There are clear preferences for online application, final interview and CV with 2/3rds+ using these three methods. Other forms of interviews are also used by nearly half of recruiters. Assessment centres are the next most popular. All recruiters use some combination of these methods.





The Generalist Approach

CIPD: Resourcing and Talent Planning Report 2022

The findings in the CIPD: Resourcing and Talent Planning Report 2022 echo our findings.

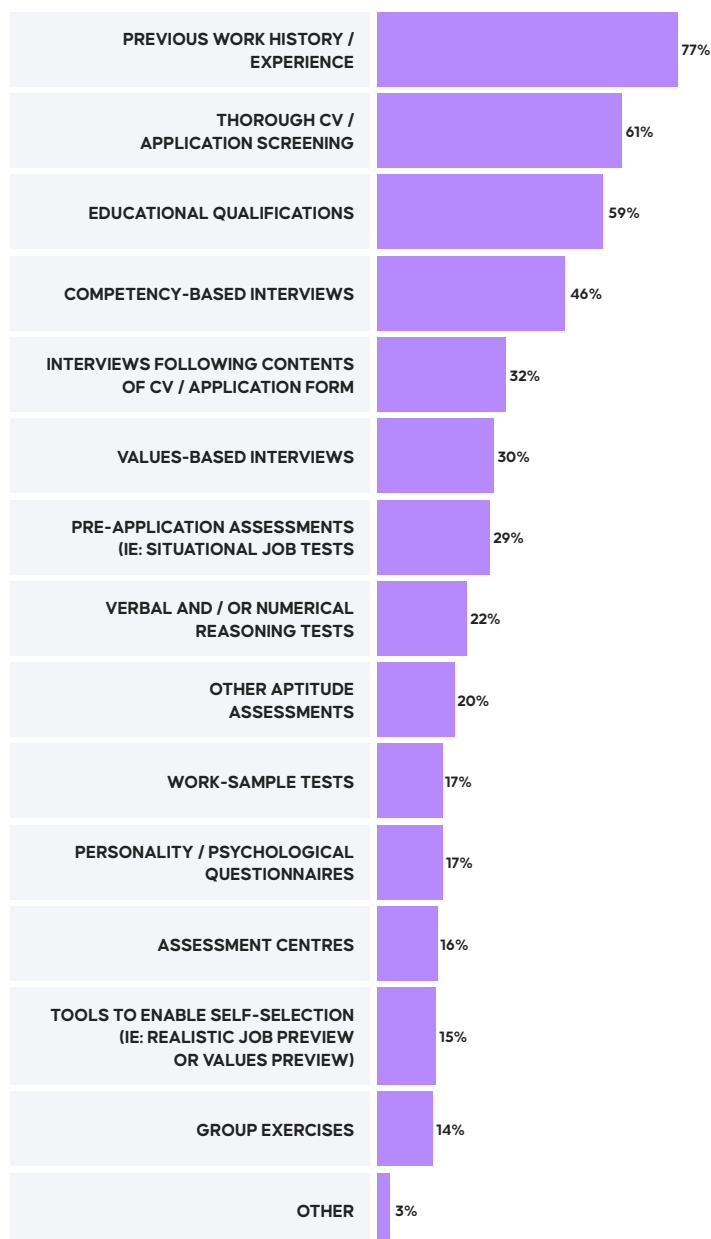
The majority of organisations use a combination of methods in their selection process. As in previous years, most organisations consider previous work history/experience (77%) and conduct some form of interview (77%), while around three-fifths consider educational qualifications (59%). Sixty-one per cent say they conduct thorough CV/application screening.

Fewer organisations report using competency-based interviews compared with previous years (2022: 51%, 2021: 60%; 2020: 76%), although they remain the most common form of interview used, followed closely by interviews using CVs/application forms. Around three in ten use values-based interviews and a similar proportion use strengths-based interviews. Around three-fifths of organisations use some form of test or assessment in their selection process.

Similarly, there is an increase in the use of technology through the selection process, especially amongst larger organisations.

An interesting addition to the use of tests is noted in the 2022 Candidate Experience Report from Criteria.

Historically, job candidates haven't been overly fond of taking tests. But with shorter, more engaging assessments increasingly hitting the market, candidate perceptions may be due for a change. In fact, the vast majority of respondents in this survey see the value in assessments, with 94% of candidates saying assessments demonstrate their potential "Very well" or "Somewhat well."





The Generalist Approach

Looking at different types and sizes of recruiter

- Early Careers are more likely to use Assessment Centres
- Executive are more likely to use online application, final interview and blended assessment
- Experienced are a little more likely to use telephone interview
- Volume are a little more likely to use video interview
- Smaller companies are less likely to use final round and video interviews
- Medium companies are a little more likely to use video interview
- Large companies are more likely to use online application, telephone interviews and assessment centres

Small = Up to 1,000 Medium = 1,000-10,000 Large = 10,000 and over

	All	Early	Executive	Experienced	Volume	Small	Medium	Large
Online application form	74%	67%	100%	73%	71%	65%	67%	83%
Final round interview	67%	56%	86%	70%	57%	61%	67%	58%
CV	65%	56%	43%	73%	57%	61%	61%	58%
Final round interview with role specific exercise	46%	22%	43%	50%	57%	35%	44%	50%
Video interview	44%	56%	14%	47%	57%	35%	56%	33%
Telephone interview	44%	44%	14%	53%	43%	39%	28%	75%
Blended assessment	39%	33%	71%	30%	43%	39%	28%	50%
Assessment centre (face to face)	37%	56%	29%	40%	14%	35%	17%	58%
Assessment centre (virtual)	33%	67%	14%	27%	29%	22%	28%	58%
Cognitive ability tests	28%	44%	29%	20%	29%	39%	11%	25%
SJT	17%	33%	14%	13%	0%	17%	6%	25%

