



TALENT ASSESSMENT STUDY

KEY TRENDS, CHALLENGES AND BEST PRACTICES
TO HIRE AND RETAIN THE TOP TALENT



This report was written and researched by Mettl, one of the largest and fastest growing online talent measurement companies globally, with contributions from different industry leaders.

We are very thankful to all the contributors for their sincere support in creating this report.

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FOREWORD

Today, the war to acquire top talent is fiercer than ever. As the demand for this talent continues to grow, organizations face bigger issues like that of talent scarcity. It turns out to be quite a challenge for CXOs, human resource departments and hiring managers, especially in industries like IT, BFSI, Retail, Manufacturing, Pharmaceuticals and Consulting that require highly skilled employees.

In order to solve these challenges, the talent acquisition process needs to evolve in a manner that it becomes more engaging, affordable, productive and faster. Our interactions with industry leaders revealed two key takeaways that can solve major problems faced by recruiters. Firstly, understanding the competency framework required for a job role. Secondly, use of technology backed tools such as online assessments and simulators to measure the competencies.

The hassle does not end at hiring, for it is just the tip of the iceberg. A bigger challenge that lies ahead is retaining the top talent which is done through structured Learning and Development programs to increase employee retention.

This is where talent assessments come in picture. They play a crucial role in enhancing the employer brand value owing to their efficiency, affordability and practicality as compared to traditional hiring practices.

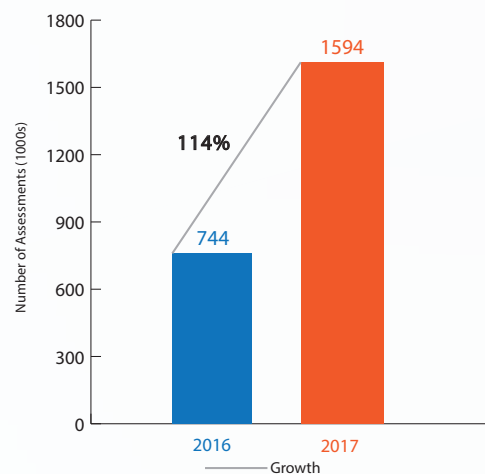
The first edition of Mettl's annual report is an attempt to unveil top assessment trends for hiring and learning & development across 5 most anticipated industries for fiscal years 2016-2017.

We hope our efforts offer interesting insights and help you in making informed decisions.

Executive Summary

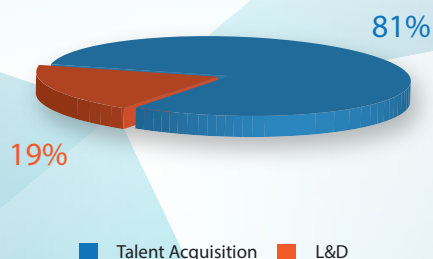
Talent Assessment Study is based on the data collected as a part of talent acquisition and L&D programs run by various organizations. The study has been compiled using 2,338,734 talent assessments taken by 1,757,736 candidates spanning across 21 industries from 2016-2017.

Overall Assessment Usage

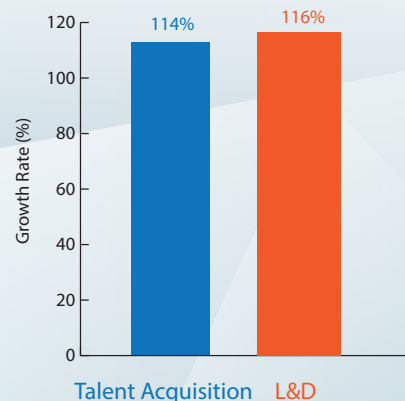


Talent Assessment Usage Across Key Use Cases

Share of Assessment Usage Across Use Cases

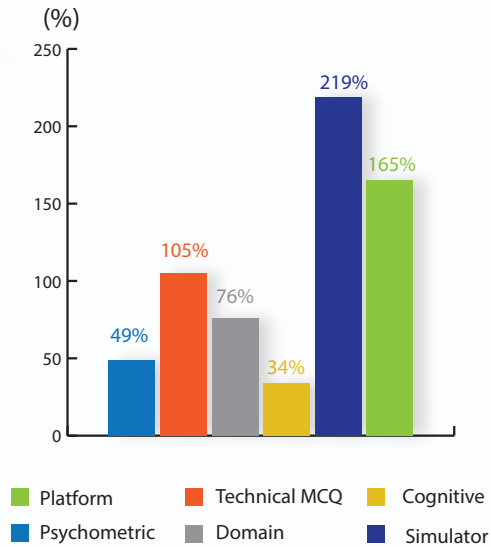


Growth in Assessment Usage Across Use Cases

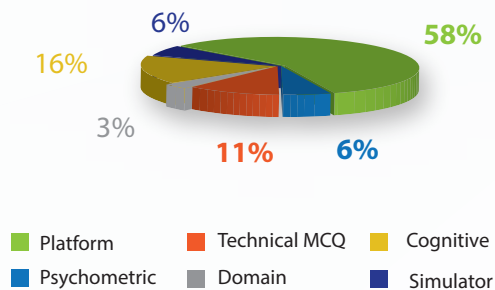


Talent Assessment Usage Across Key Tools

Growth in Assessment Usage Across Tools from 2016 to 2017

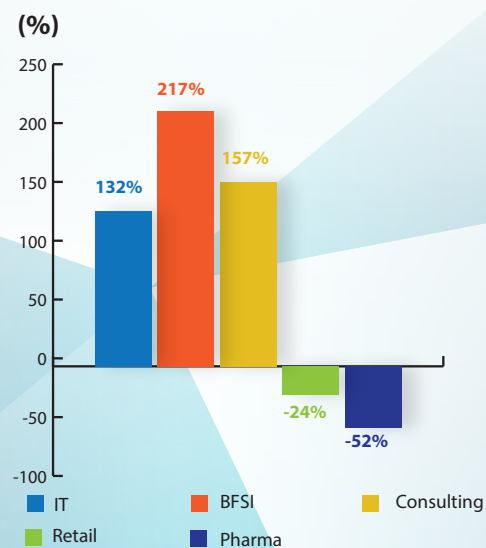


Share of Assessment Usage Across assessment tool Use Cases in 2017

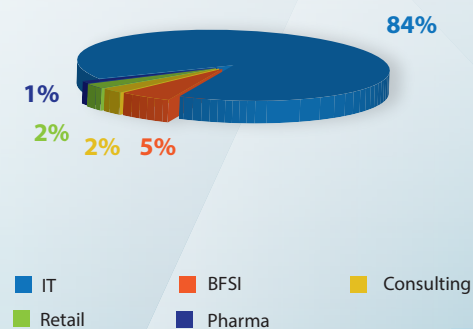


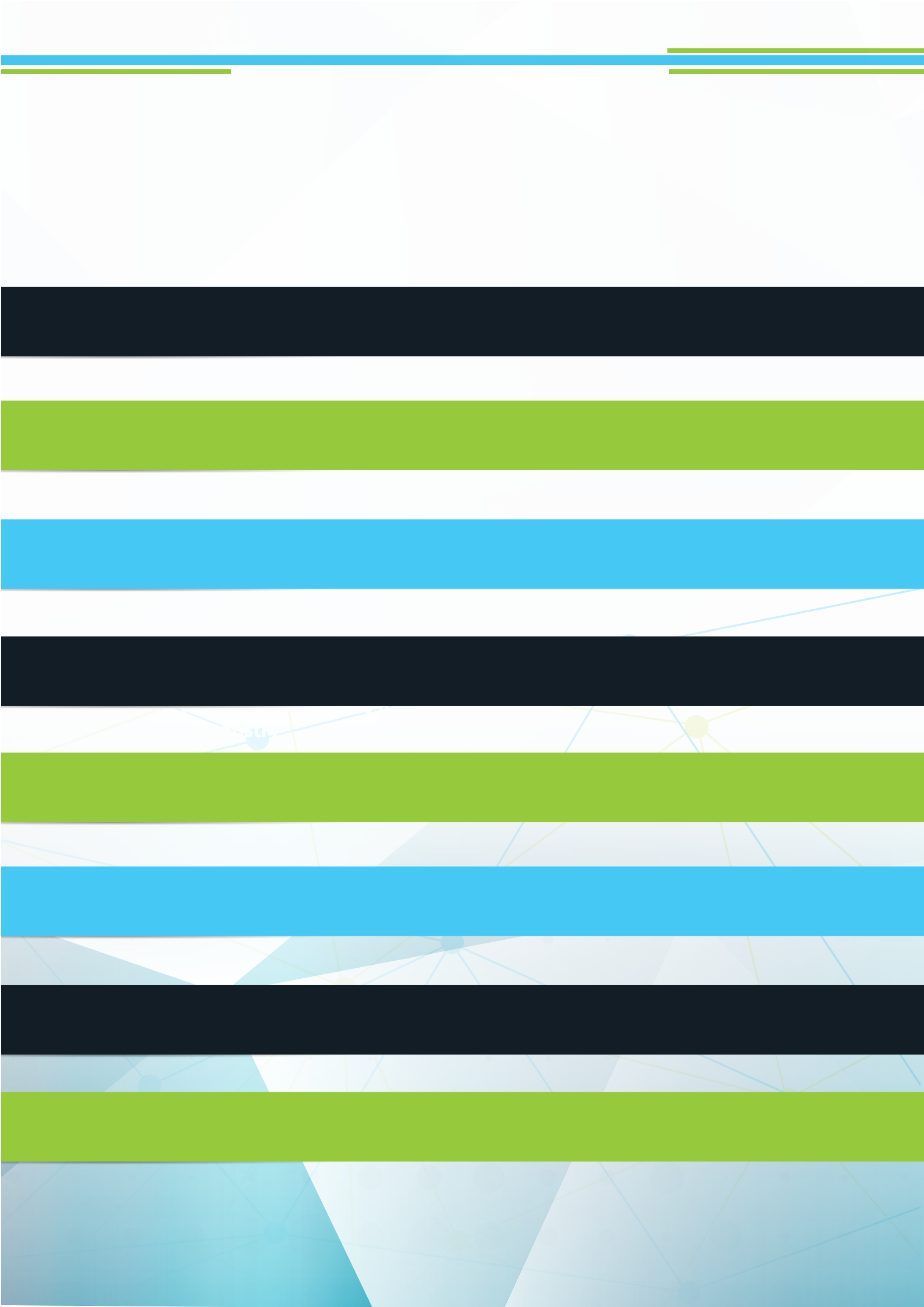
Talent Assessment Usage Across Key Industries

Growth in Assessment Usage Across Industries from 2016 to 2017



Share of Assessment Usage Across Industries in 2017





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1.1 Three Ts Changing the Organizational Paradigm in 2018

We would all agree that Talent and Technology trends are Transforming the Talent Acquisition and L&D landscape. Here are the top trends across the famous 3T's:

1. Talent:

Talent Acquisition is one of the top 3 challenges faced by organizations in 2018 according to Mettl's report on 'State of Talent Acquisition 2018'. With more and more innovative technologies for talent assessment coming into play, and more stringent ways of skill testing being adopted by organizations, the process of Talent Acquisition has been transformed into a marathon to bag the best talent before others. With the changes in how Talent Acquisition is happening, the role of HR and how organizations function is also changing.

Top trends driving the demand for talent:

Trend: 1

Increase in hiring by companies: A recent survey by Mettl in their report 'State of Talent Acquisition in India 2018' found that 76.3% of organizations will hire more than the previous year. Among this, 69.4% of organizations will increase hiring by more than 25%.

