

# **How new technologies in assessment and development drive companies' business results.**

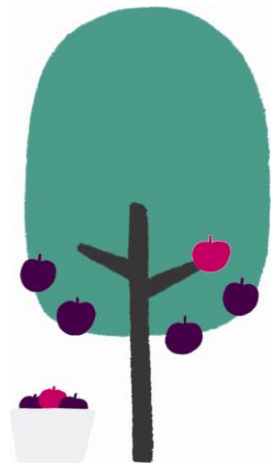
Quality Information | Effective Lobbying | Valuable Networking

*Moderated by:*

**Tatiana Khvatinina,**  
*ATD Subcommittee Chairman*  
*Managing Director*  
*SHL Russia & CIS*

## HR must cope with everyday questions, such as ...

- How do I quickly and objectively hire better people?
- How do I maximize productivity?
- How can we raise awareness and reduce failures?
- What people should be developed and promoted and who should we let go?



## And the more difficult strategic questions ...

*"Is my employer image competitive and appealing for the right candidates?"*

*"Which recruitment channels deliver the best talent?"*

*"When do I lose the most qualified candidates? Before or after our offer? "*

*"Are the graduates that I hire future leaders of my company?"*

*"Do I have the right talent in house to the strategic direction of the organization to change?"*

*"Are any of my teams in jeopardy?"*

## Q. To what extent do you anticipate changes to any of the following areas of your company?



“Talent is now at the top of the CEO Agenda with 83% of CEO’s anticipating making changes to their talent management strategy in 2011”

*PWC, Annual CEO Survey, Feb 2011*

“75% of companies do not have access to the **talent data** they need to make informed **business decisions**”

“75% of companies have visibility into their defined business goals but only 21% know if they have the skills to execute it”