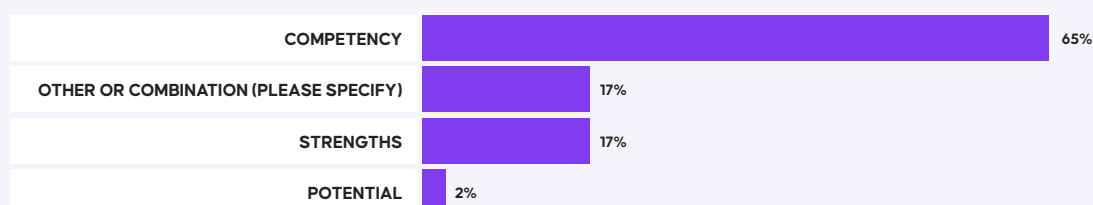
MORE IMPORTANT THAN AVERAGE LESS IMPORTANT THAN AVERAGE



The Generalist Approach

Which assessment methodology do you currently use?

Competency is by far the most used methodology. Potential is used by almost none.



	All	Early	Executive	Experienced	Volume	Small	Medium	Large
Competency	65%	33%	57%	67%	100%	82%	65%	42%
Strengths	17%	44%	14%	13%	0%	14%	18%	17%
Other or Combination	17%	22%	29%	17%	0%	0%	18%	42%
Potential	2%	0%	0%	3%	0%	5%	0%	0%

MORE IMPORTANT THAN AVERAGE ■ LESS IMPORTANT THAN AVERAGE ■

There are not many differences, but:

- Early Careers are much more likely to use Strength-Based Assessment
- Larger companies are more likely to blend or do something different



The Generalist Approach

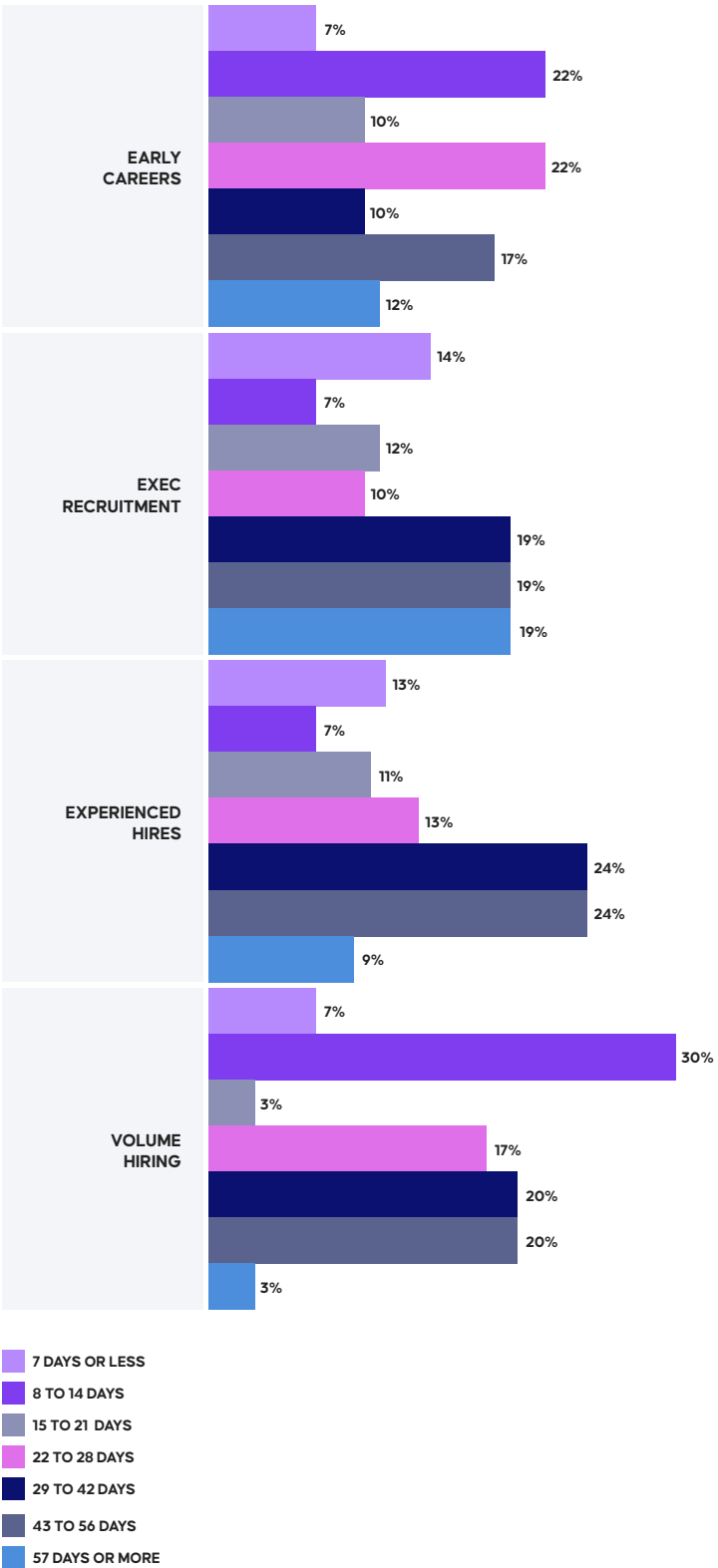


What is current average time to offer (for the purposes of this question, defined as role authorisation to offer)?

