

Market Trends in Assessment and Talent Management

A market study conducted by Kiddy & Partners - Top line findings

January 2012

Purpose and background

Kiddy & Partners undertake a market review every 2 years in order to understand the following:

- What changes, if any, have there been in the demand for assessment and talent management services
- The market perception of Kiddy & Partners
- Criteria for selecting suppliers
- Likely demand for assessment and talent management services in the next year

Sample

- Over 30 businesses were interviewed (none of which were current Kiddy clients)
- The interviewees were HR Directors, Heads of HR, Heads of L&D and Heads of Talent
- The interviewees were from businesses in the following sectors: insurance, professional services, aerospace, retail banking, financial services, travel, retail, electronics, manufacturing, IT, transport and engineering
- The interviews took place between November 2011 and January 2012
- All interviews were conducted by telephone

How has assessment at senior levels changed in the last 1-2 years in terms of demand and design?

- The feedback across all interviews was that there will be more or the same amount of assessment in 2012 than in previous years
- Assessment for development is more of a focus than assessment for selection
- Assessments increasingly used to inform development planning and succession planning and to help with transition
- Most companies want to have more structured assessment in place
- There is a growing demand for outputs from the assessments such as benchmarking
- Smaller companies tend to use assessments for graduate entry or employ a shortened test and interview methodology

How has assessment at senior levels changed in the last 1-2 years in terms of demand and design?

"In the last year, we've gone from nothing to too much. We use it now for screening and it's a focus for recruitment."

HRD, IT

"We like the development centre approach. We use case studies, interviews and in tray exercises with psychometrics for a few."

Leadership and Talent Manager, Aerospace

"We're not very sophisticated at using assessments and there's no appetite for it at senior levels....we are using it for graduates."

HRD, Engineering

"We've seen it more much more from selection to help with transition and development. "

Learning Programme Manager, Card Services

"Focus now is on the right person in the right role. More on evaluation and leadership competencies... assessment for development is a much bigger priority than selection."

HRD, Manufacturing

"We use assessment to identify talent. In 2012 we want to focus more on senior levels and test ability. Benchmarking is a big deal here."

Head of HR, Insurance

"Not done a great deal in the past but in 2011 we used psychometrics for senior managers...The appetite for this is gaining momentum. "

Group Head of Leadership and Talent, Travel

"Senior executive assessment has increased dramatically for selection and development - partly because the FSA demands it. "

Head of HR, Retail Banking

In terms of talent, what are the top 3 talent challenges for your business?

- While everyone saw talent as a priority the main purpose of it varied greatly
- Some see identifying talent as the priority; others are focussing on retention and career pathing; others on segmenting talent and talent processes
- Succession planning came up consistently as a priority in terms of getting the line to take ownership of it and making the plan actually happen
- Many interviewees expressed a sense of frustration that talent processes are not aligned or implemented in a thoughtful way

In terms of talent, what are the top 3 talent challenges for your business?

“Talent is not done in a rigorous way by the line and succession plans are not populated in a thoughtful way. There’s a tendency to go external rather than look for internal talent.”

Head of Assessment, Retail Banking

“Succession planning, career pathing and getting the line to take responsibility for performance management.”

Director of Learning, IT

“We’re looking for consistency and making the plan happen.”

HRD, Retail

“Clearly articulating what we need, how many people we develop... we need to get really good development for our people aligned to the succession plan.”

Group Head of Leadership and Talent, Travel

“The shortage of engineers in Europe overrides everything.”

Head of L&D, Transport

“In the last 3-4 years we’ve had a lot of talent come in to the business so we’re now focussing on development.”

Head of HR, Retail Banking

“Despite the recession retention is still key and development has a big part to play in this. We are focussing on career pathing.”

HRD, Manufacturing

How would you describe Kiddy?

- Nearly all interviewees knew that Kiddy are psychologists
- Many described Kiddy as assessment and talent specialists
- Some (c. half) knew Kiddy also specialise in OD and board development
- Seen as operating in the same space as Kaisei, Korn Ferry and YSC
- Not all interviewees were aware of Kiddy's global capability

How would you describe Kiddy?