– *Taleo, Talent Intelligence Report , March 2011*

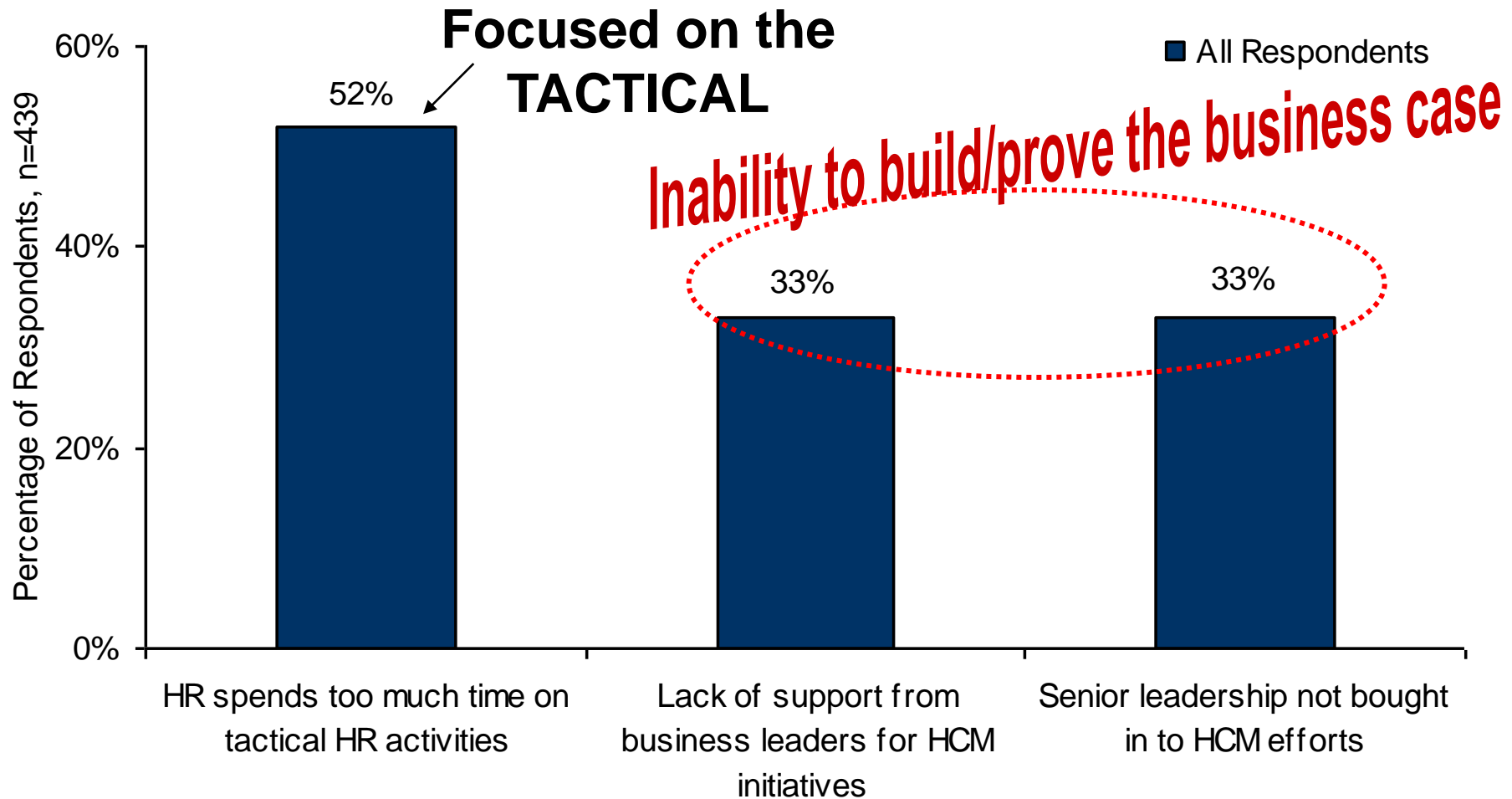


# HR requires more business strategic and bottom-line solutions

	Yes
My organisation views HR as a strategic function	74%
My organisation considers people decisions (hiring, promotion) in the context of business objectives	83%
My organisation uses information about talent to make business decisions	48%
Our organisation's competency model is being used effectively as part of our overall employee lifecycle (from hiring to development to promotion)	43%
Our competency model serves as the basis for our job descriptions and required qualifications	57%
We base all assessment programmes for selection, promotion and/or development on our competency model	48%
In general, my organisation is focusing more on developing talent internally than on hiring externally	53%
We are currently recruiting for more open positions organisation-wide as compared to last year	39%
We expect it will become increasingly challenging to recruit and hire talented individuals for key positions in the coming year	64%

- 80% of respondents indicated that their organization decisions about talent links to the business objectives
- Less than half indicated to use this information to control decisions that the organization takes