As we might expect, Executive recruitment takes the longest.

Across all types of hiring the average is between 22 and 56 days

37% of recruiters are able to make a “volume” offer within 2 weeks, and for Early Careers it is 29% - we would suggest these recruiters are at a significant advantage.

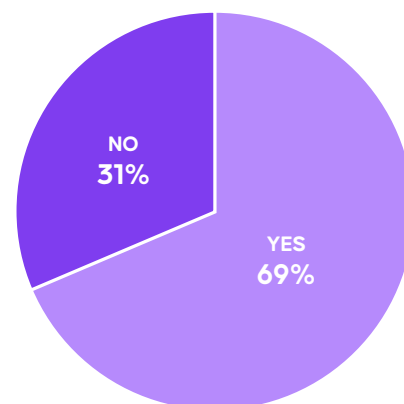




The Generalist Approach

Do you use a third-party supplier for your assessment tools for any part of your process?

Just over two thirds use the help of someone else in their assessment.



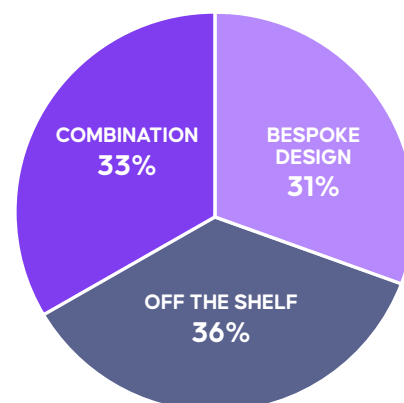
	All	Early	Executive	Experienced	Volume	Small	Medium	Large
Yes	69%	78%	71%	60%	86%	68%	53%	92%
No	31%	22%	29%	40%	14%	32%	47%	8%

MORE IMPORTANT THAN AVERAGE LESS IMPORTANT THAN AVERAGE

There is some variability with Early and especially Volume and Larger companies more likely to use a third party.

Are the third party supplier assessment tools bespoke to your organisation or do you use 'off-the-shelf assessments'?

There is an almost even split between those that use bespoke, off-the-shelf or a combination.



	All	Early	Executive	Experienced	Volume	Small	Medium	Large
Bespoke design	31%	43%	80%	6%	33%	36%	33%	27%
Off the shelf	36%	29%	0%	47%	50%	43%	33%	18%
Combination	33%	29%	20%	47%	17%	21%	33%	55%

There aren't many differences, but:

- Executive are more likely to use bespoke tools
- Those hiring Experienced talent and larger companies are more likely to use a combination



Spotlight

A report from Korn Ferry

Talent Acquisition Trends 2022 suggests that current screening tools are likely to be an area of more focus in 2023. Better, more integrated tools arriving on the market will give recruiters more time to focus on improving the overall candidate experience.

Current screening tools often exclude qualified candidates because they do not tick specific boxes, which limits an already sparse talent pool. This will need to change if organizations do not want to leave great talent on the table.

Now, more streamlined technology platforms are replacing the hodgepodge of applications to create a one-stop-shop that moves across the hiring continuum. What this does is give recruiters time to focus more on strategic interactions with clients and candidates that will enhance the process, and less on the tactical aspects of the process.

Korn Ferry: Talent Acquisition Trends 2022

The CIPD

Resourcing and Talent Planning Report 2022 supports this view, with organisations surveyed reporting that technology has enabled them to screen out unsuitable candidates, improve the candidate experience, and increased the diversity and quality of their hires, through a better understanding of job seeker behaviour.

... it is clear that there is considerable scope for more effective use of technologies in the recruitment process.... the majority of respondents feel their use of technology in the recruitment process has been limited by lack of resources and internal skills and knowledge.

CIPD: Resourcing and Talent Planning Report 2022





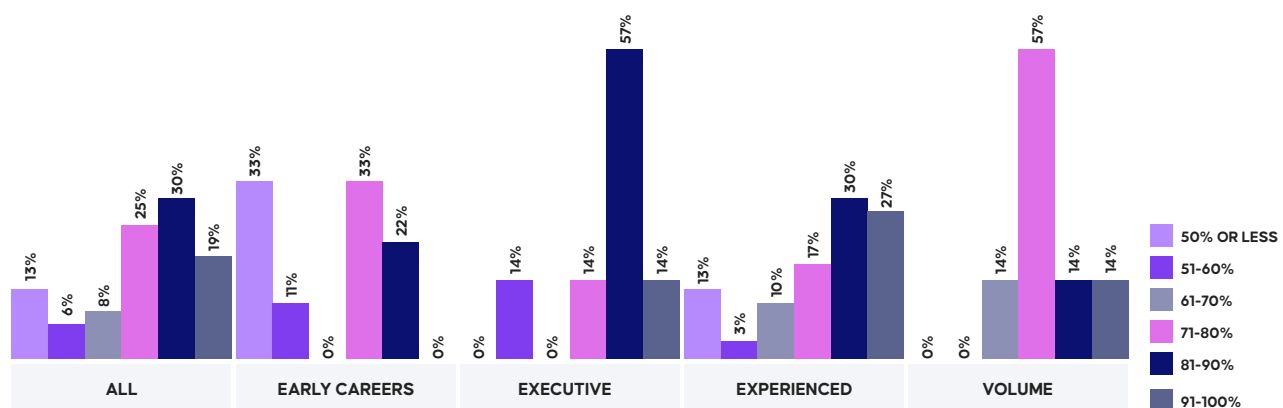
The Specialist Approach

What is your current offer / acceptance rate?