Trend: 2

Demand for top talent: Despite of shortage of candidates for hiring, companies are not compromising on the quality of talent that they are ready to take in. With top talent only available in the market for 10 days, companies are making their Talent Acquisition process more practical, time-saving and interesting to attract talented candidate inflow. Presently, finding candidates with expertise in particular skills is on the priority list of HRs.

% of Organizations increasing their Hiring Volume



2. Technology:

With the advent of technology such as AI and Automation, need for human resource has become more exclusive and recruiters are no longer satisfied by hiring the average Joe. Highly skilled employees who have a track record of great performance are the only talent that recruiters are in pursuit of. In order to tap this talent, organizations need to up their game and use technologies to get hold of top talent.

Top technology trends that are impacting talent are:

Trend: 1

Talent Acquisition Technologies: HR's are moving away from traditional methods of identifying top talent such as face-to-face interviews and resumes. More tangible and result oriented objective way of testing candidates is giving way to more accurate hiring of quality candidates. While AI and big data are changing the way candidates are sourced, gamification, simulations and assessments centers are transforming how candidates can be tested based on skills and behavioral indicators.

Trend: 2

L&D Technologies: They test candidates on a variety of skills by identifying skills gaps and training needs using technologies such as online assessments, assessment centers, 360 feedback, simulations, behavioral assessments and gamified assessments. Candidates are tested on a range of attributes such as skill, individual and team performance, communication, efficiency, accuracy, learning agility and more.

3. Transformation:

With talent and technology transforming how organizations function, there has been a big change in HR functions and how talent is perceived. A major responsibility of Talent Acquisition and L&D now lies in the hands of technology, and HR is focused on other things such as employee experience, employee engagement and culture building activities.

In order to become talent magnets and transform their people strategy, it is imperative that companies start inculcating top technologies like online assessments and simulations in their complete HR processes including Talent Acquisition, Learning & Development and organizational planning.

1.2 Talent Assessments: Advantages over Traditional Methods

Online talent assessments have an edge over traditional assessment methods such as face-to-face interviews by being more intuitive, engaging and interesting. Lets have a look at why online talent assessments are being increasingly adopted by organizations worldwide.

(a) Precise Talent Measurement: By adoption of new innovative assessment methods such as simulations, gamification, hackathons, AI, big data and assessment centers, the accuracy level of skill testing can be exponentially increased. Due to this high accuracy level, the adoption rate of these tools is increasing.

(b) Improved Candidate Experience: The traditional Talent Acquisition process spoils the candidate experience by being too lengthy, uninteresting and unstructured. Assessments via simulations or games provide candidates with an engaging and meaningful experience which is a concise, practical and result-oriented assessment approach. In this war for top talent, candidates tend to prefer companies where they had a positive Talent Acquisition process experience.

(c) Reduced Cost and Time Taken for Talent Assessment: The number of candidates applying for a single job posting is ~50 in high demand industries. HRs and recruiting managers waste a lot time and resources trying to remove the chaff by assessing each candidate manually. This can be avoided by assessing candidates in bulk via use of online talent assessments which provide a faster, cheaper and more comprehensive method of skill testing.

(d) Secure Method to Assist Talent: Features such as remote proctoring, allows candidates to give assessments from remote locations while still maintaining the integrity of the assessment process. This technology has revolutionized the Talent Acquisition and L&D process by allowing candidates to become a part of these organizational processes from the comfort of their home at their own convenient time. Owing to the huge value addition that remote proctoring brings to the table, its usage has increased significantly (by 231%) from 2016 to 2017.

When used effectively, pre-hire assessments can have a major impact on key performance indicators (KPIs), such as cost-to-and time per-hire, Talent Acquisition managers' satisfaction, employee retention, performance, and engagement.

—Aberdeen Group Study (May 2015).

An Overview of the Changing Landscape of Talent Assessments

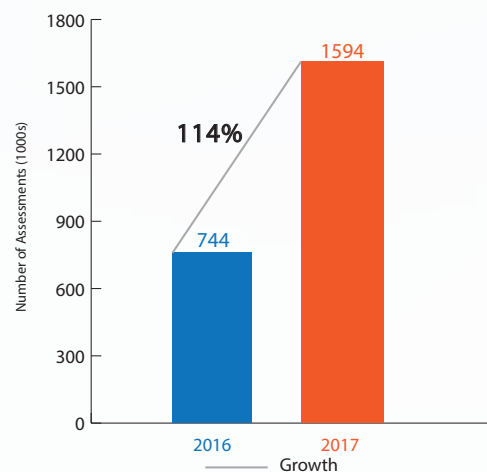
Chapter 2

2.1 Overall Talent Assessment Landscape

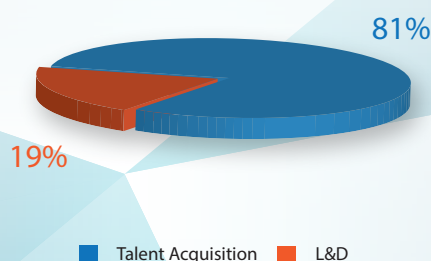
Today, talent assessments are used in every phase of the employee lifecycle ranging from Talent Acquisition to training need identification to succession planning to employee engagement. For the ease of understanding, we refer to all use cases for existing employees as Learning and Development (L&D).

In 2016, approximately 744,000 assessments were used. This number grew by 114% in 2017 to 1,594,000. In 2017, 19% of assessments were used for L&D while Talent Acquisition accounted for 81%. In spite of taking a bigger share of the pie, assessment usage in Talent Acquisition is growing at a similar rate when compared to L&D.

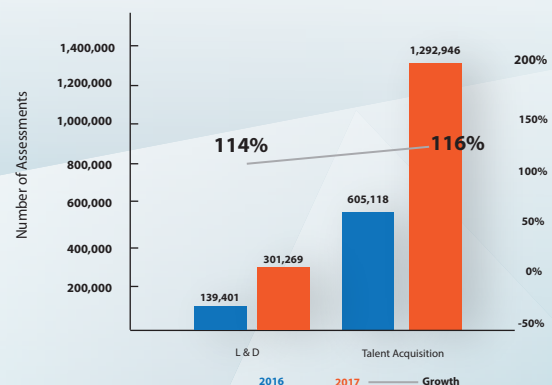
Overall Assessment Usage



Share of Assessment Usage Across Use Cases in 2017



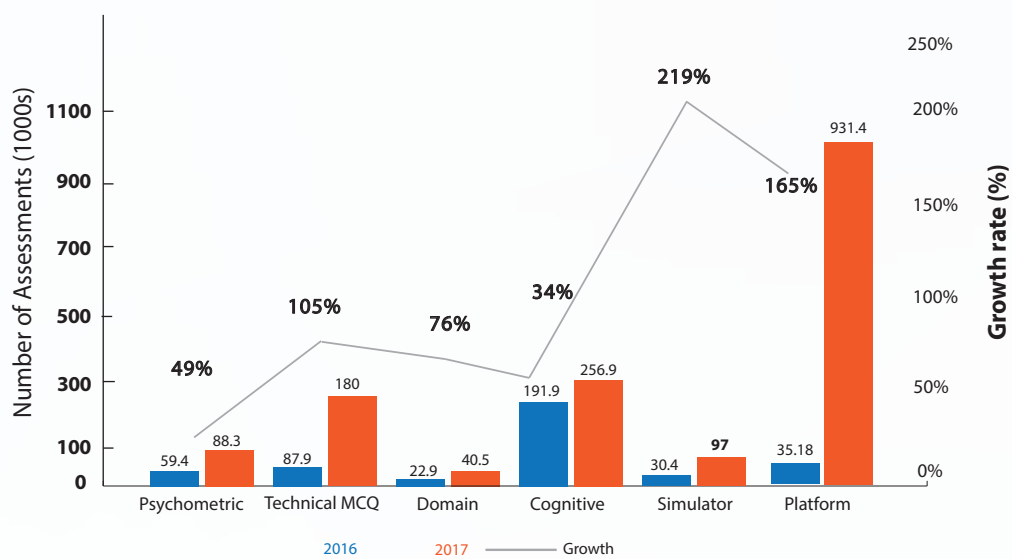
Growth in Assessment Usage Across Use Cases



2.2 Talent Assessment Tools

Organizations are adopting various assessments tools for building better people strategy. Most common assessment tools are Cognitive, Psychometric, Domain, Simulators and Technical MCQs. While some of these like Cognitive and Psychometric have been around for few decades, the others like Simulators are relatively new and thus, have higher growth rates but lower usage. Many organizations develop their custom assessments either in-house or through assessment providers. The adoption of Customized on vendor platform rapidly increasing as can be seen from the graph below.

Assessment Usage Across Tools



To better understand the usage of each assessment tool, here is a short note on how each of these tools are growing from 2016 to 2017 across top 2 use-cases namely Talent Acquisition and L&D.

Cognitive

Cognitive assessments are used to test the IQ of a person via analysis of capabilities such as logical thinking, analytical reasoning, verbal skills and data interpretation. These have seen a growth of 34% overall from 2016 to 2017. Though L&D use-case accounts for only 6% of total cognitive assessments used in 2017, it is growing at almost 380%. On the other its in Talent Acquisition is growing at a rate of 29%.

Domain

Domain assessments test the subject matter knowledge of a person in a particular industry/job field. Usage of domain assessments has grown by 76% from 2016 to 2017, led by an increase in its usage during Talent Acquisition process (82%), which is also the biggest use case for domain assessments accounting for 98% of total domain assessment usage.

Psychometric

Psychometric assessments are used to measure a person's mental and behavioral abilities to test their suitability for a particular job role. Use of psychometric assessments has grown by 49% overall, led by an increase in its use during Learning and Development process. Although the biggest use case for psychometric assessments is Talent Acquisition (accounting for 85% of total psychometric usage), it is growing at a very slow pace of 29%, as compared to its significantly higher growth rate of 780% in L&D, which accounts for 15% of the total psychometric assessment usage.

Simulator

Simulators are an authentic method of assessing employees as well as students based on their behavioral attributes, on-job proficiency and organizational understanding. Usage of Simulators have increased the most among all assessment tools, growing by 219% from 2016 to 2017. Its growth is driven by increased usage in Talent Acquisition process (220%), which is also the biggest use case for simulators, making up for 94% of total simulator usage. Use of simulators during the L&D process is also increasing, showing a leap of 197% from 2016 to 2017.

Technical MCQs

Technical MCQ's assess the knowledge base of a candidate in a particular field, in which they are seeking a job. Usage of technical MCQs has increased by 105% from 2016 to 2017, driven by its increased usage during Talent Acquisition and L&D process. Although technical MCQs are majorly used during Talent Acquisition process (accounting for 94% of total usage), its usage during L&D is quickly catching up by growing at a very high rate of 273% from 2016 to 2017.

Platforms

Usage of Platforms is preferred by companies who need to update their assessment content very frequently. Platforms account for 33% of total assessment usage. It is growing very fast at a rate of 165% from 2016 to 2017, led by its increased usage during Talent Acquisition process which accounts for 74% of total customized assessment usage. Its usage during L&D is also growing rapidly, increasing at a rate of 95%. L&D accounts for 26% of total customized assessment usage.