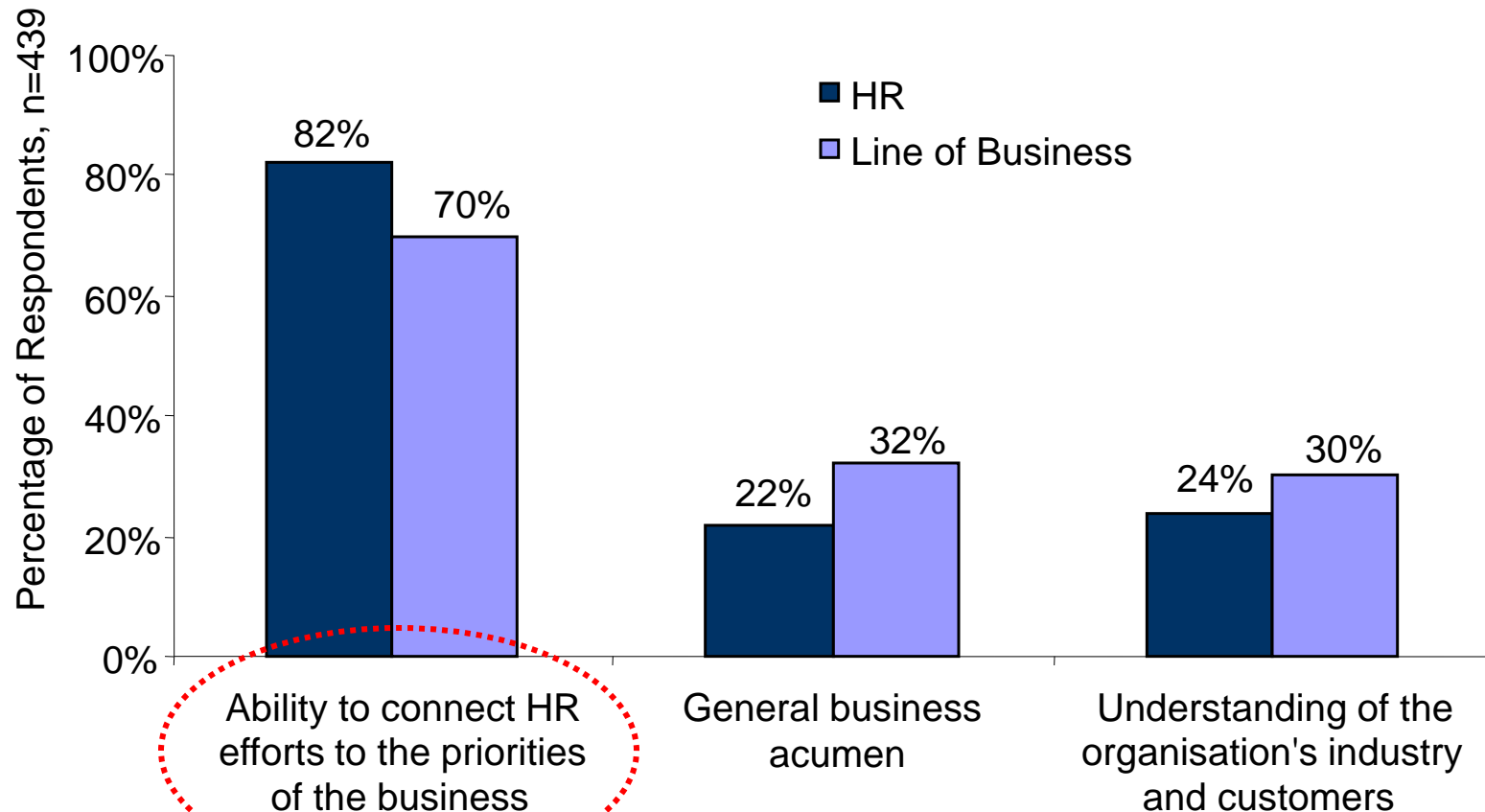
# Biggest obstacles for strategic impact of HR



Source: Aberdeen Group, 2011 HR Executive's Agenda



# Crucial skills of an HR leader



Source: Aberdeen Group, 2011 HR Executive's Agenda

SHL collects three tiers of data on how organisations benefit from People Intelligence:

- **Business outcome** – quantitative validated benefit on key business metrics, as documented in this report.
- **Business impact** – quantitative ‘before and after’ comparison of business metrics
- **Business satisfaction** – review of qualitative feedback from customer



# Sample Talent Audit Outcomes

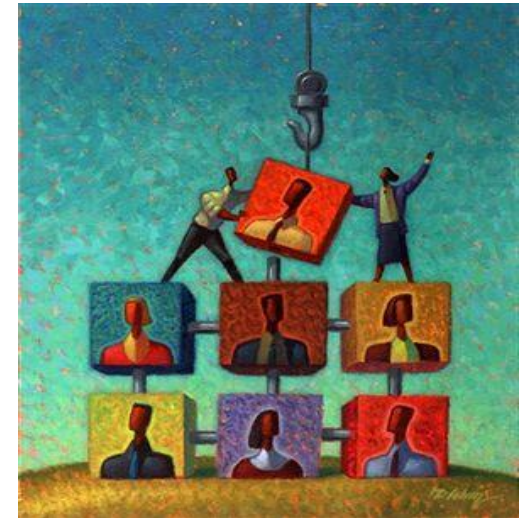


- **Retention of high-potential managers has improved** by 18% in the 12 months since the intervention saving approx \$250,000 in external recruitment costs.
- The analysis of results across the group enabled T&D **spend to be more focused on areas of greatest need** and potential return
- 61% of managers and 60% of HR Business Partners indicated that they feel **much better equipped** to make promotion and succession planning decisions over the next few years.
- 66% of participants reported that the assessment experience and feedback will **help them to improve their leadership skills**.
- The individual assessment results enabled the organization to **identify high-potential talent** in a much more consistent and objective manner.