Acceptance runs at over 80% for almost half of recruiters. Early careers have the lowest acceptance rate – we assume stiff competition and similar time-frames here.

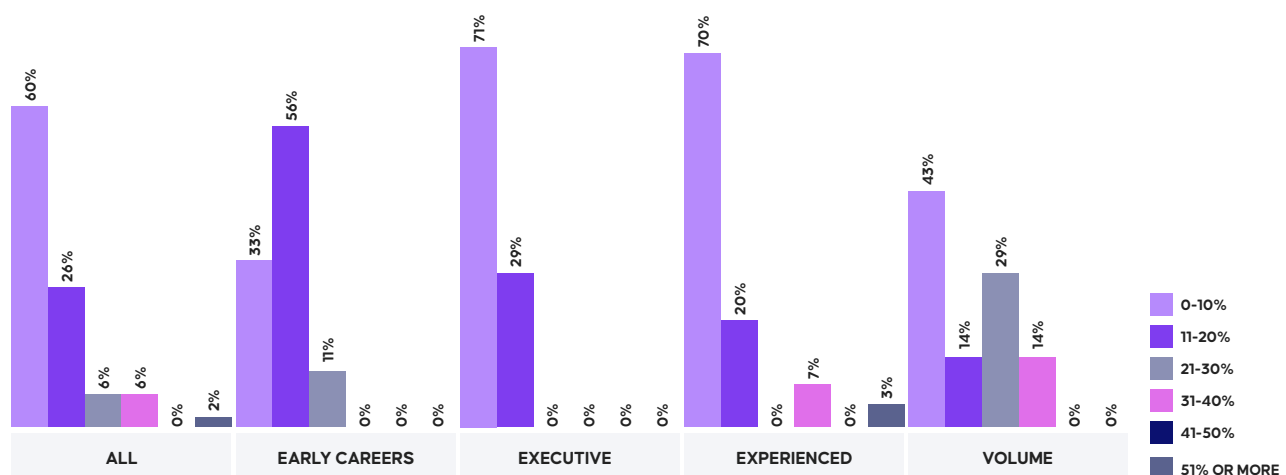
This is followed by:

- Volume – with a 71-80% acceptance rate being typical
- Experienced – over half the time getting an 80% acceptance rate
- Executive – with a large skew to 81-90% i.e. the investment in time usually pays off



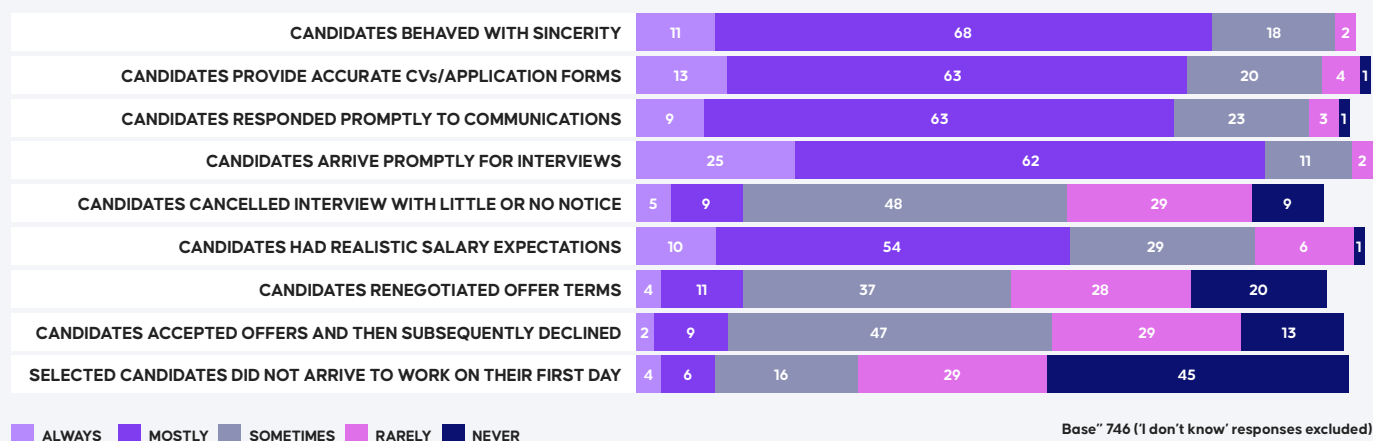
What is your current renege / non starter rate?

Most people start the jobs they have accepted, but there is a significant minority that don't, and that is more pronounced for Early careers and Volume hiring.



Spotlight

Why are candidates reneging on offers and what can you do about it?