Chapter 3

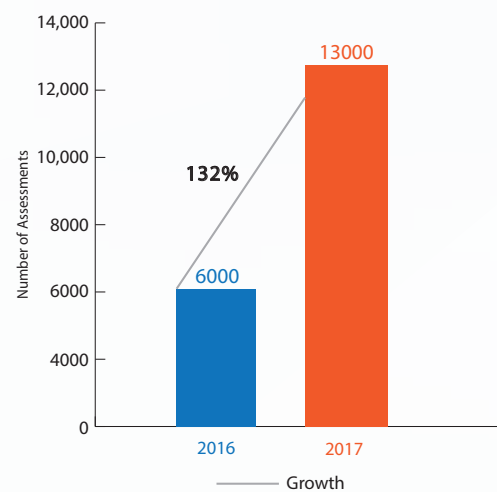
Assessment Landscape in Information Technology Industry

3.1 Talent Assessment Usage in IT

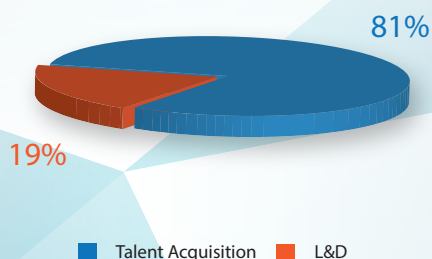
With hiring in tech roles driving the talent demand across industries, IT and tech based companies have to come up with a Talent Acquisition and retention process that is fast, affordable and effective.

Use of assessments in IT/ES Industry has grown by 132% from 2016 to 2017. Owing to the increase in tech hiring, the use of assessments in IT/ES Industry for Talent Acquisition has increased by 141% and for L&D has increased by 99%. Talent Acquisition is the biggest use case as it accounts for 81% of the total assessment usage in IT/ES Industry, while L&D accounts for 19%.

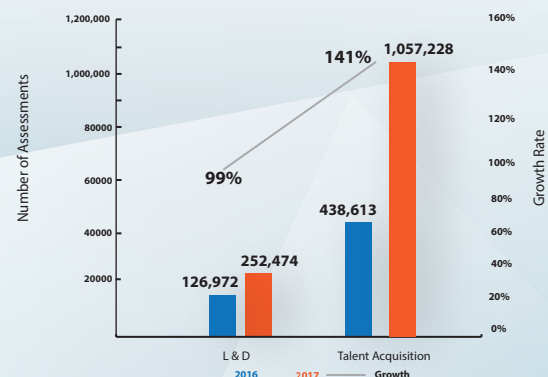
Overall Assessment Usage



Share of Assessment Usage Across Use Cases in 2017



Growth in Assessment Usage Across Use Cases



3.2 Talent Assessment Trends

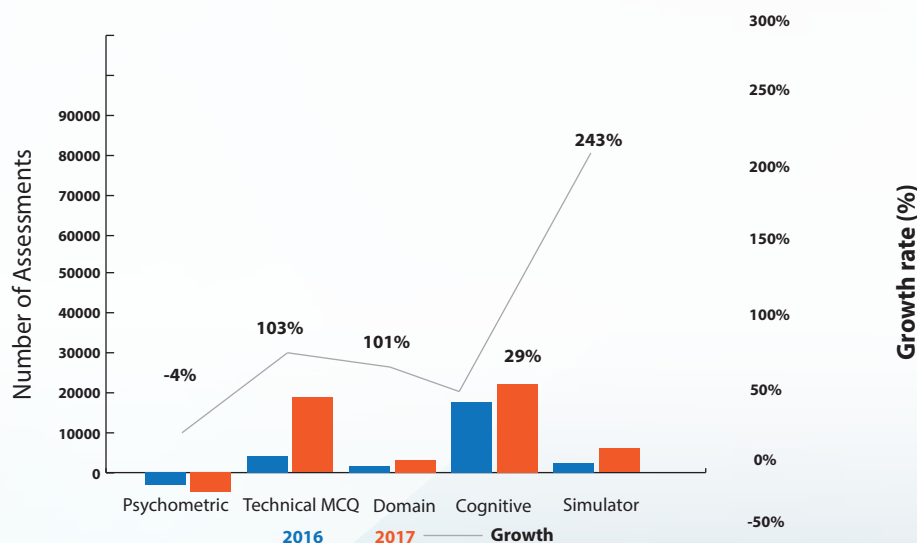
Trend 1: Precise Skill Measurement for Higher On-job Performance

Usage of Technical MCQs and Domain assessments have increased by 92%, and 102% respectively for Talent Acquisition.

Technical MCQs usage in L&D has increased by 272%

Organizations can improve their talent pool by hiring skilled candidates and re-skilling/up-skilling of existing employees using Technical Assessments. IT/ES industry is filled with niche job roles that require expertise in a particular skill, be it coding, data analytics or machine learning. Technical MCQs help employers in gauging how candidate will apply their skills in practical work scenarios, and what their strengths and weaknesses are in terms of technical skill set.

Assessment Usage Across Tools



Trend 2: Frequent Assessments Content Upgradation Required

Usage of platforms has increased immensely from 2016 to 2017:

- Overall: 191%
- For Talent Acquisition: 262%
- For L&D: 90%

Technology is changing rapidly and assessment content needs to be updated very frequently to keep up pace with it.

The need to have the freedom to update content frequently is provided by just using the platform and feeding in your own content. Several IT based companies are using vendor platform while providing assessment content of their own to retain their uniqueness. Availability of platforms to float in-house assessment content has enabled companies to keep their assessment tools updated and open for modification as and when needed.

Trend 3: Better Candidate Experience Through the use of Hands-on Tools

Usage of Simulators has increased considerably from 2016 to 2017:

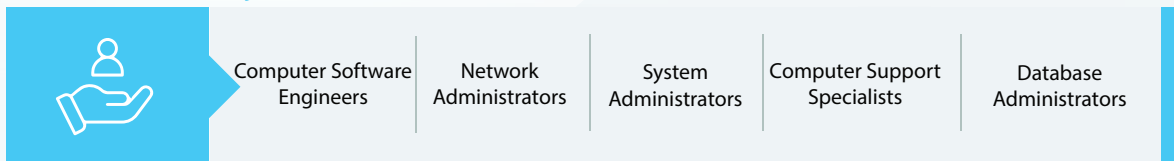
- **Overall: 243%**
- **For Talent Acquisition: 247%**
- **For L&D: 197%**

There is a significant increase in Simulator usage as we move from 2016 to 2017 which indicates a positive shift from traditional Talent Acquisition practice to a more practical application testing approach. Usage of simulators makes the assessment process more engaging and productive for the candidate, and time and cost efficient for the organisation.

Job roles with maximum talent assessment usage



Top skills that need to be assessed in IT Industry



3.3 Recommendations for IT Industry

Use Single Vendor For Assessment: Instead of using a different vendor for hosting different types of assessments, organizations should use a single vendor to provide all assessment platforms to avoid juggling various platforms and struggling with platform integration.

Leverage Customized Simulator: Instead of making a simulator in-house from scratch which is a very time and cost extensive process, organizations should opt for vendors that create simulators that are highly customized to meet the organizations specific requirements, to save up on time and cost.

Recommended Competency Framework Blueprint for Java Developer for IT/ES Industry

Here we present a sample competency framework for a Java developer, created by Mettl. It is recommended to create a competency framework for each job role in order to have a clear and accurate idea of which assessment tool to use for hiring or carrying out L&D for a particular job role.

Competency	Sub Competency
Hands on Programming	Codelysis-Data Verified
Java Basics	Core Java-Strings and Strings Methods
	Core Java-Flow of Control
	Core Java-Operators
	Core Java-Constants Variables and Data Types
Object Oriented Programming	Core Java-Interfaces and Inheritance
	Core Java-OOP Concepts
	Core Java-Classes Objects and Methods
	Java-OOPS

3.4 Case Study for IT Industry

About Client Company

The client company is a leading IT infrastructure and business consulting company.

Problem

As part of its campus engagement exercise, one of the client company's ideas was to come up with a contest that would test the skills of some B-school graduates on several parameters. The idea was simple - to promote their brand as well as hand-pick students to interact with their CXO team through a contest.

Solution

Mettl embraced this opportunity by creating a highly interactive online contest for the IT Behemoth.

The first round of the contest was run across 27 business schools and had over 2,300 students participating in it from all over India, Dubai, Manila, and Singapore. Candidates were tested using innovative simulation exercise, puzzles, cases and spreadsheet analysis coupled with psychometric analysis.

Impact

The client was pleased with the volume of candidate engagement and the excitement it created amongst students and various campuses. On the candidate side, 82% of the candidates were happy with the quality of online assessment software, while 87% felt quality of support was very efficient. The leaderboard feature helped keep the competitive spirit alive, and results could be shared on media.

Assessment Landscape in Pharma Industry

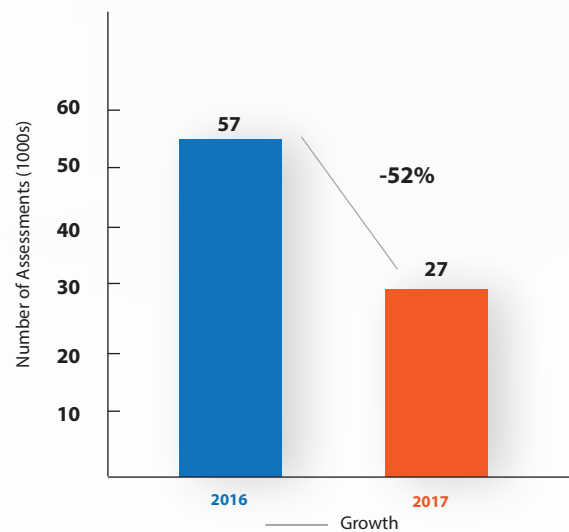
Chapter 4

4.1 Talent Assessment Usage in Pharma Industry

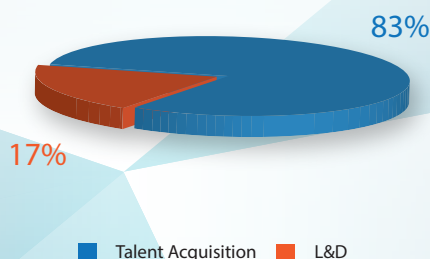
With Pharma Industry undergoing massive consolidation and companies cutting jobs which reflects reduction in sales, the usage of assessments is slowly shifting from Talent Acquisition to L&D.

Use of assessments in Pharma Industry has reduced by 52% from 2016 to 2017. However, the dip in usage of assessment tools during Talent Acquisition process is overshadowed by massive increase in usage of assessment tools during Learning and Development process. During 2016-17, the use of assessments in Pharma Industry for Talent Acquisition reduced by 59% and for L&D increased by 203%. Although Talent Acquisition accounts for 83% of the total assessment usage in Pharma Industry, while L&D accounts for 17%, the latter is growing rapidly to increase its usage share.

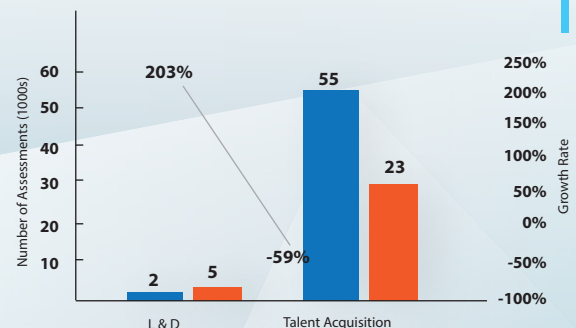
Overall Assessment Usage



Share of Assessment Usage Across Use Cases in 2017



Growth in Assessment Usage Across Use Cases



4.2 Talent Assessment Trends

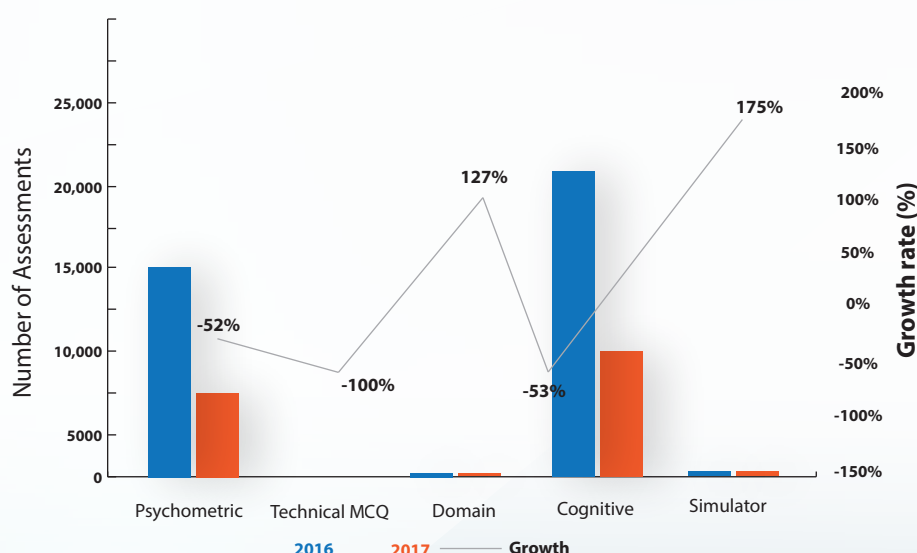
Trend 1: Demand for Higher Logical and Analytical Skills

Use of cognitive has increased by 411% in L&D

Cognitive assessments are the most commonly used assessments in pharma industry with 40% usage among all assessment tools.