*\* Actual outcomes from Hertz Talent Audit*

## Managers identified as ‘Talented’ through Talent Audit:

- Achieved sales at 140% higher rate while promoting 59% higher employee engagement
- Provided 15% more sales and add £1.18 million to the bottom line in only six months
- Led stores that were three times as likely to be identified as “top performers”
- Drove £37 million more in sales for one retail organisation



## Background

Marks & Spencer is a household name in the UK, and is one of the best-loved retail brands in the country. It has over 300 stores in the UK, plus 150 stores internationally.

## Challenge

Marks & Spencer store managers found their recruitment process was too expensive and inefficient, they wanted to improve the calibre of people, in order to gain competitive advantage.

## Solution

SHL worked with Marks & Spencer to develop its own unique Talent Screener, a series of job relevant, scenarios-based and attitudinal questions that could measure the innate talents that the company, along with SHL, had identified as critical for success in the role.

## Results

- 33% increase in applicants screened out early in the process
- 45% increase in success rate at interview
- 18% reduction in applicants failing to attend interview
- 61% reduction in cost per applicant contracted
- So far this has saved Marks & Spencer over £1.5 million in recruitment costs.
- 75% of line managers rated the performance of employees selected using the new process as 'Better'
- 76% of those that scored highly in the initial screening went on to be rated as 'exceeding' or 'outstanding' in their first six-month appraisal.



# A measurable return

The Association of European Businesses



**33%** increase in applicants screened out early in the process resulting in the need to interview fewer candidates [from 6-12] (M&S)

The interview-to-hire cycle was **reduced from several days** to 24 hours (Neiman Marcus's HRIS system)

**Saved 25 hours** a week of HR admin time (Platform home loans)



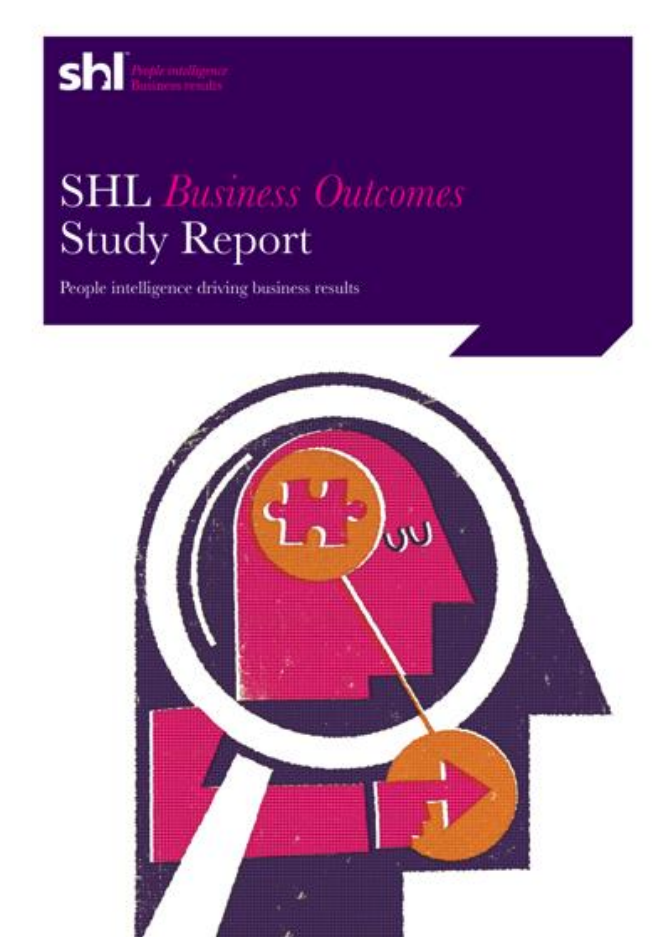
line managers are only having to interview an **average of six** candidates as opposed to 20, in order to reach the most suitable Volume hires. (Xerox)

a **61% reduction** in cost per applicant contracted - £53.10 x 30k recruits = **£1.6M saving** (M&S)