The CIPD: Resourcing and Talent Planning Report 2022 highlights that nearly three-fifths (58%) of responding companies report that candidates accepted offers and then subsequently declined at least 'sometimes' and one in ten report that selected candidates did not arrive to work on their first day always or mostly.

What motivation lie behind these candidate behaviours? There is corresponding insight in the Criteria: Candidate Experience Report 2022 which highlights two of the key reasons why candidates abandon a recruitment process:

Over half (54%) of candidates say they've abandoned a recruitment process because the salary didn't meet expectations, and 53% because of poor communication from the employer or recruiter. And more than a third of candidates have given up on a role because it lacked career advancement, the company culture got negative reviews, they received a better offer, or the job didn't offer enough flexibility.

Criteria: Candidate Experience Report 2022





Spotlight

The CIPD Report also identifies salary expectations as an issue. It is interesting to note that this problem is less pronounced in the public sector, where specific pay bands mean that there is less opportunity for misunderstanding or inflated expectations.

Private sector respondents were more likely to report that candidates renegotiated offer terms at least some of the time. Only 42% report this is rarely or never the case, compared with 66% of the public sector and 60% of non-profits. The public sector, which mostly has specific pay bands, were more likely to report that candidates had realistic salary expectations (79% always or mostly compared with 59% of the private sector and 65% of non-profits). The more vacancies organisations had tried to fill, the more likely they were to have experienced some negative candidate behaviour.

CIPD: Resourcing and Talent Planning Report 2022

In conclusion both reports highlight that communication is clear issue. It is not enough for employers to focus solely on automating processes. There needs to be human touchpoints for candidates and transparency throughout the recruitment process.

Interestingly, it seems as though the need for transparency and communication would benefit both candidates and employers. As the Korn Ferry: Talent Acquisition Trends 2022 points out, candidates have increasing gaps in their experience due to the pandemic, the changing economy or changing expectations around what they want their career/work/life balance to be. There will need to be better communication to help employers go beyond the CV and to understand the person.

As it continues to be more difficult to attract talent, we will also see more organizations either drop or ease up on job qualifications, such as four-year college degrees and set years of previous experience. Employers are—and will be—much more understanding of gaps in resumes, as people took time off for personal health reasons or to care for others during the pandemic. Organizations are also starting to look for talent in non-traditional places, such as outside of their industry or within the retired worker population. What is important now is how quickly a person can learn and how agile they are to meet the evolving needs of the marketplace.

HR and hiring managers need to stay closer to the new hire to help them through the onboarding process, especially within the first 90 days on the job, which are the most critical for the new hire experience.

