

A man with a beard, wearing a dark blue patterned shirt, is looking down at a tablet he is holding. The tablet screen displays various data visualizations, including bar charts, line graphs, and circular icons. The background is a blurred office environment with windows and interior lights.

Hiring for potential in the
4th industrial revolution



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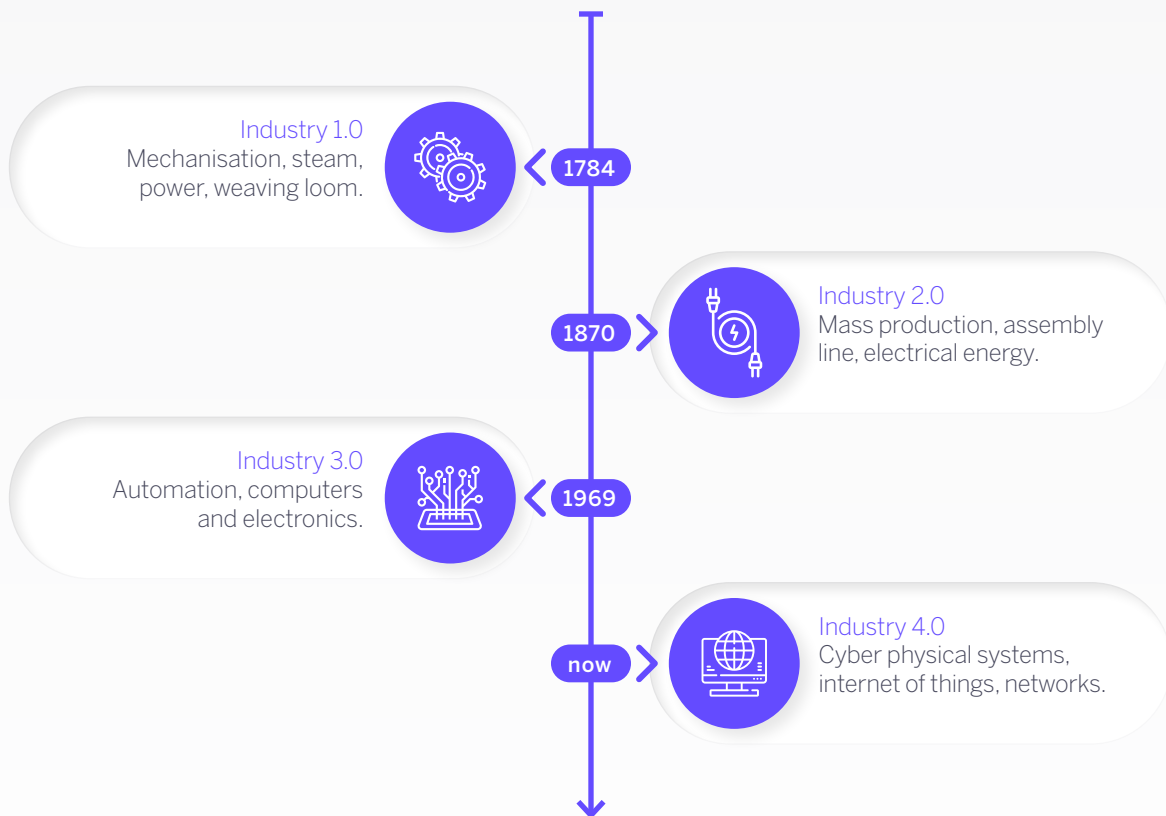
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Introduction

Whilst it is Covid-19 which has transformed the way the world has lived, worked and played in 2020, the longer term impact on our lives is likely to be the commencement of the fourth industrial revolution. In short, the Fourth Industrial Revolution describes the blurring of boundaries between the physical, digital, and biological worlds. This revolution is already having a profound effect on the way we work and in turn, how we resource our organisations in a time where skills will become outdated soon after they are learned, where colleagues will be a mix of human and robots and where the one guarantee is that the pace of change will be unprecedented.