The successful candidate strike rate **increased** by 20% (Milward Brown – Verify)

The integration of the online ability assessments significantly **reduced** the selection process time by up to 89%. (Dickinson Dees)

# Over 200 business outcome studies in 6 years





The top 30% of employees on the DSI are almost **twice as likely** to receive a rating of 4 or 5 from the Interview.

Those in the top quartile Delivering Results & Meeting and Following Instructions and Procedures were **FIVE TIMES** more likely to deliver accurate management information.

Number of non-starters has decreased by 36%, which equates to an **annual cost saving of \$1.23 million**

Higher Scoring Consumer Sales Representatives are:

- Twice as likely to achieve top scores on Overall Value.
- Almost twice as likely to achieve top scores on Inbound Conversion.
- Much more likely to achieve top scores on revenue per hour, average handle time, and compliance.
- More likely to stay in the role after first 30 days.

Sales people with average and high CCSQ Sales Potential scores achieved **39 more car orders a year**.

Percentage of employees terminated within their first year has decreased by 40%, leading to an **annual cost saving of \$986,000**

Account Managers who performed well on the OPQ Sales Report scales were up to **six times** more likely to be rated as high performing.

Those recruited through the new hiring process are 10% less likely to take unscheduled leave, resulting in an **annual cost saving of \$1.07 million**.

Employees with an Overall PJM score in the top 25% are nearly **5 times** more likely to receive a high Performance Appraisal score.