“Assessment and board development firm.”

Head of HR, Retail Banking

“I went to one of their breakfasts last year. They came across as being very professional, knowledgeable and good at what they do... I guess I would describe them as assessment specialists.”

HRD, Electronics

“Independent top end firm of consultants. Specialist in executive assessment and OD.”

HRD, Professional Services

“A company of psychologists.”

Head of L&D,
Transport

“Strong competence in assessment... Like their openness and how they make complex subjects simple.”

Leadership and Talent
Manager, Aerospace

“Same space as Korn Ferry... strategic talent and succession. They have a lot of insights and capability”

Group HR Manager, Insurance

“Business psychologists who do assessment. We don't use general consultants just specialists like Kiddy.”

HRD, Professional Services

How does Kiddy compare in terms of strengths and weaknesses against other consultancies you use?

- Kiddy seen as specialist not generalists
- Perceived as being `top end' by some
- Consultants seen as being more senior/credible than other firms
- Seen as having the same or similar strengths to other leading psychologists but with a more practical/commercial approach
- Not everyone is aware of Kiddy's global capability
- Perceptions of Kiddy's size varies

How does Kiddy compare in terms of strengths and weaknesses against other consultancies you use?

“Kiddy consultants are very `with it’ and not smart alecs like [name of big consultancy]. They have a lot of insights and capability. ”

Group HR Manager, Insurance

“Most assessment firms have a common approach ...what differentiates is how they define leadership – what sits behind the assessment. ”

Head of Assessment, Retail Banking

“Pragmatic. ”

HRD, Travel

“Research-focussed ... Maybe too sophisticated for us. ”

Director of Learning, IT

“Kiddy don’t try to do anything outside of what they’re good at – I admire them for that. ”

Learning Programme Manager,
Card Services

How has your use of consultants for assessment and talent changed, if at all, during the last two years?

- Cost does not appear to be an issue – people want more outputs and use of assessments
- Mostly either same use of consultants – or more
- Those with preferred supplier lists envisage little or any change
- Less use of one-off consultants more strategic partnerships with suppliers
- A few businesses said they will be making more use of internal resources in the next year and using less suppliers

How has your use of consultants for assessment and talent changed, if at all, during the last two years?

“We are looking for value and getting the most out of our assessments. We need more value from the data – more insight, more benchmarking.”

HRD, Manufacturing

“Our use of consultants will not change a great deal in 2012.”

HRD, Engineering

“We set up our preferred supplier list some time ago, so no.”

HRD, Retail Banking

“Spend on consultants will definitely be cut next year. A lot of work will be done internally.”

HRD, Professional Services

“The value comes from how you use the results e.g. bench strength profile, what changes are we seeing in our people, how do we compare with competitors.”

Head of HR, Retail Banking

“Same or less – depends on the market.”

Director of Learning, IT

What does good looks like (in terms of consultants)?

- A consistent view was that consultants who take the time to get to know an organisation are the best
- Listening is the most valued attribute
- Skill/expertise is seen as more important than industry knowledge
- Personal credibility is essential

What does good looks like (in terms of consultants)?

“We are looking for value and getting the most out of our assessments. We need more value from the data – more insight, more benchmarking.”

HRD, Manufacturing

“Pragmatic and not always trying to sell you more work.”

Group HR Manager,
Insurance

“I don’t like consultants who try to impose their model on you. Listening is very important.”

HRD, Professional
Services

“I want them to know engineering if they get involved in say, career pathing, but otherwise it’s their expertise I’m looking for, not industry expertise.”

HRD, Engineering

“People who answer the brief, run meetings well and have good credentials.”

Head of L&D, Transport

“We’re looking for Business Psychologists more now, less OD specialists. We want behavioural specialists.”

Leadership and Talent
Manager, Aerospace

“Partnership mindset and deep expertise.”

Learning Programme Manager,
Card Services

“Credibility is key and Kiddy have that.”

Head of HR, Retail Banking

Thank you

Kiddy & Partners

Ariel House

74a Charlotte Street

London W1T 4QJ

United Kingdom

Tel: +44 (0) 20 7399 7460

info@kiddyandpartners.com