They have taken precedence over technical and psychometric with companies focusing more on subject matter knowledge and pharma manufacturing skills, which requires candidates/employees to have high cognitive abilities (IQ).

Assessment Usage Across Tools



Trends 2: Increased Focus on Retention of Employees Through Use of Hands-on Assessment Tools

Usage of Simulators has increased immensely from 2016 to 2017:

- In Talent Acquisition: 50%
- In L&D: 200%

During Talent Acquisition, companies are interested in onboarding candidates who are proficient in pharma manufacturing and customer/patient handling, which can be practically assessed via usage of simulators that tests a candidate's on-the-job skill application proficiency level.

For L&D, the benefits that simulators offer over traditional re-skilling and up-skilling processes, especially when it comes to carrying out pharma manufacturing, are immense. With pharma manufacturing regulations becoming more and more stringent, companies want to ensure that their employees are adept in the latest technology and aware of all the existing and upcoming regulations in order to produce quality product, increase sales and prevent legal trouble.

Trends 3: Developing a Positive Work Culture by Assessing Employee Behavior

Usage of Psychometric assessments has increased by 206% from 2016 to 2017 during L&D process

Behavioral competencies are just as important as clinical competencies in Pharma Industry. They help in pointing towards potential troublemakers as well as in identifying candidates who can be groomed for leadership opportunities in the future.

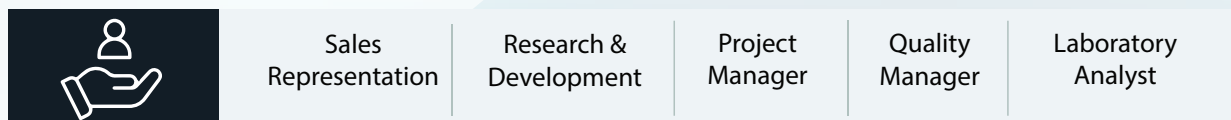
Apart from being a good predictor of on-the-job performance, an employee's behavior is a very strong indicator of how well a person can work alongside others and how sensitive they are towards the customer's needs.

We use the assessment tool across the organization for every position. Cultural fit is not regulated by job position or department. If it is important for one, it's important for all

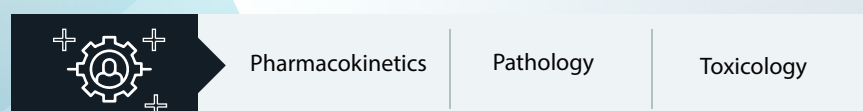
- Ken Brown, Vice President and Chief Human Resources Officer for Pratt Regional Medical Center

It is also an efficient tool to predict if an employee will be stable and stick with their current job/ job role for long.

Job roles with maximum talent assessment usage



Top skills that need to be assessed in Pharma Industry







4.3 Recommendations for Pharma Industry

Usage of Dark Personality Assessments along with Psychometrics can help reduce on-the-job risk that employees can create by endangering the life of customer or harassing customers and co-workers.

Creating an Accurate Competency Framework: The biggest challenge with Simulator is deciding its structure and content. It should meet the business objectives rather than just being an interesting engagement tool. Identifying the correct competency framework for a job role can help create simulators that do a thorough and practical assessment of candidate's skills.

Recommended Competency Framework Blueprint for Pharma Sales Representative

Here we present a sample competency framework for a Pharma Sales Representative, created by Mettl. It is recommended to create a competency framework for each job role in order to have a clear and accurate idea of which assessment tool to use for hiring or carrying out L&D for a particular job role.

Mid-Complex MultiStage Basic Sales Competency Framework - Pharma Sales Report	
Meta Competency	Sub Competency
Personal Attributes 	Accountability Self Confidence Resilience Learning Agility
Work Management 	Planning & Organization Following work procedures Drive for results
Interpersonal skills 	Collaboration Understanding customer needs Establish trust Negotiation Influence
Sales Aptitude 	Analytical Ability Problem Solving Numerical Ability Communications Skills

4.4 Case Study for Pharma Industry

Problem

Being part of such an extremely competitive ecosystem, the Pharma company – despite their status as an industry leader – needed to turn their Talent Acquisition process into a competitive edge.

Solution

For the Market Matrix, Mettl empowered one of India's fourth largest pharmaceutical players with highly customized psychometric assessments that enabled the company to gauge a candidate on high performance with a 70% correlation on the same.

The assessment provided:

1. A Benchmark on High Performance:

A thorough analysis of the company's existing high performers laid the groundwork for assessments tailor-made to address the problem.

2. Limiting & Delimiting Competencies:

Derivative of the preliminary analysis, the Mettl team identified competencies that helped performers thrive and prosper in the ecosystem, while eliminating competencies that hindered performance. This helped effectively realign the company's pre-existing competency framework.

3. Assessment Administration:

With the framework now redefined, Mettl drafted highly validated, normed and custom benchmarked psychometric assessments around the competencies identified. Performance statistics were then compared to the benchmark to discover high-potential performers. The assessment score predicted this with a spectacular 70% correlation to boot.

Impact

1. Reduced Attrition:

With a know-how on candidates who could and could not perform, the Pharma Behemoth streamlined their Talent Acquisition process to effectively plug attrition at the interview stage itself.

2. Reduced Cost per Hire:

By eliminating their chances of onboarding a bad hire, the Pharma company now saves 25% in their cost per hire metric.

3. Assessments Moved Online:

The online, but secure test platform enables a candidate to appear for an assessment from throughout the globe. It improved candidate experience and employer equity associated with the company's brand.

Assessment Landscape in BFSI Industry

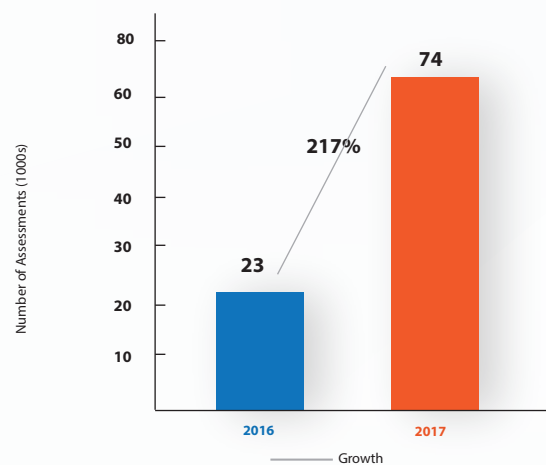
Chapter 5

5.1 Talent Assessment Usage in BFSI Industry

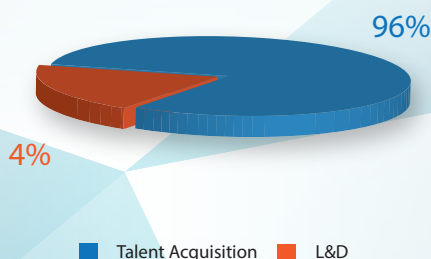
With shifting focus towards online banking and digital currency, the talent demand in BFSI Industry has moved towards candidates who are highly skilled in IT and well versed with latest technological advancements in BFSI Industry.

Use of assessments in BFSI Industry has increased by 217% from 2016 to 2017 due to increased hiring. This is resultant of the shift from brick and mortar stores to digital banking platforms which has helped in expanding the customer base. The shift has created a need for technically skilled employees. This sudden spurt in demand for tech talent has led to an increase in the use of assessments in BFSI Industry for Talent Acquisition by 265% from 2016 to 2017. By volume, Talent Acquisition accounts for 96% of the total assessments, while L&D accounts for 4%.

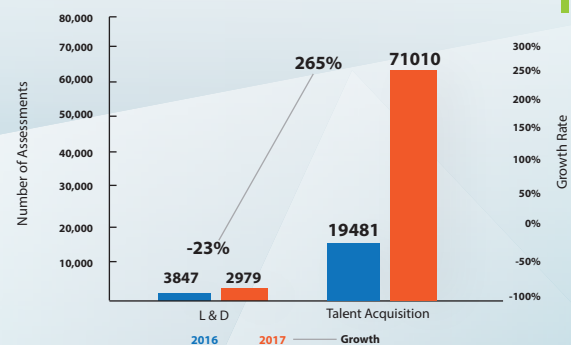
Overall Assessment Usage



Share of Assessment Usage Across Use Cases in 2017



Growth in Assessment Usage Across Use Cases



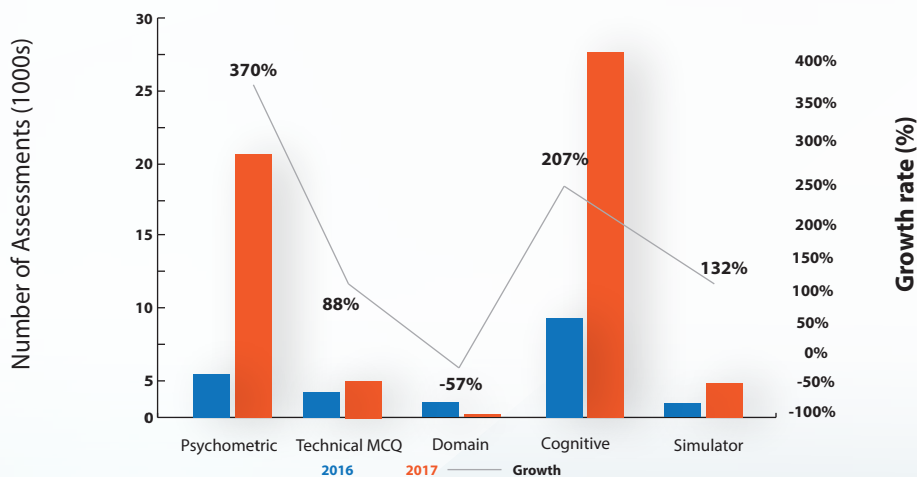
5.2 Talent Assessment Trends

Trend 1: Better Customer Experience and Work Culture Through Behavioral Assessments

Usage of psychometrics has increased by 370% from 2016 to 2017

Banks are increasingly hiring candidates based on their integrity to be rule compliant and fair to customers. Personality assessments or behavioral assessments that are a part of psychometric assessments help in pinpointing towards risky behavioral tendencies. This helps in warning organizations if the possible counterproductive behavior by an employee may cause trouble in future.

Assessment Usage Across Tools



Trend 2: Focus on Hiring Candidates with Higher IQ and Analytical Skills

Usage of Cognitive assessments has increased by 207%

The industry also focuses on hiring and developing financial analysts along with wealth managers. This is due to the increase in demand from insurance industry. These roles require high data processing power and analytics skills which can be assessed via cognitive assessments.