The four industrial revolutions

From steam engines to the Internet of Things. In order to navigate the fourth industrial revolution, we need to understand the first three.



Automation and the creation (and erosion) of jobs

Predicting the impact of innovation on jobs is more of an art than a science, and one at which futurologists have proven far from adept. We have seen that automation can increase rather than decrease the demand for a service. The first ATM launched in 1967, and yet the number of bank tellers increased from 300,000 in 1970 to 600,000 in 2010. Google Translate launched in 2006, but the number of people employed in the translation and interpretation industry doubled between 2010 and 2017.

Therefore increasingly, the role of HR is not to identify which roles are being eroded but instead exploring the more nuanced approach – how will jobs subtly transform over time as more tasks become automated and more new skills are needed to undertake the new requirements of a role. New AI technology, such as Australia-based Faethm, can support HR and business leaders predict not only how their existing workforce will be impacted by automation, but also identify the transferable skills that current workers have that may make them highly suited to one of the new breed of job types created by automation.

The transition from each industrial revolution, from the first to the current one, has posed significant challenges for people, businesses and society. The current revolution poses old as well as new challenges for both business leaders and HR/Talent Acquisition professionals, including:

How do we reskill our current employees?

How do we identify which employees are suitable for which jobs of the future?

How do we find talent that is comfortable working alongside robots?

How can we be more creative in the way we assess the value and skills people bring to our business?

How do we win the battle for in-demand talent when other companies are hiring the same people?

How do we find talent that is productive now but will remain so in a fast-changing world?



There is no 'silver bullet' to solve each of these quandaries. But the common thread that runs through these challenges is understanding the human traits, capabilities and skills that people have. Assessment of these human traits will provide many of the answers we need.



Assessing for potential

Assessment methodologies and technology has been commonly deployed in recruitment and staffing since the use of Psychometric testing for screening WW1 recruits. Fast forward to 2020 and over 80% of the Fortune 500 companies in the USA, and over 75% of the Times' Top 100 companies in the UK are using assessment for recruitment.

Technical skills assessment boomed in the latter years of the third industrial revolution with the widespread adoption of multiple choice assessment and technical screening tests. However, it is the emergence of assessments focusing on future potential, rather than solely current skills, that make it essential to view assessment with a new lens as we enter the new industrial revolution.

In this eGuide, we explore how an emerging 'new breed' of assessment technology can help you, as business and HR leaders, identify, nurture and retain the talent you need for the future of work.