## **Mobilizing internal leadership to drive Rosatom globalization**

**Irina Zarina**

*Head of consulting SHL Russia & CIS*

**Larisa Strutskaya**

*HR Director, Rusatom Overseas ZAO*



ROSATOM

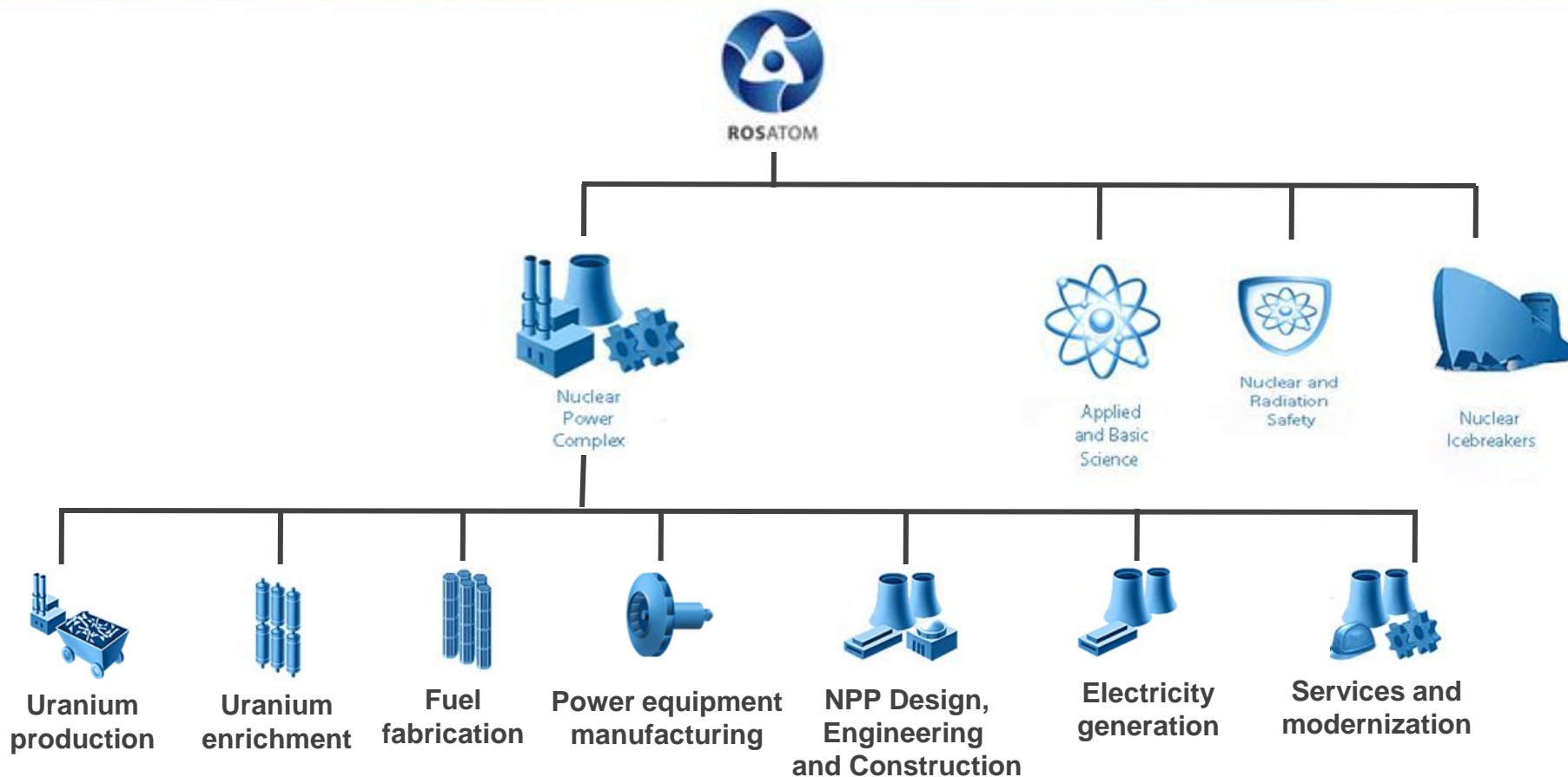
STATE ATOMIC ENERGY CORPORATION "ROSATOM"

# **State Corporation Rosatom Approach to Global Talent Development**

*Larissa Strutskaya, PhD*  
*HR Director, Rusatom Overseas*

December 10, 2012

# Fully Integrated Nuclear Technology Company



# ROSATOM: new challenges

## Strategy-related HR challenges:

- Provide global infrastructure for expanding Rosatom business abroad
- Provide a pipeline of talent to lead new strategic initiatives
- Increase engagement of human resources to maximize organizational performance keeping safety as a key value
- Develop technical and leadership competencies of Rosatom workforce to provide safety and growth