Korn Ferry: Talent Acquisition Trends 2022





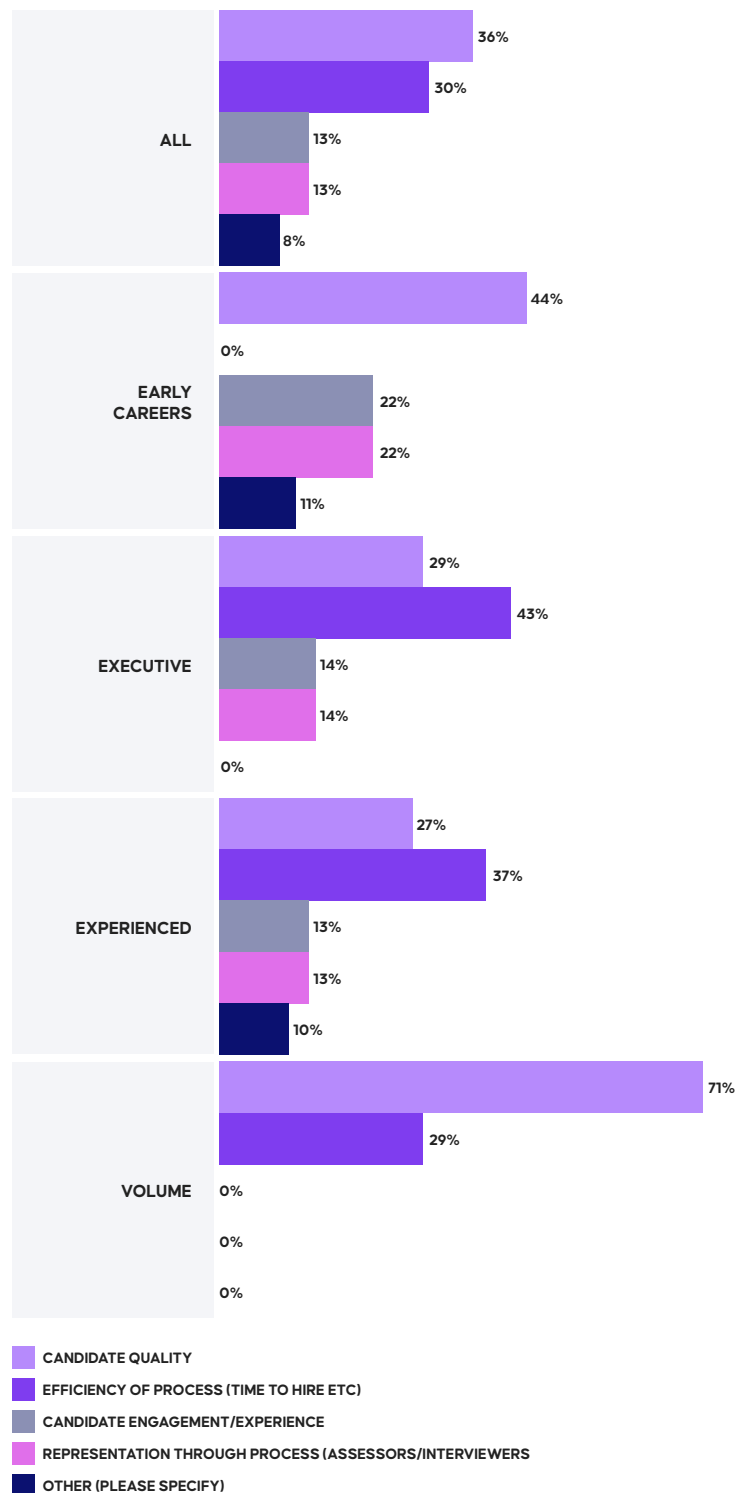
The Specialist Approach



What is the biggest challenge you face with your assessment process?

Candidate Quality and Efficiency of Process are the leading challenges

- Candidate Quality is of greatest concern in Early Careers and especially Volume
- Efficiency of Process is of greatest concern in Experienced and Executive





The Specialist Approach

How effective do you perceive the following assessment and selection practices to be?

The options were

- Extremely Effective = 100
- Effective = 66
- Somewhat effective = 33
- Not effective at all = 0

Giving an average score between 0 and 100.

Practices are shown from most to least effective overall.

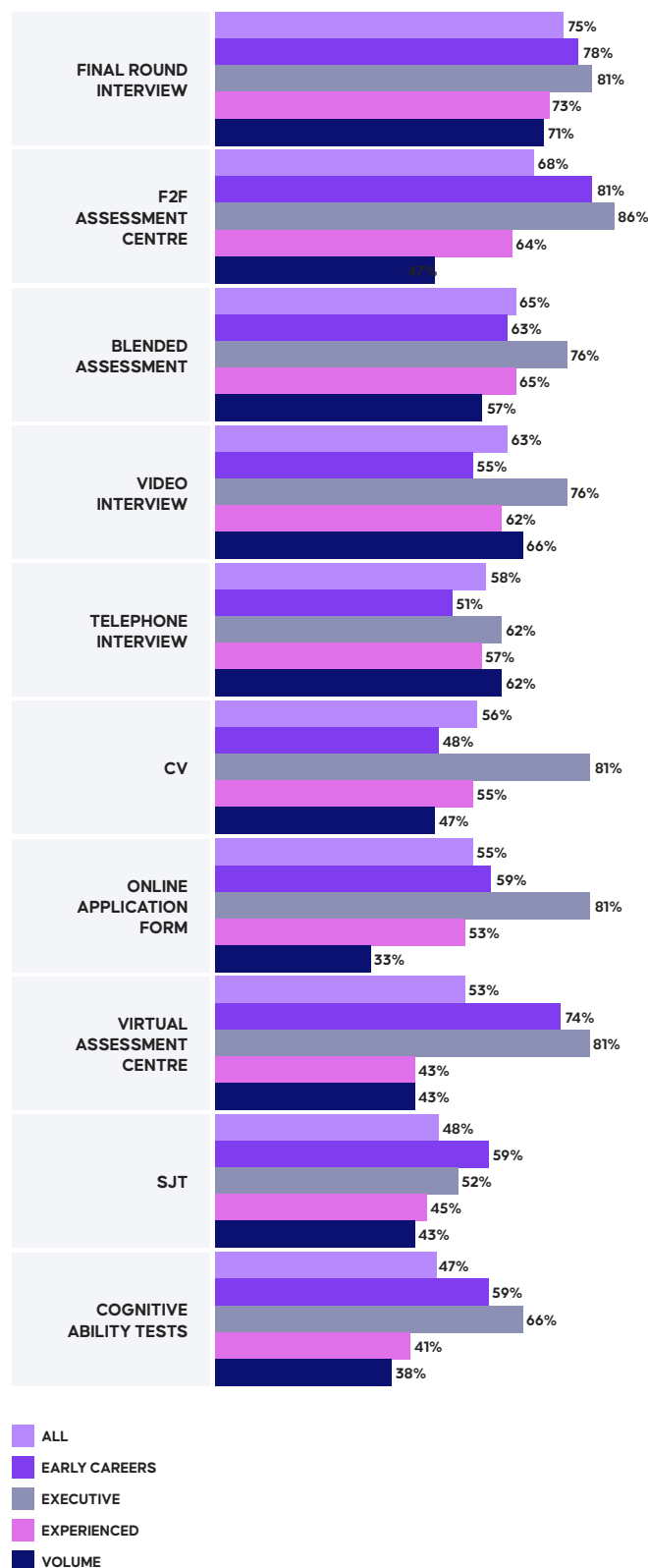
- Final round interview, blended assessment, video interview, telephone interview, SJT are perceived to be as effective whatever the hiring
- F2F Assessment centre and online application form are seen as less effective for Volume
- Online application and CV are seen as especially effective for Executive
- Virtual Assessment and Cognitive ability are seen as especially effective for Executive and Volume
- Experienced – for whom we have the most responses – follow the main trends

Historically, job candidates haven't been overly fond of taking tests. But with shorter, more engaging assessments increasingly hitting the market, candidate perceptions may be due for a change. In fact, the vast majority of respondents in this survey see the value in assessments, with 94% of candidates saying assessments demonstrate their potential "Very well" or "Somewhat well."