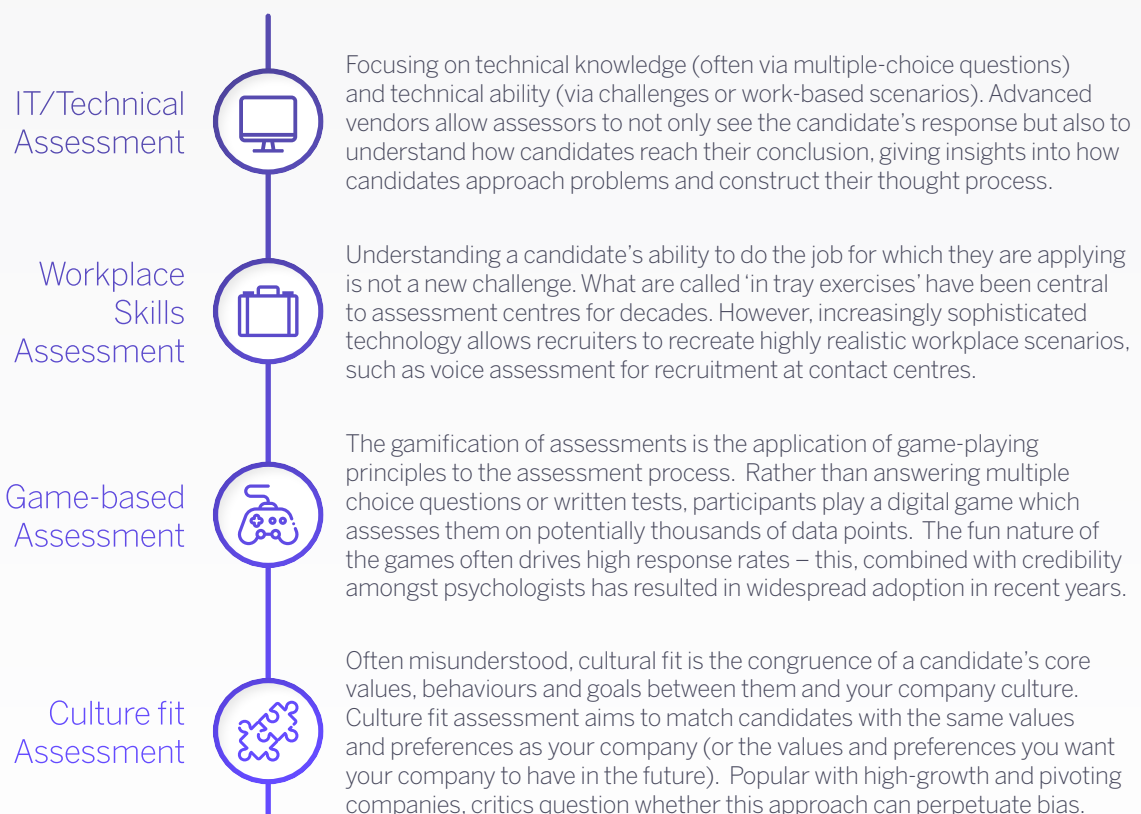
The new breed of assessment technology

The assessment technology landscape

The assessment technology landscape has evolved continuously but a 'new breed' of assessment vendor began entering the market from 2005 onwards. Assessment technology vendors offered tools that transcended skills and psychometric assessment, to offer a more holistic understanding of the make up or 'fingerprint' of a candidate.



In this increasingly crowded assessment ecosystem, assessment can be broadly subdivided and categorised as follows:



Covid-19 accelerates assessment and redeployment of skills

Few industries remain unaffected by the global coronavirus pandemic. The use of video exploded, not only as a communication tool but as an interviewing platform, as both job seekers and hiring managers stayed at home in quarantine. Other online assessment platforms that enable remote skill assessment, such as Codility and Aspiring Minds (and others featured in this eBook), have enjoyed growth during the period of lockdown and quarantine. However, it is the redeployment of skills which highlights the importance of hiring for potential.

For instance, Resource Solutions pivoted its offering to support the onboarding of healthcare professionals for the UK's National Health Service (NHS) by redeploying 50 recruiters. This new service required the process, case and stakeholder management skills needed for recruitment, but also enabled Resource Solutions to support their community at a critical time, when recruitment activity was reduced.

Burberry, the luxury fashion house, transformed its trench coat factory to become a significant manufacturer of Personal Protection Equipment (PPE), again utilising the current skills of their employees to reflect current needs.



Video Assessment



One-way (where a candidate answers questions directly to a camera which is recorded and shared with the recruiter) and two-way (live interviews, essentially video conferencing) became possible in the early- to mid-noughties, but bandwidth and cultural hesitations delayed adoption until the 2010s onwards. Covid-19 provided another step change in adoption.

Language Proficiency



Increased globalisation, nomadic workforces and offshoring have resulted in increased use of language assessment. Non-native language speakers have been given language ability tests for many years. However, since 2015 increasingly sophisticated technology has enabled assessors to not only understand a candidate's vocabulary and comprehension, but also their oral communications skills, including accent and discourse skills (sharing and linking ideas coherently).

Psychometric Assessment



Also known as aptitude tests, psychometric assessments test a candidate's cognitive ability or personality. These are popular with employers aiming to predict potential and assess a relatively wide range of skills, from cognitive, knowledge and personality.