Trend 3: Adoption of Technical Skills via Usage of Platforms

Usage of platforms has increased considerably:

- **For Talent Acquisition: 304%**
- **For L&D: 9%**

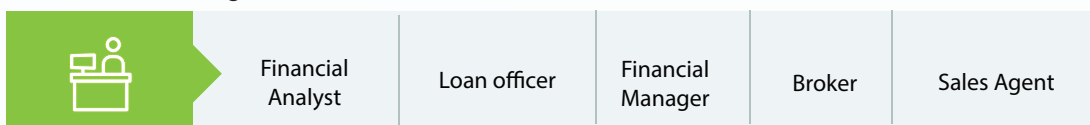
There is a surge in hiring tech talent in the BFSI industry as it moves towards hosting services on a digital platform. Platform is considered the most preferred tool for assessing tech talent because it allows hassle free customization.

The industry is coping with the tech talent crunch by focusing on training their current employees in tech skills so as to make them ready to handle IT tasks.

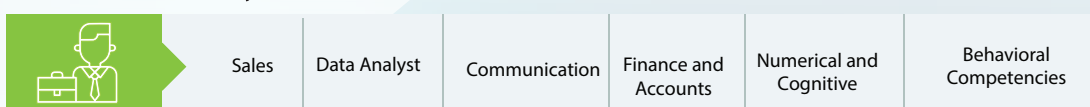
Job levels with maximum talent assessment usage



Job roles with maximum talent assessment usage



Top skills that need to be assessed in BFSI Industry





5.3 Recommendations for BFSI Industry

Frequent upgradation of content to fulfill the ever-evolving skill testing requirements via usage of platforms.

Carrying out Personality risk assessment via psychometric to pinpoint towards risky employee behavior that can potentially endanger company reputation, customer safety and organizational work culture.

Recommended Competency Framework Blueprint for First Line Managers in BFSI Industry

Here we present a sample competency framework for a first line managers in BFSI Industry, created by Mettl. It is recommended to create a competency framework for each job role in order to have a clear and accurate idea of which assessment tool to use for hiring or carrying out L&D for a particular job role.

Sub Competency	Competency
Behavioural Competencies 	Result Orientation
	Networking
	Team Management
	Business Orientation
	Influence and Negotiation
	Customer Service Orientation
	Self Confidence
	Learning Agility
	Communication Skills
Cognitive Ability 	Fluid Intelligence
	Data Analysis
	Critical Thinking

5.4 Case Study for BFSI Industry

Problem

With powerful strategies around Talent Acquisition in Tier-I colleges, the client company positioned itself strongly in the campus Talent Acquisition space. However, their desire to unearth top-notch talent from multiple avenues left the company wanting for more.

An upscale of such magnitude required:

1. Increased Expenditure
2. Increased Team Bandwidth
3. Extensive Operational Coverage
4. Increased Efforts on Logistics

Solution

The client needed Relationship Managers for their Asset Management team. The effort required an improved outreach and to candidates more than universities. The solution suite included a combination of:

1. Psychometric Assessments

Often overlooked, soft competencies are what determines cultural synergy between employee and organization, which in turn impacts overall performance on a large scale.

2. Aptitude Assessments

Mostly misunderstood as hygiene factor in the Talent Acquisition process, data-driven analytics from information derived from aptitude tests are often what defines a candidate's growth pattern and potential to learn within an organization.

Impact

Mettl solution suite drastically impacted the following:

1. Psychometric Assessments

The introduction of Mettl helped the client reach a larger, more potent audience geographically, and across multiple tiers of colleges. This, at a significantly lower price point.

2. Customization

To ensure that the candidates filtered are relevant and in sync with the organization technically and culturally, Mettl allowed full customization to the client in assessments. This ensured that the framework to define future employees flexibly remained in the hands of the organization.

3. Minimal Logistics

The inclusion of Mettl as a partner drastically lowered the logistical effort from the BFSI company.

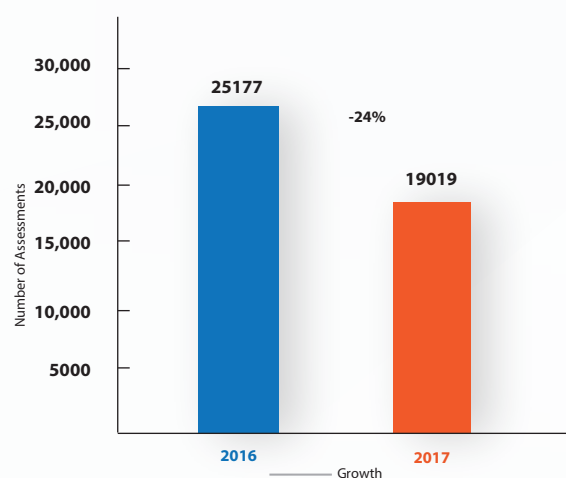
Assessment Landscape in Retail Industry

Chapter 6

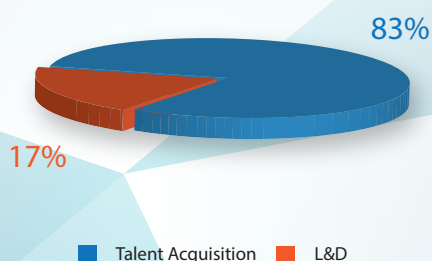
6.1 Talent Assessment Usage in Retail Industry

Shifting of customer base from brick and mortar stores to on-line E-commerce platforms has dampened the hiring scene in Retail Industry, causing use of Talent Assessment tools to be reduced by 24% from 2016 to 2017. This decrease is more prominently reflected in the usage of these tools during Talent Acquisition process which has suffered a dip of 25% from 2016 to 2017. However their use during L&D process remains strong, growing by 42% during the same time frame. This is because organizations are focusing more on training of existing employees than on-boarding employees who have no prior sales experience and need to be trained in order to make them perform and achieve targets. However, Talent Acquisition still remains the biggest use case for talent assessments tools (by volume), accounting for 97% of the total usage, while L&D accounts for 3%.

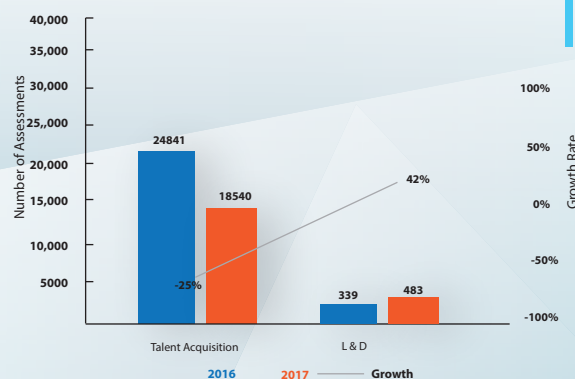
Overall Assessment Usage



Share of Assessment Usage Across Use Cases in 2017



Growth in Assessment Usage Across Use Cases



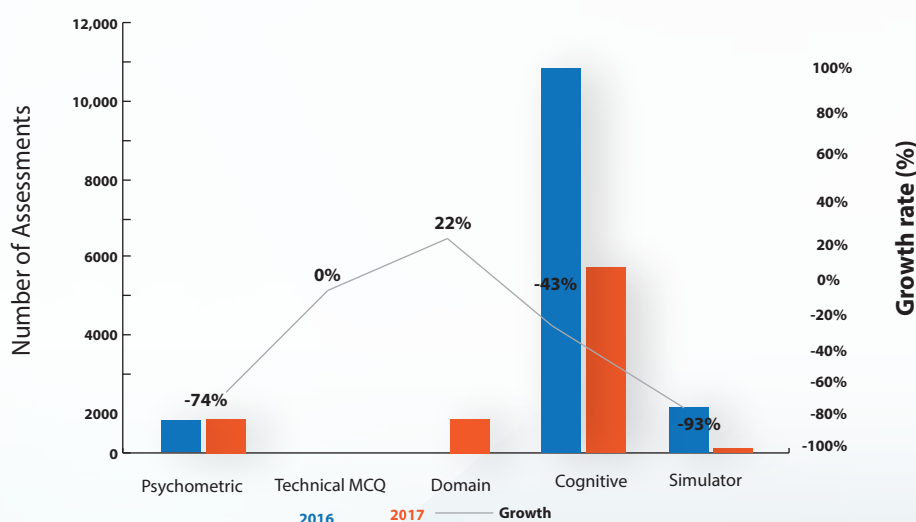
6.2 Talent Assessment Trends

Trend 1: Potential to Increase Performance Through Better L&D Programs

Only 3% of total assessment usage in Retail Industry is contributed by L&D

There is a huge scope for improvement of existing employee performance by adopting innovative and efficient L&D practices via use of technology tools such as assessments. Apart from checking the sales readiness on new hires, organizations are gearing up to check and improve the sales readiness of existing employees by identifying their skill gaps and proficiencies through tools such as domain and cognitive assessments. Their usage especially in L&D, is expected to grow significantly to bridge the gap between the skill sets of new hires and existing employees.

Assessment Usage Across Tools



Trend 2: Extensive Focus on Sales Readiness of Workforce

Use of Domain assessments has increased significantly:

- For Talent Acquisition: 22%
- For L&D: 33%

Demand in Talent Acquisition: Companies these days do not want to hire candidates who are not industry ready or will require training to get started. Hence they want to test how ready a candidate is to start performing well on-the-job from day one. Domain assessments test a candidate on actual on-the-field sales skills, thereby accurately identifying good sales performers from bad during the Talent Acquisition process.

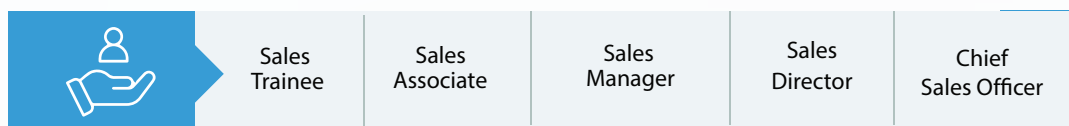
Demand in L&D: With constant need for more sales professionals to meet the increasing sales demands, organizations are working towards grooming their existing workforce by instilling sales acumen in them via domain assessments such as sales readiness assessment.

Trend 3: Low Adoption of Psychometrics for Building the Right Team

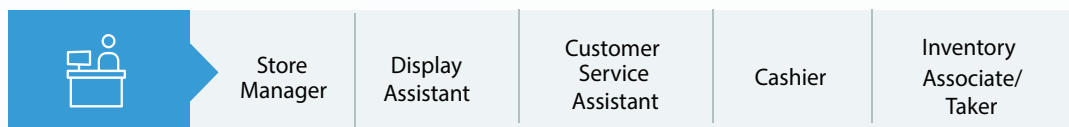
Usage of psychometric assessments has reduced by 74% in retail industry

Psychometric assessments are helpful in predicting employee behavior, job suitability, and stability. It is also a good indicator of how an employee will impact work culture and customer experience. Since most job roles in retail are customer facing, organizations need to realize the importance of making potential hires and existing employees go through psychometric assessments to improve work culture, customer experience, overall sales, brand value and reduce attrition. There is a huge potential for increasing the use of psychometric assessments to enhance the understanding of customer behavior by sales employees.