Criteria: Candidate Experience Report 2022

Going forward, the trend will be to reserve face-to-face meetings for the final stages of the hiring process, as well as during the employee onboarding process, and for mostly senior-level roles.

Korn Ferry, Talent Acquisition Trends 2022

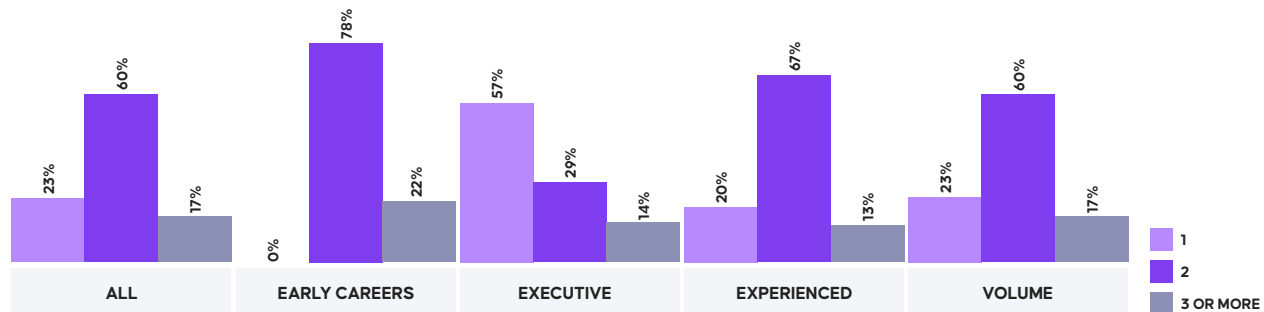




The Specialist Approach

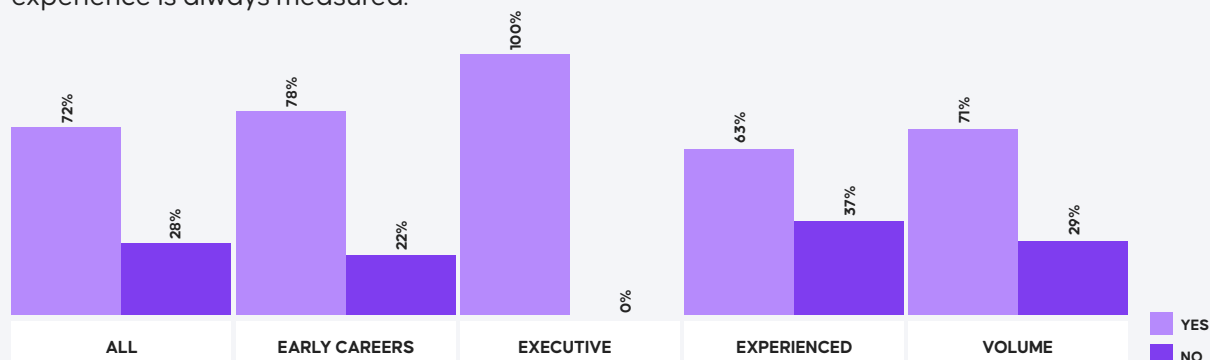
At interview, what's the minimum number of interviewers required?

The answers are fairly consistent, and a minimum of two interviewers is the majority choice – except for Executive recruitment where one interviewer is considered acceptable more often.



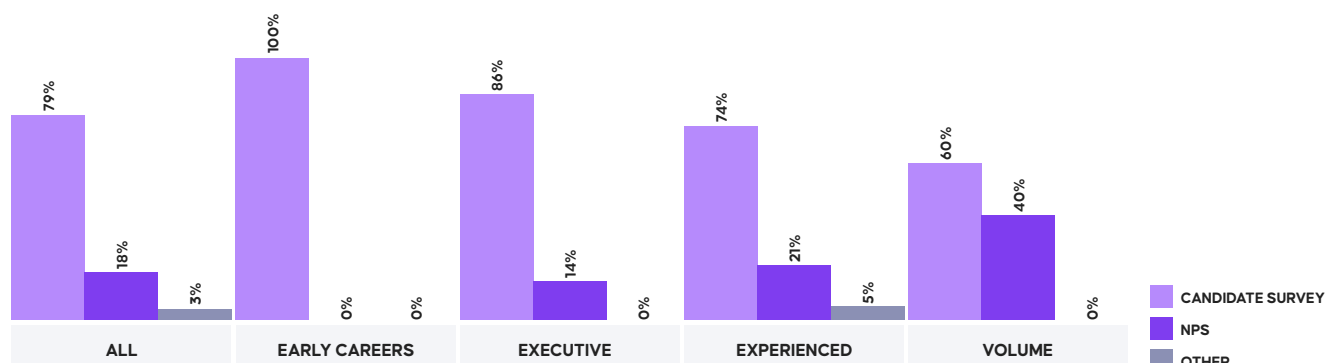
Do you measure candidate experience?

Again, the results are consistent but with Executive being an exception – here, candidate experience is always measured.



If yes, how do you measure?