Legacy
Assessment



This category is a 'catch all' for more traditional assessment vendors and methodologies, including standard multiple choice questions. It also often includes verbal and numerical reasoning. These assessments often benefit from being proven (and therefore validated and verified), as well as having broad libraries, allowing companies to deploy a single assessment provider for all role types.

Experiential
Assessment



Traditionally, assessment aimed to understand and assess a candidate's skills, abilities and traits. As companies increasingly battle for in-demand talent, there has been a shift towards using assessment also as a way of engaging with candidates and advocating the company's employer brand. An example of this is using Virtual Reality (VR) technology, which to date lacks compelling validity and verification but resonates with and inspires candidates.

Case study: Immersive experiences within assessment

Lloyds Banking Group was the first organisation to use VR as part of their early careers assessment centres. Many other early career employers followed suit, including Accenture.

“VR enables employers to differentiate themselves in a competitive market and it is no surprise that it has been deployed primarily in sectors where the competition for top graduate talent is fierce – accountancy, consulting and finance. Whilst we love the immersive experience VR provides, I question whether it can accurately predict success with as much accuracy as other types of assessment such as science based games”

Faye Walshe
Director of Innovation, Robert Walters Group

How to balance human instinct and tech validation in assessment

As assessment technology evolves, the question arises of whether human instinct and judgement is still needed. If assessment technology can help filter candidates, can we remove humans from this selection decision entirely? The reality of the future workforce is that companies need human instinct, to complement robots and artificial intelligence – and now more than ever.

The skills you need to future-proof your business are hard to measure with technology alone

Creativity, empathy and curiosity are arguably the most important skills for the workforce of the future. Paradoxically, they are also the hardest skills to assess using assessment technology. Anti-cheat technology can flag plagiarism, but it is not yet sophisticated enough to grade the uniqueness and creativity of a candidate's answer. It is at this stage that you need to introduce your recruiters and hiring managers to bring instinct and human judgment.

For example, as an ever-increasing volume of assessment vendors compete for business, product enhancements have emerged, such as facial expression technology to measure candidate performance. These products often appeal to buyers, acting as a USP for vendors, but rights groups are increasingly questioning the validity of these innovative solutions.

In addition, increased awareness of personal data and automated decision making has resulting in new data laws in both Europe (GDPR) and the US (California Consumer Privacy Act). The result has been employers choosing to blend assessment technology with human interaction.

Top tips for blending human instinct with best-in-class assessment technology:

“Our recruiters are experts at listening to candidates' preferences and values, and understanding where they will be both happy and productive. That is why we use assessment technology at the end of the process to 'sanity check' hiring decisions and validate any essential technical skills.”

Norma Gillespie
Managing Director, EMEA & Americas, Resource Solutions

“Recruitment remains very much a people business. The people we hire may be recruiters, data scientists or Java developers, but we typically need them to be able to listen to and tell stories, as well as understand emotions. We have deployed video interviewing, enabling us to reduce our experience requirements and hire for potential, resulting in a more diverse talent pool. We do not utilise automated decision making or AI in this process, as our research suggests this disadvantages under-represented talent.”

Sally Martin
Global Head of Talent Acquisition, Resource Solutions

Assessment in action: Case studies

Arctic Shores

Arctic Shores is a game-based assessment vendor and their solution combines neuroscience, artificial intelligence and gaming technology. The science based games focus on an individuals potential rather than assessing a specific current skill, enabling employers to hire talent with the ability to evolve and pivot as their role changes over time.

Resource Solutions piloted Arctic Shores with one of our asset management clients focusing on the assessment and selection of talent at graduate level.



Desk based research

Competency Frameworks, Vision/Mission statements and Job Descriptions were sent to Arctic Shores for analysis.



Workshops

A workshop was hosted with both high-performing graduates on the existing graduate scheme, plus all managers of the graduate scheme.



Stakeholder interviews

with senior-level leadersgraduate-level scheme, plus all managers of the graduate scheme.