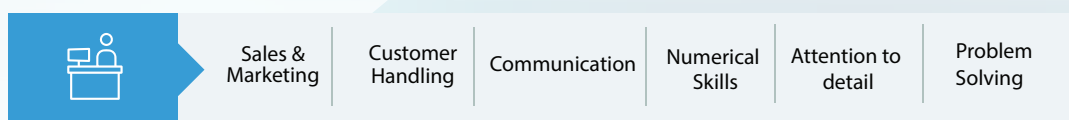
Job levels with maximum talent assessment usage



Job roles with maximum talent assessment usage



Top skills that need to be assessed in Retail industry







6.3 Recommendations for Retail Industry

Make use of Sales Readiness Assessment to hire market ready employees

Build Sales Acumen of employees via domain assessments

Recommended Competency Framework Blueprint for In-Store Sales Executive in Retail Industry

Here we present a sample competency framework for In-Store Sales Executive in Retail Industry, created by Mettl. It is recommended to create a competency framework for each job role in order to have a clear and accurate idea of which assessment tool to use for hiring or carrying out L&D for a particular Job Role.

Mettl In-Store Sales Executive Assessment : Simple Transactional Sales - Basic - In Store	
Meta Competency	Sub Competency
Personal Attributes 	Accountability
	Resilience
	Self Confidence
Work Management 	Following work procedures
	Drive for results
Interpersonal skills 	Understanding customer needs
	Influence
Sale Aptitude 	Numerical Ability
	Problem Solving
	Verbal Ability

6.4 Case Study for Retail Industry

About

The client company is an Indian multinational company, headquartered in Gurgaon, India. They specialize in scientific weight management solutions, beauty services, skin and hair-care treatments, and personal care. The company operates in 323 locations across 150 cities with a notable presence in 11 countries. They currently possess a workforce about 4,000 strong.

Problem

While the company remained powerful within their Learning & Development process, key decision makers realized that an improvement in the quality measurement of ROI was not far behind.

An upscale of such magnitude required:

1. To uncover a defined set of competencies amidst high performers on scale.
2. To set a benchmark to better improve the L&D stakes.
3. To expand such findings across their global presence.

In an effort to reinvigorate their Learning & Development process, the client needed a comprehensive solution suite.

Solution

The assessments for boosting client's L&D process included:

1. A Skill Gap Identification Pilot with 35 Candidates,
2. A Comprehensive Psychometric Battery to measure core Behavioral Competencies
3. Situation/Scenario-Based Questions.
4. Full Freedom for Customization around the Assessment Content.

Impact

With the new processes in place, the client decided to expand partnership with Mettl for providing the following services:

1. A Fresh Skill Gap Identification Program (135 Employees – First Batch),
2. Increased Return on Investment on their Learning & Development Model, and
3. Improved Processes in their Malaysia, Dubai, Singapore, and Qatar offices.

Assessment Landscape in Consulting Industry

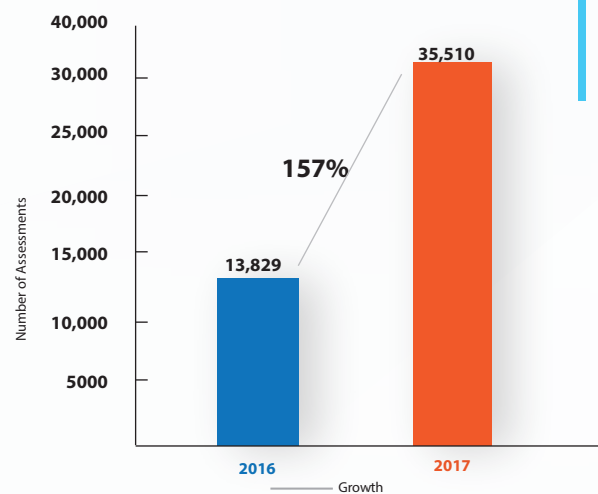
Chapter 7

7.1 Talent Assessment Usage in Consulting Industry

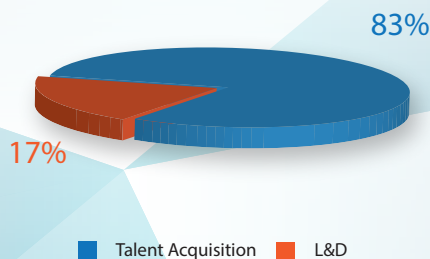
With games to replace traditional interviews, the landscape of how Talent Acquisition happens has changed drastically. Many companies are now allowing candidates to play games that provide them with badges, points and opportunity to role play, as a part of the Talent Acquisition process. For example: PwC, Hungary makes use of an online simulation called 'Multipoly' to carry out campus hiring. The game that lasts for 12 days, invites the candidates to experience in real life, what their job responsibilities will be as a consultant.

Use of assessments in Consulting Industry has increased by 157% from 2016 to 2017, owing to spike in its usage for talent acquisition by 163%. By volume, Talent Acquisition accounts for 99% of the total assessments usage, while L&D accounts for 1%.

Overall Assessment Usage



Share of Assessment Usage Across Use Cases in 2017



Growth in Assessment Usage Across Use Cases



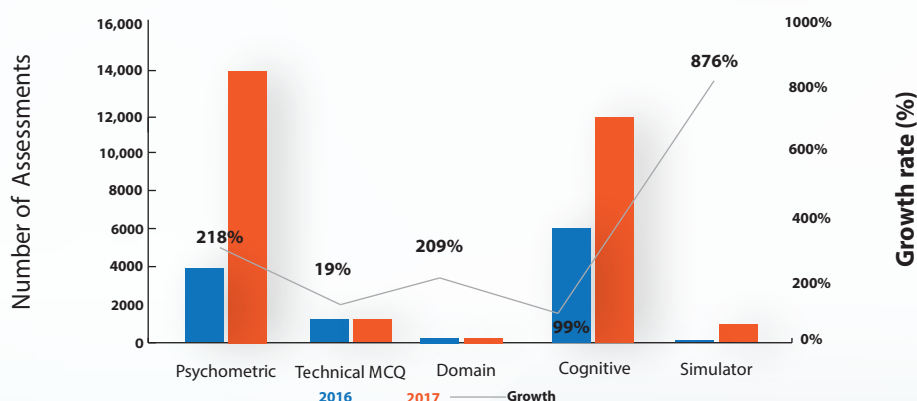
7.2 Talent Assessment Trends

Trend 1: Ensuring Enhanced Client Experience Through Focus on Psychometric Assessments

Usage of Psychometric assessments has increased considerably for L&D

Psychometrics assessments help in identifying the high potentials and training needs for the low performers, by accurately pinpointing towards employee competencies and skill gaps. This helps in improving the quality of work delivered which significantly improves client experience.

Assessment Usage Across Tools



Trend 2: Better Employee Retention by Adoption of Assessment Tools During L&D

Usage of simulator during L&D in Consulting industry is very low as compared to its usage during Talent Acquisition

Simulators help create a better employee experience during L&D process, thereby generating good word of mouth, which helps in retaining quality talent. Candidates who find the L&D process engaging, meaningful and interesting are much more likely to stay in an organization than those who don't. Consulting industry needs to increase the usage of simulators during L&D process to improve employee performance, stability and client satisfaction.

Trend 3: Assessing Skills Hands-on Through Assessment Tools

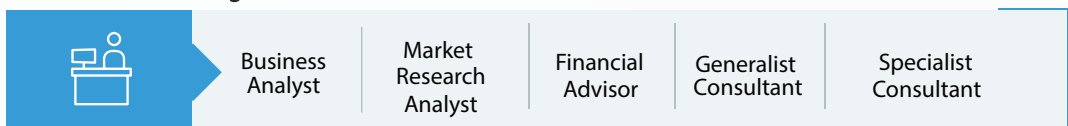
Usage of simulator has increased by 876% for Talent Acquisition

Since consultants have to be very versatile in their skill set, testing them on individual skills becomes a cumbersome task. Instead gamified simulations helps test them on real work scenarios and meets the purpose of knowing how well the a candidate will perform on-the-job.

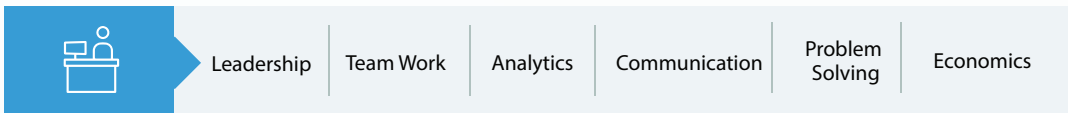
Job levels with maximum talent assessment usage



Job roles with maximum talent assessment usage



Top skills that need to be assessed in Consulting industry





7.3 Recommendations for Consulting Industry

Define competency frameworks accurately while creating simulator for a job role.

Make the recruitment and L&D process engaging and interesting by using gamified assessments to hire and train individuals.

Recommended Competency Framework Blueprint for Business Analyst in Consulting Industry

Here we present a sample competency framework for 'Business Analyst' profile in Consulting Industry, created by Mettl. It is recommended to create a competency framework for each job role in order to have a clear and accurate idea of which assessment tool to use for hiring or carrying out L&D for a particular Job Role.

Competency	
Behavioural Competencies 	Proactivity
	Flexibility
	Openness to Learning
	Quality Focus
	Planning and Organization
	Business Orientation
	Collaboration
	Result Orientation
	Accountability
Cognitive Ability 	Problem Solving
	Critical Thinking
	Decision Making Skills
	Fluid Intelligence
	Attention to Detail
	Data Analysis
	Numerical Ability
	Verbal Ability

7.4 Case Study for Consulting Industry

About

The company is a Fortune Global 500 company with branches across the globe. Considering their army of nearly 375,000 employees, it comes as no surprise that among their clients exist 95 of the Fortune Global 100 and about 82% of the Fortune Global 500 companies.

Problem

The client company was facing the following issues with its Learning and Development methodology:

Poor Diagnostics: Inaccuracy in Learning Requirements, Content & Delivery

Lack of an appropriate benchmark to identify gaps in skill and predict an L&D path for business impact, was a matter of prime concern for the client.

Negligence of Assessment & Feedback: On-Job Performance vs. Expectation

With heavy focus on training and delivery, assessments failed to acquire the attention it deserved as a measure of success. Absence of training reliability created false expectations.

Fleeting ROI Metrics: Haywire Organizational Structure; Result: L&D = Low ROI

The lack of a benchmark spiraled into a huge issue leading to poor succession planning and more importantly – ROI.

Solution

Mettl provided the client company with highly customized, normed, benchmarked and validated assessments that were able to successfully identify skill gaps in existing employees and also helped in identifying high potentials.

Impact

The Research

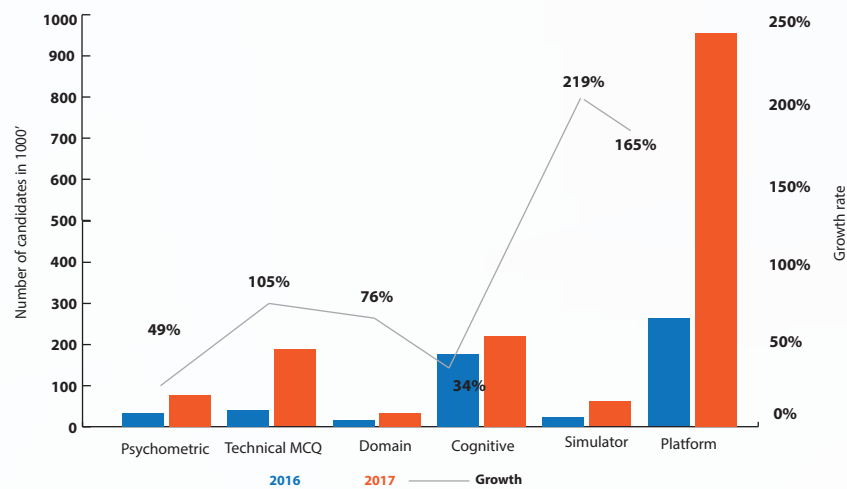
1. Rejuvenated Structure: Behavioral interviews with candidates helped stakeholders understand their exact requirement of competencies, and the desired proficiency levels for each of them.
2. Classification & Grouping: With the inputs from stakeholders, employees and from our own job-role analysis in place, the Mettl team helped the client company to identify and gather requirements in various job clusters and families.