Numbers are smaller and a little less reliable, but a survey tends to be used – with NPS being a little more important for Volume recruiters.





The Specialist Approach

If you could fix one issue with your current assessment process, what would that be?

The answers are fairly consistent, but Volume are more focussed on Consistency / Quality of Decisions.

Consistency or quality of decisions

- Consistency in interviewing ability
- Quality of question scoring
- Consistency of managerial interview and assessment capability - including minimising unconscious bias.
- Quality of the interview and assessment process

Employ / improve specific methods

- Move to strengths, potential focused v competency, scenario based
- Blended assessment
- Cognitive ability tests
- More robust selection methodology

Speed / candidate experience

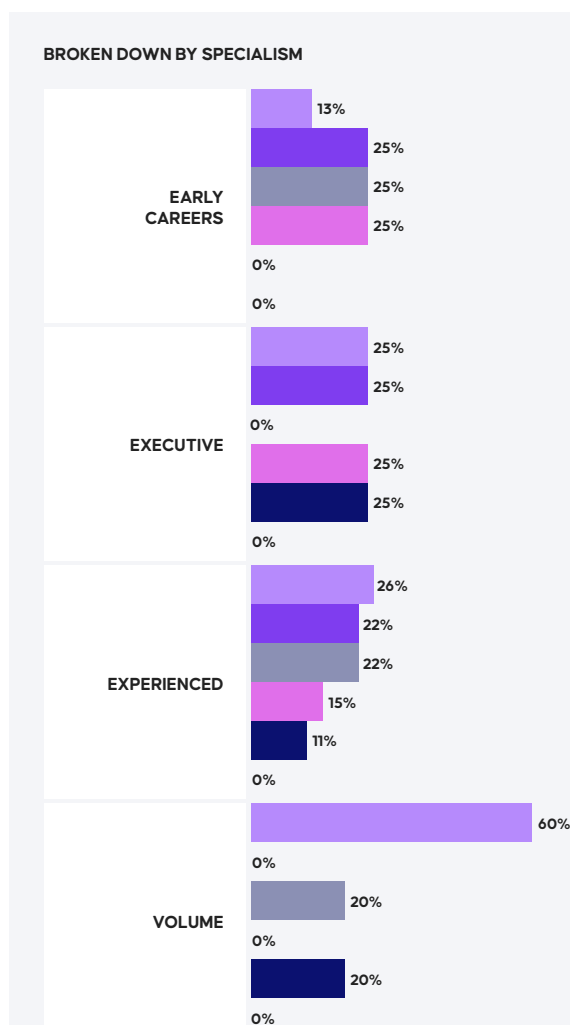
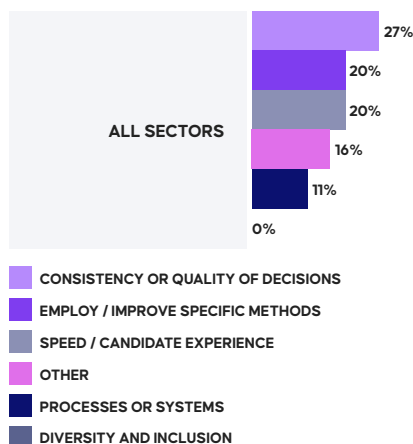
- Candidate experience
- More candidate engagement through the recruitment process
- Quicker decision making
- Availability of interviewers

Processes or systems

- Current ATS system
- Bespoke solutions for a complex organisation
- Unifying the tools across all recruitment levels and embedding them into the ATS

Diversity and inclusion

- Diversity
- Unconscious bias of interviewers



Where an issue is not shown on the graph(s), it is because this was not flagged as an issue by that specialism



Recommendations

Review your approach to competency-based testing

If you are using competency-based assessment, you can be confident that you are not alone – but should be aware that their use is declining.

Values or strengths-based assessment is becoming more common, and there is growth too in terms of use of technology to improve testing. Candidates are more prepared to take part in (well-designed) online tests.

Consider utilising technology solutions

The wider use of technology can have multiple benefits, with larger recruiters the more frequent adopters, gaining an advantage over smaller organisations.

They have seen technology help to improve quality and diversity of candidates. It is also enabling an enhanced candidate experience, which can play a crucial part in preventing candidate reneging on offers (indeed it is the “lever” that recruiters have the greatest influence upon)

Recruiters are seeking to improve:

- Consistency or quality of decisions
- Speed of process
- Candidate experience
- Processes or systems
- Diversity and inclusion

And technology has a potential part to play in each of these objectives.



Below are some examples of how you could apply this to the types of specialism we featured in this report.

Early careers

Should be able to speed up their process, whilst maintaining quality

Executive

Have probably less to gain from technology, but can perhaps conduct more of the process remotely

Experienced hires

Can use fewer stages for a similar outcome

Volume recruiters

Can be more confident in their decisions whilst keeping pace, because there should be less subjectivity

There are so many options available when it comes to assessment – perhaps the biggest challenge is picking the best solution to serve both your business and your candidates; as with all stages of the recruitment process, candidate experience should never be far from the front of your mind.

Even if your process is working for you right now, it's perhaps worth remembering Grace Hopper's infamous quote The most dangerous phrase in language is 'we've always done it this way. '

Perhaps there's a better way, that will ensure higher levels of hire from a smaller candidate pool, or a more diverse range of hires. Perhaps it's time to reassess your assessment process?



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