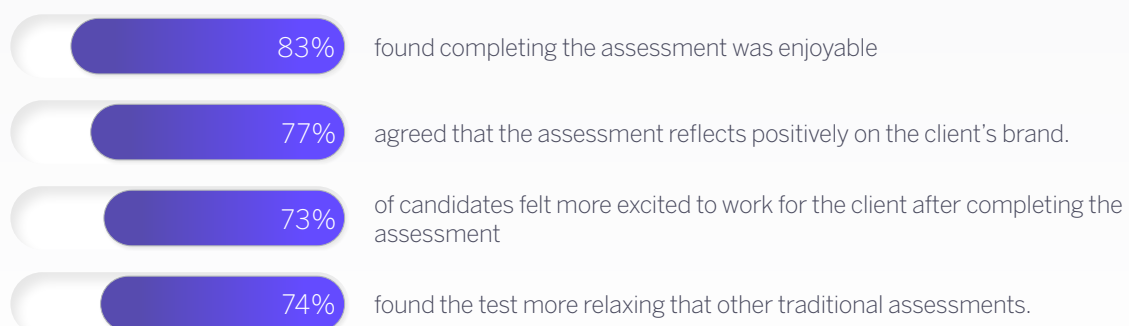
Validation

50 graduates were required to complete one assessment for validation purposes.

Arctic Shores then created a "Profile Fit Creation" - a complex algorithm that would be used to assess graduates. Every candidate who applied for the graduate programme was automatically asked to take an Arctic Shores assessment and those in the top 50th percentile were progressed to a video interview (circa 200 candidates) followed by an assessment centre day (circa 40 candidates) and 12 candidates would be selected to be hired.

The results

Of the nearly 2,400 candidates that completed the assessment and received an Arctic Shores "fit" score



Codility

Codility allows employers to assess a candidate's programming ability through automatically scored coding tests that can be completed remotely. Traditionally, assessment of a candidate's coding ability was completed during the face-to-face interview, following the phone screening phase. Using Codility, HR and hiring managers are able to create bespoke tests that match the required skills in the job description. These bespoke tests can be tailored to assess how an individual will perform immediately – but, crucially, they also allow employers to hire based on potential, because rather than requiring 'right' or 'wrong' answers, they allow hiring managers to watch how a coder or developer approaches a problem.

The process

After a candidate completes their test, an automatically generated summary is sent to the hiring manager and HR. Candidates who score well have their code and CV reviewed and are invited on-site for an interview. Candidates who do not perform well are rejected. However, if a test score is borderline and the CV is strong, a phone interview can be arranged to confirm if they should be rejected or progressed.