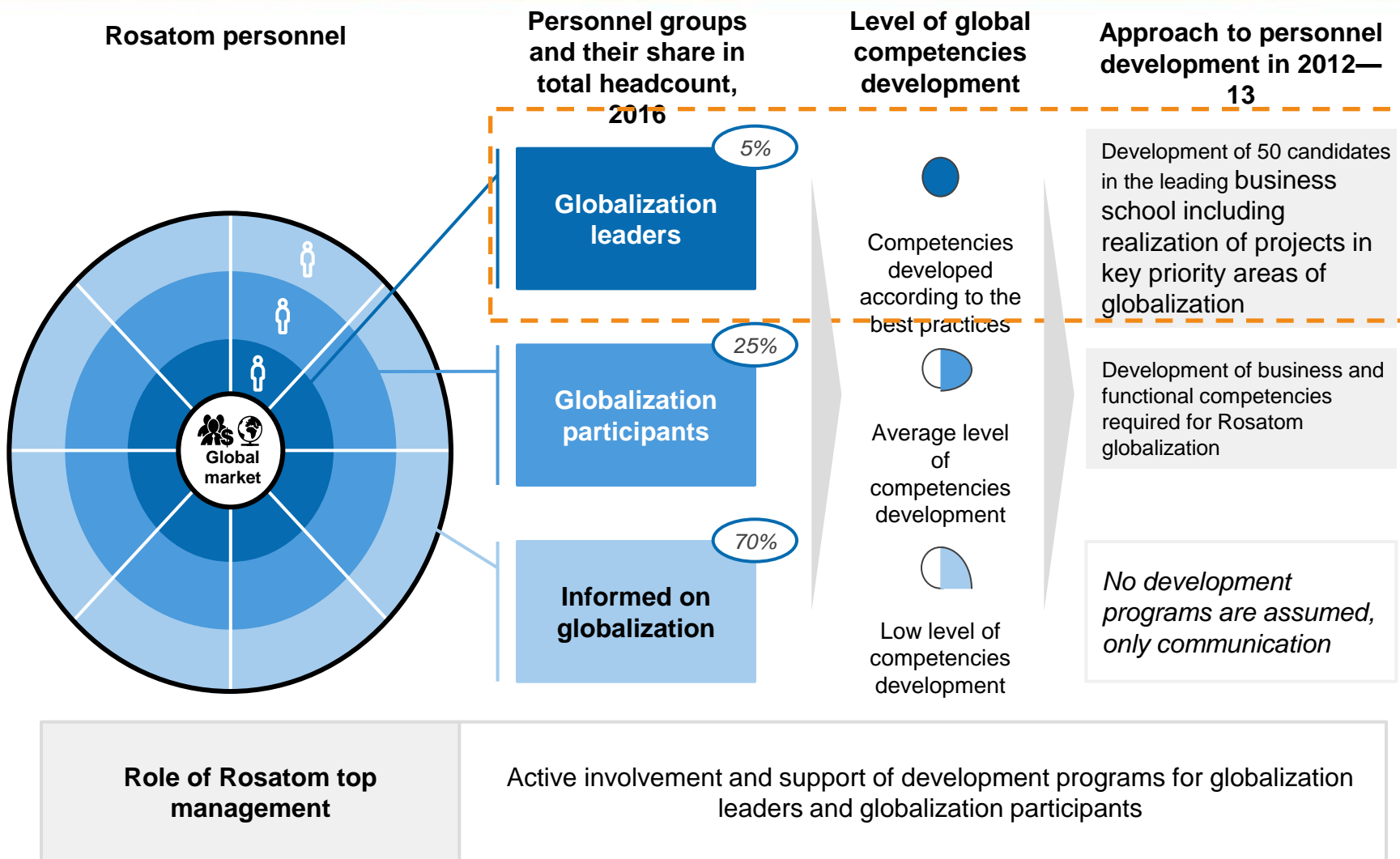


## To meet those new challenges:

- 50 high potential English speaking managers were selected and are trained to become global leaders
- Key professional/technical competencies have been identified and described; 160 professionals have been selected to be trained to become global experts
- Performance management, succession planning and leadership development programs are being implemented
- Engagement of staff has been measured in 45 biggest companies of Rosatom group for two subsequent years; there is some progress but still key issues need to be addressed
- The HR management expertise we apply in Russia can be applied as part of our integrated solution to our customers and partners



# In order to achieve globalization targets Rosatom plans to develop its personnel, especially globalization leaders



# Rosatom launched an International Talent Development Program in 2012

## I. Information

Promotion Campaign

Self-nomination

Received around 600 applications

## II. Evaluation Selection

47 participants:  
Strategy, Finance, Marketing,  
Engineers, HR, PR, Logistics,  
Supply Chain

Rosatom Personnel

Selection criteria

- Leadership competencies
- Career and development motivated
- Fluent English
- Experienced in international projects
- Industrial experience
- Managerial experience

Global Leaders

Global Professionals

150—160 finalists

## III. Development Program

Development Program  
Implemented jointly with the  
Leading School

Professors from the  
Leading Business Schools  
of the World  
3-5 key projects selected  
and developed during the  
Program  
Development visits to  
partnership companies