Annexure

Overall

- The top assessment tools being used are Cognitive and Platforms.
- The tools which have grown maximum in usage from 2016 to 2017 are Simulators and Platforms

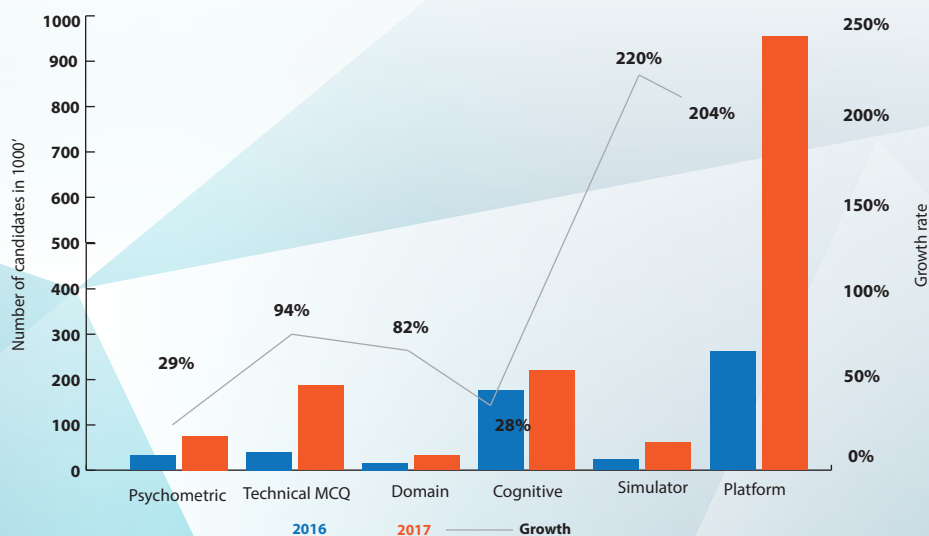
Overall Assessments Tool Usage



For Talent Acquisition:

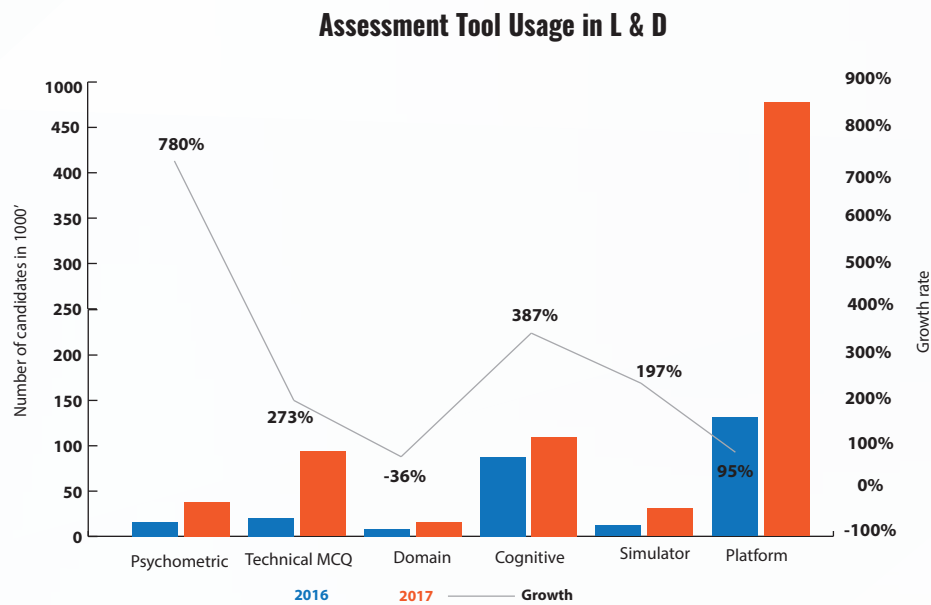
- The top tools being used are Cognitive and Platforms
- The tools which have shown maximum growth from 2016 to 2017 are Simulators and Platforms

Assessment Tool Usage in Talent Acquisition



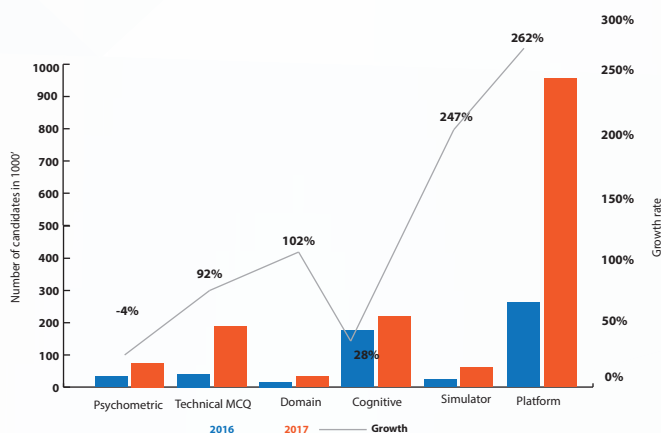
For L & D:

- The top tools being used are Technical MCQs and Platforms
- The tools which have shown maximum growth from 2016 to 2017 are Psychometric and Cognitive Assessments



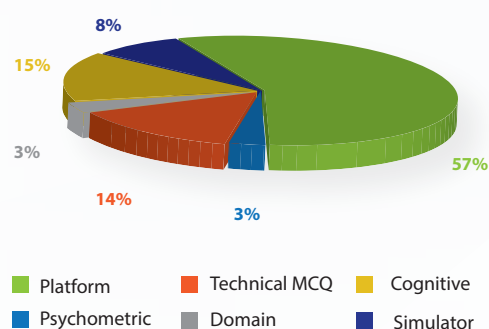
Talent Assessment Tools Usage Share and Growth in IT/ES Industry

Growth in Assessment Tools Usage for Talent Acquisition



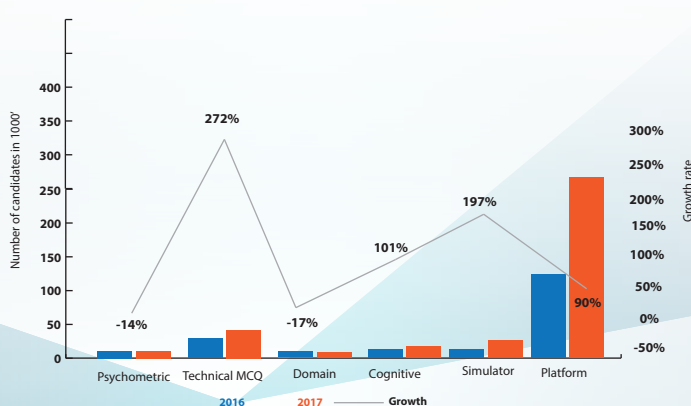
Highest growth in Talent Acquisitions is for Simulator and Platforms

Share of Assessment Tools Used For Talent Acquisition in 2017



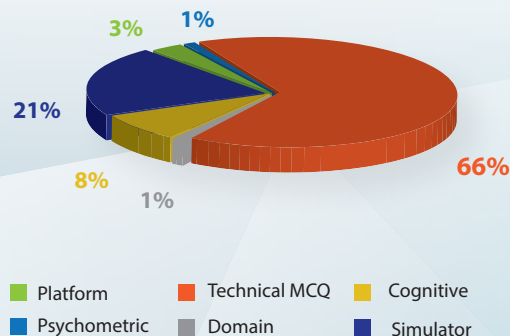
Highest usage in Talent Acquisitions is for Cognitive and Platform

Growth in Assessment Tools Usage for L&D



Highest growth in L&D is for Technical MCQs and Simulators

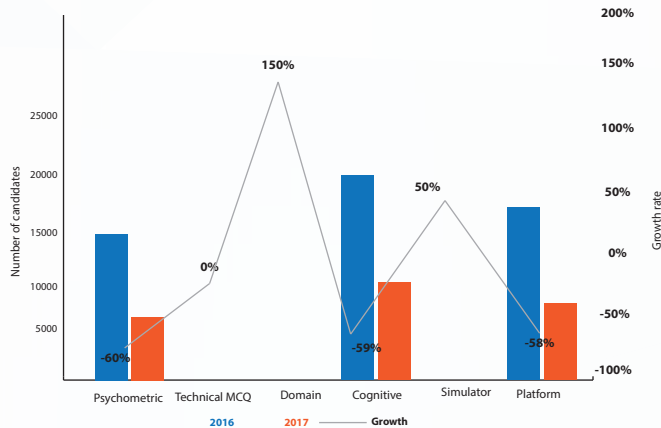
Share of Assessment Tools Used for L&D in 2017



Highest usage in L&D is for Simulators and Technical MCQs

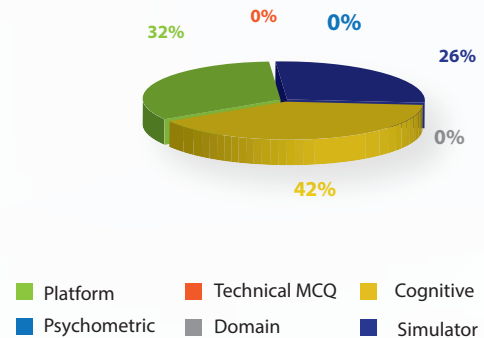
Talent Assessment Tools Usage Share and Growth in Pharma Industry

Growth in Assessment Tools Usage for Talent Acquisition



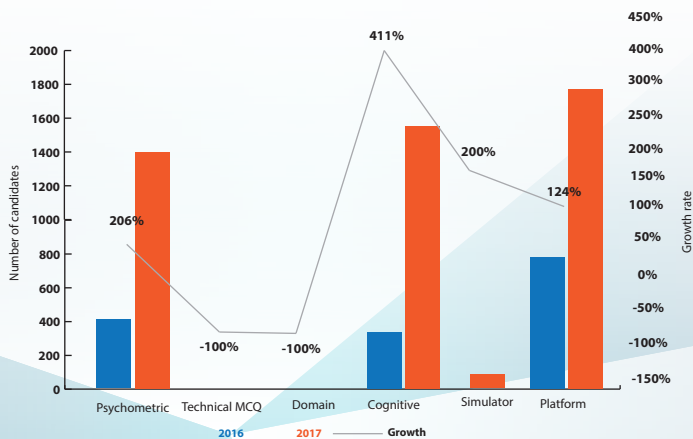
Highest growth in Talent Acquisitions is for Domain and Simulators

Share of Assessment Tools Used For Talent Acquisition in 2017



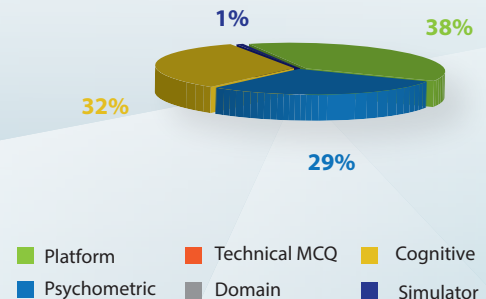
Highest usage in Talent Acquisitions is for Cognitive, Platform and Simulators