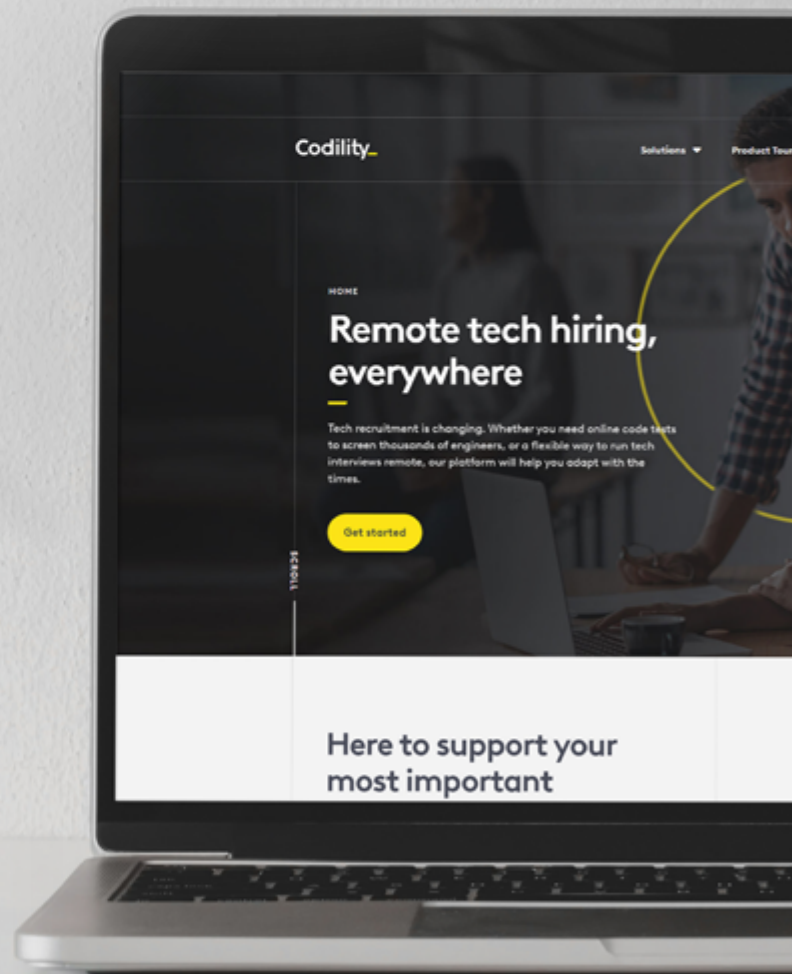
A core difference between Codility and other testing software is that Codility requires a candidate to submit their code while solving a real-world programming problem. Other testing tools ask candidates to simply answer multiple choice questions. Codility automatically scores correct code as well as its performance.

Codility saves time, replacing the need to have a technology expert review CVs and screen applicants by phone. Tests are administered by the recruiter, once a CV is received and all candidates are given the chance to take a test. This not only reduces unconscious bias at CV review stage, but also gives candidates who might not be able to craft a well-written CV the chance to demonstrate their skills.

The results

Technology managers were keen to establish whether Codility can save time by omitting the phone screening stage. They also wanted to prove if it could accurately remove the same proportion of candidates that phone screening does; or, better yet, remove a higher proportion of candidates, making the process even more efficient.

The results clearly demonstrated that both areas were able to remove a higher proportion of candidates after the first stage of the process using Codility – up to 7.1% more. Overall, 4.8% more candidates were removed after the initial stage than in the previous year.



Our top three tech picks for enhancing your assessment capabilities

Your action plan for meaningful change

1

Sonru (now a Modern Hire company)

Best for broadening your talent pool and hiring for potential.

2

Aspiring Minds

Best for assessing workplace skills in action.

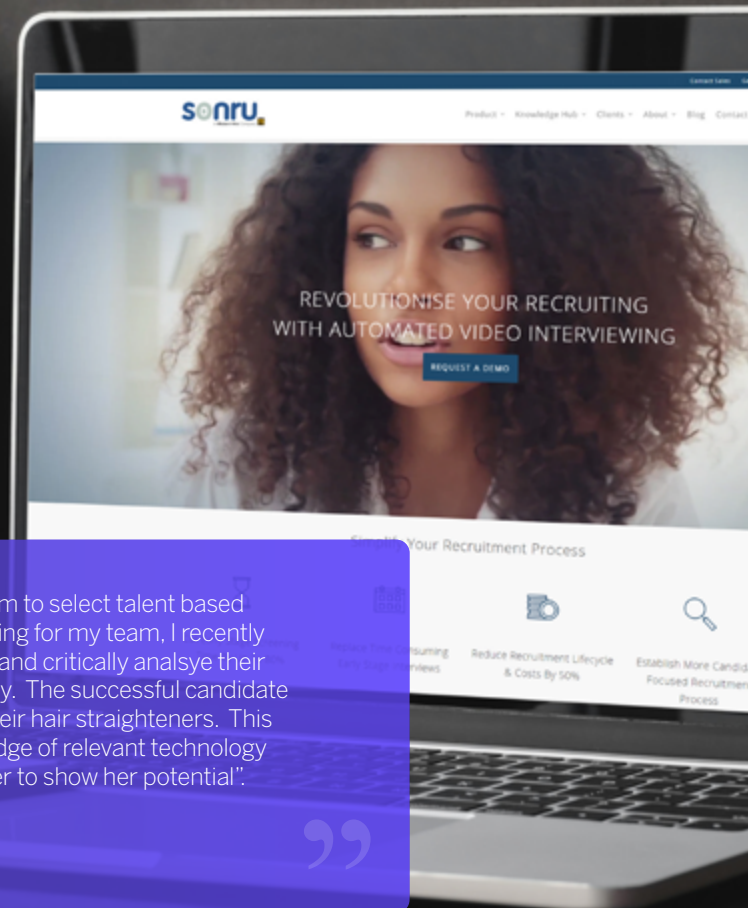
3

Podium

Best for predicting your next top performer.

Sonru

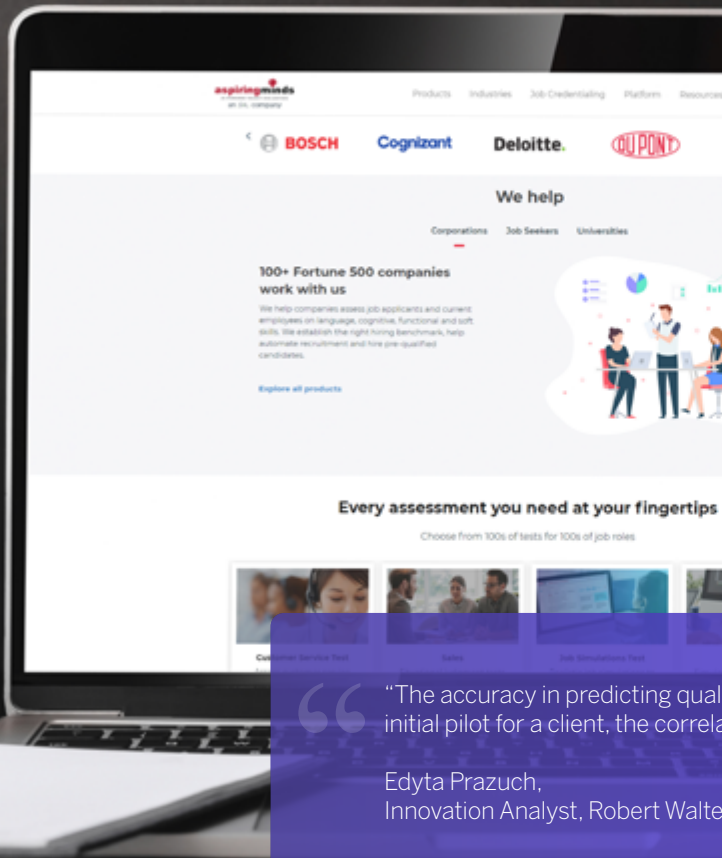
In the overcrowded video interviewing market, Sonru impresses by offering a simple product that works, minimises bias and risk, and offers best-in-class customer service. Sonru offers one- and two-way video interviewing solutions and, if needed, integrates with your applicant tracking system. The lack of AI decision-assisting technology minimises risk and ensures unbeatable 'up time'.



“Tens of thousands of Sonru video assessments are deployed across the Robert Walters Group and we achieve 93% response rate. Candidate feedback is phenomenal”.

Tom Lakin
Senior Innovation Manager, Robert Walters Group

“Video is the perfect platform to select talent based on their potential. When hiring for my team, I recently asked applicants to explain and critically analyse their favourite piece of technology. The successful candidate actually chose to analyse their hair straighteners. This didn't show current knowledge of relevant technology for the role but it enabled her to show her potential”.