Growth in Assessment Tools Usage for L&D



Highest growth in L&D is for Cognitive and Psychometric assessments

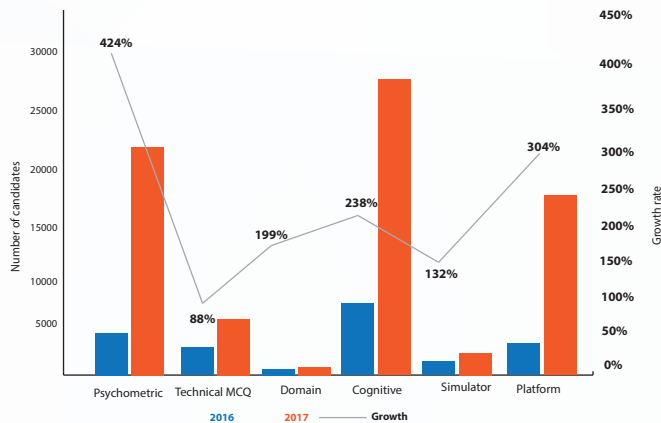
Share of Assessment Tools Used for L&D in 2017



Highest usage in L&D is for Cognitive, Simulator and Platform

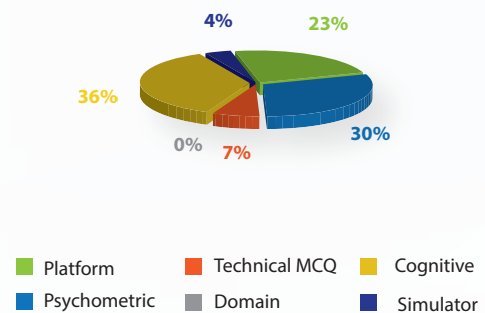
Talent Assessment Tools Usage Share and Growth in BFSI Industry

Growth in Assessment Tools Usage for Talent Acquisition



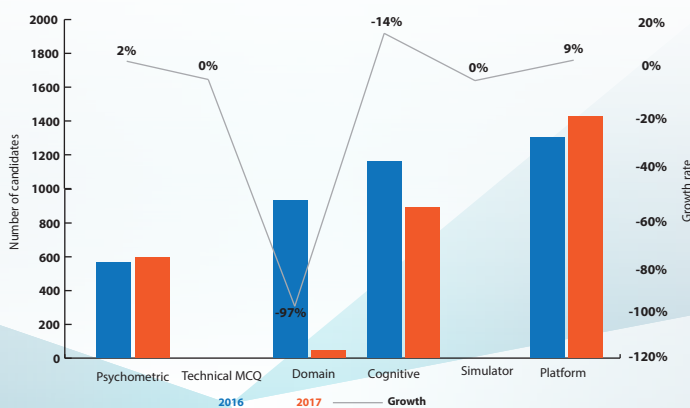
Highest growth in Talent Acquisitions is for Psychometrics and Platforms

Share of Assessment Tools Used For Talent Acquisition in 2017



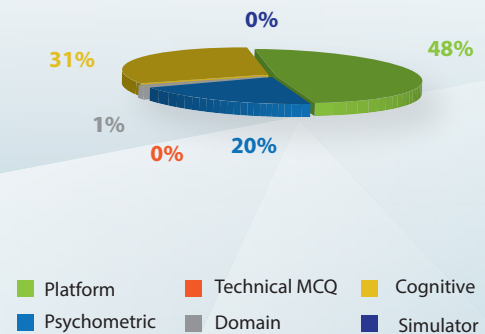
Highest usage in Talent Acquisitions is for Cognitive, Platform and Simulators

Growth in Assessment Tools Usage for L&D



Highest growth in L&D is for Platform and Psychometric assessments

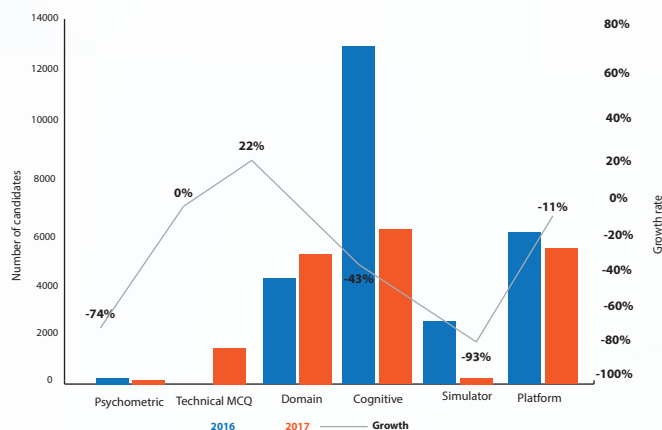
Share of Assessment Tools Used for L&D in 2017



Highest usage in L&D is for Cognitive, Simulator and Platform

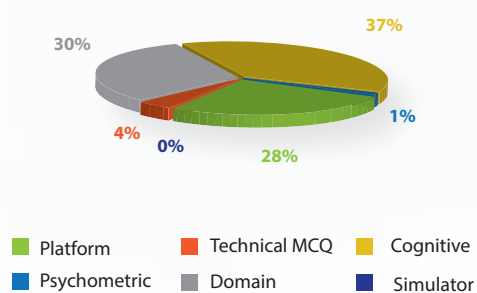
Talent Assessment Tools Usage Share and Growth in Retail Industry

Growth in Assessment Tools Usage for Talent Acquisition



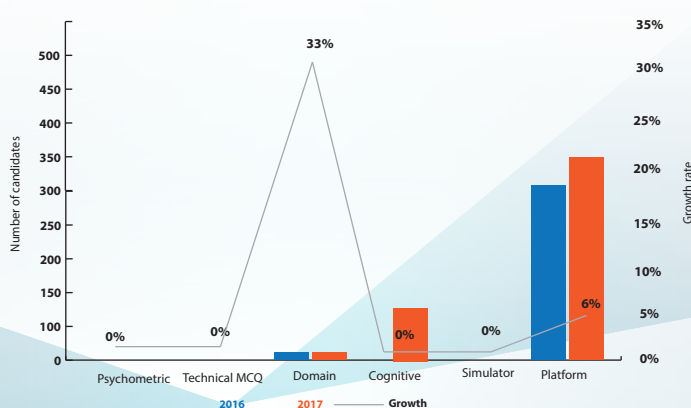
Highest growth in Talent Acquisitions is for Domain assessments

Share of Assessment Tools Used For Talent Acquisition in 2017



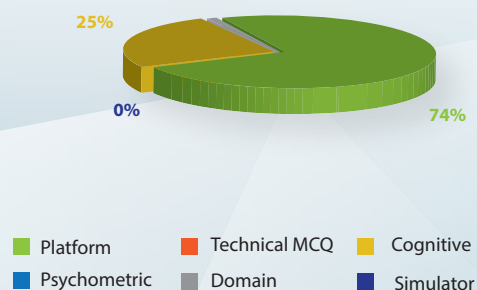
Highest usage in Talent Acquisitions is for Cognitive, Platform and Domain

Growth in Assessment Tools Usage for L&D



Highest growth in L&D is for Domain and Psychometric assessments

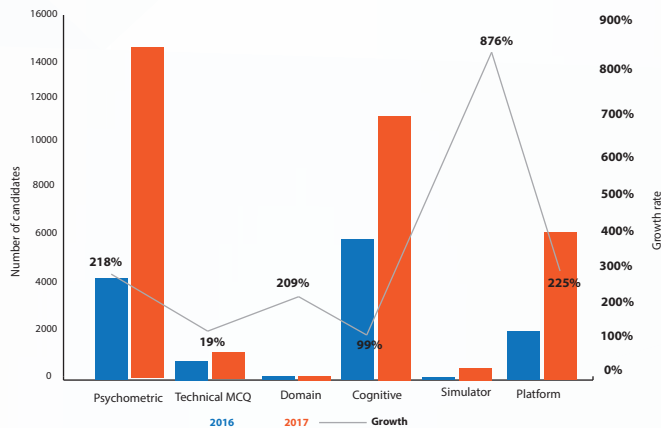
Share of Assessment Tools Used for L&D in 2017



Highest usage in L&D is for Cognitive and Platform

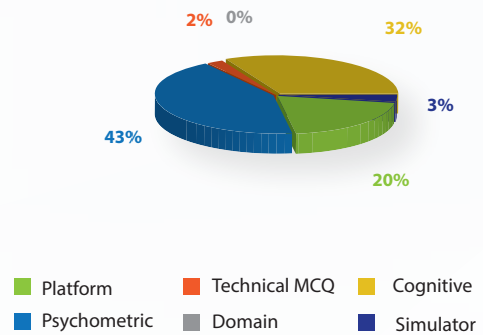
Talent Assessment Tools Usage Share and Growth in Consulting Industry

Growth in Assessment Tools Usage for Talent Acquisition



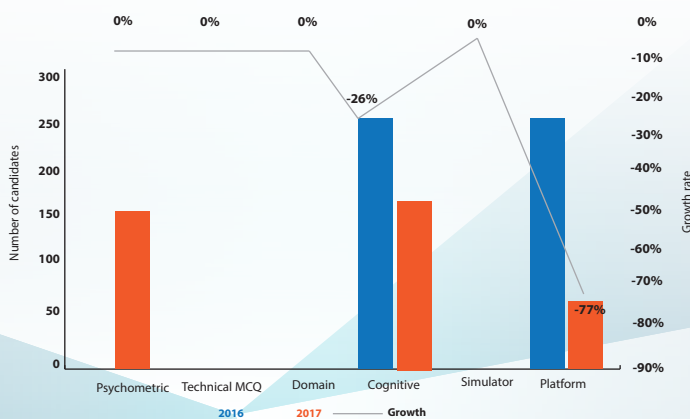
Highest growth in Talent Acquisitions is for Simulator and Platforms

Share of Assessment Tools Used For Talent Acquisition in 2017



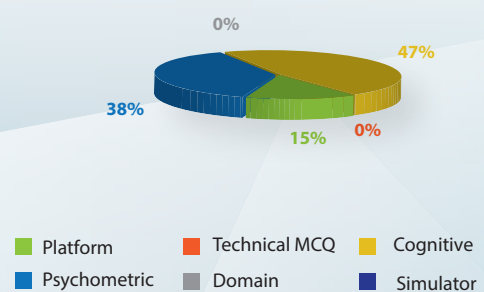
Highest usage in Talent Acquisitions is for Cognitive, Simulator and Platform

Growth in Assessment Tools Usage for L&D



Highest growth in L&D is for Psychometric assessments

Share of Assessment Tools Used for L&D in 2017



Highest usage in L&D is for Cognitive, Simulator and Platform

About the Think Tank

The following Mettl professionals contributed their experience and knowledge to produce this report.

Ketan Kapoor

Co-Founder and CEO

ketan.kapoor@mettl.com

Tonmoy Shingal

Co-Founder and COO

tonmoy.shingal@mettl.com

Siddhartha Gupta

CRO

siddhartha.gupta@mettl.com

Radhika Katyal

Head, Marketing

radhika.katyal@mettl.com

Subhro Kanti Bera

Business Head, Psychometrics

subhro.bera@mettl.com

Parul Khare

Data Analyst

parul.khare@mettl.com

Romila Kanchan

Associate Manager

romila.kanchan@mettl.com

Aman Sharma

Senior Graphic Designer

aman.sharma@mettl.com

Keser Kapur

Designer

keser.kapur@mettl.com

ABOUT US

Mercer | Mettl is a SaaS based assessment platform that enables organizations to create customized assessments for use across the entire employee lifecycle, beginning with pre-hiring screening and candidate skills assessment, training and development programs for employees/students, certification exams, contests and more.

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INDIA OFFICE

+91-9555114444
Plot85, Sector 44, Gurgaon,
Haryana, India - 122003

US OFFICE

+1-650-614-1816
Mettl Technologies Inc. 113
Barksdale Professional Center,
Newark, Delaware 19711, USA

Australia: +61390699664
Indonesia: +6285574678938
Singapore: +6531386714
South Africa: +27875517192
UAE: +9718000320460
UK: +441422400843



contact@mettl.com

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