Aspiring Minds

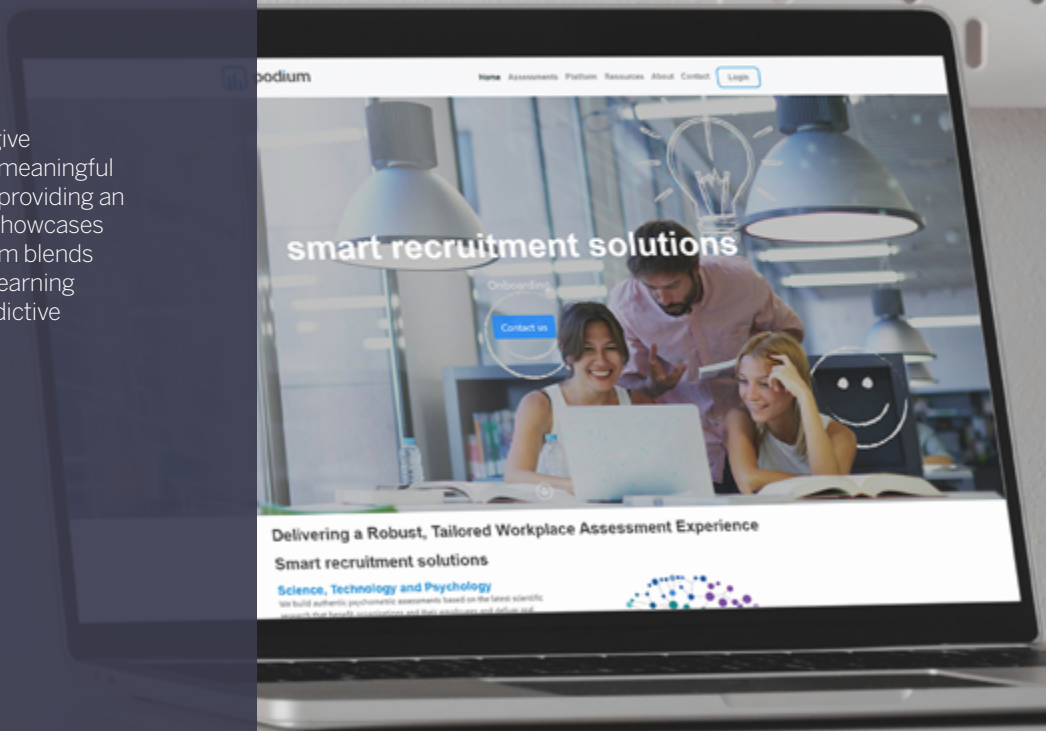
Aspiring Minds is an AI-powered suite of assessment and interviewing tools that allows companies to set real-life work challenges for candidates to complete. Our clients love that candidates can be assessed for both voice and non-voice competencies, all in one platform. Aspiring Minds was acquired by SHL in 2019, resulting in a credible, trusted and now-innovative all-in-one vendor.

“The accuracy in predicting quality hires was breathtaking. With weeks of running the initial pilot for a client, the correlation between scores and quality of talent increased”

Edyta Prazuch,
Innovation Analyst, Robert Walters Group

Podium

Podium assessments aim to give organisations a deeper, more meaningful insight into their people while providing an assessment experience that showcases their corporate identity. Podium blends psychometrics and machine learning models to produce highly predictive assessment models.



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Philippines
Portugal
Singapore
South Africa
South Korea
Spain
Switzerland
Taiwan
Thailand
UAE
UK
USA
Vietnam

About Resource Solutions

Established in 1997, Resource Solutions is a provider of Recruitment Process Outsourcing (RPO) and Managed Service Provider (MSP) solutions. As part of the Robert Walters Group – a world-leading specialist professional recruitment consultancy, our business has considerable resources at its disposal. With a global footprint across 31 countries, we're able to work in close partnership with organisations and manage everything from global accounts with demanding resourcing strategies to single sites with lower recruitment volumes. We currently source and recruit for clients in over 60 countries, manage a recruitment budget of over £2 billion and hire tens of thousands of employees each year.

Connect with us