Corporate Academy

Trainings and Master  
Classes  
On 6 key professional areas

## IV. Integration

Global Leaders

3—5 projects  
implemented  
during the  
Program

Regular Alumni  
events

Global Leaders  
Workshop

Global Professionals

## Management's role

Providing  
References

Providing Support and motivation

Projects Sponsorship

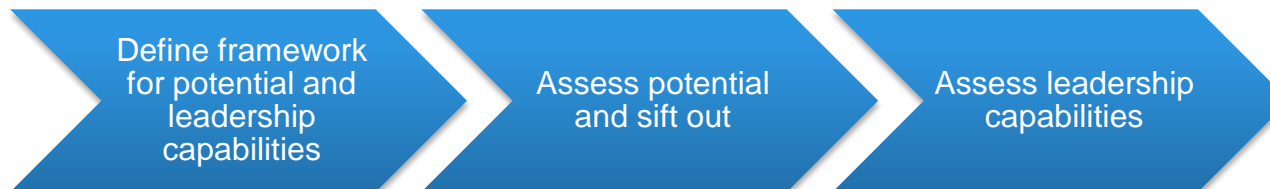
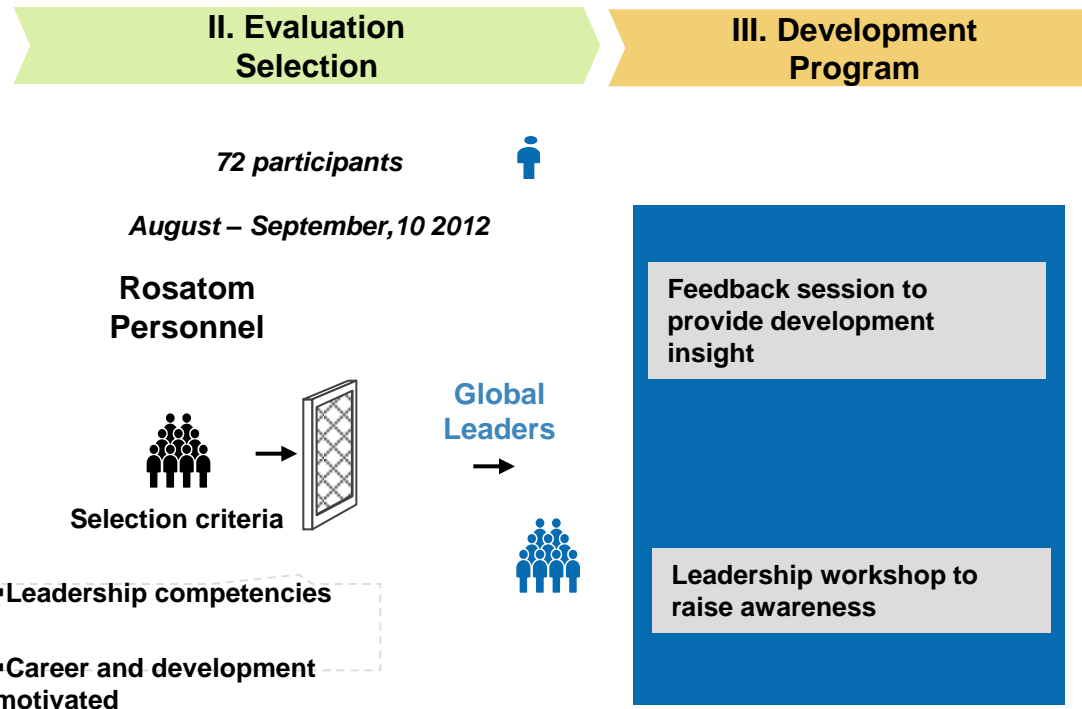
Nominations

# Identifying talent

- **At an operational level (a company):**
  - Performance results (competencies and KPI)
  - Management feedback
  - Competency-based application to leadership development programme
  - Aptitude testing
  - Mobility
- **At the divisional and headquarters' levels**
  - Performance results (competencies and KPI)
  - Project leadership results
  - Aptitude testing
  - Assessment centre results



# SHL Part in an International Talent Development Program in 2012





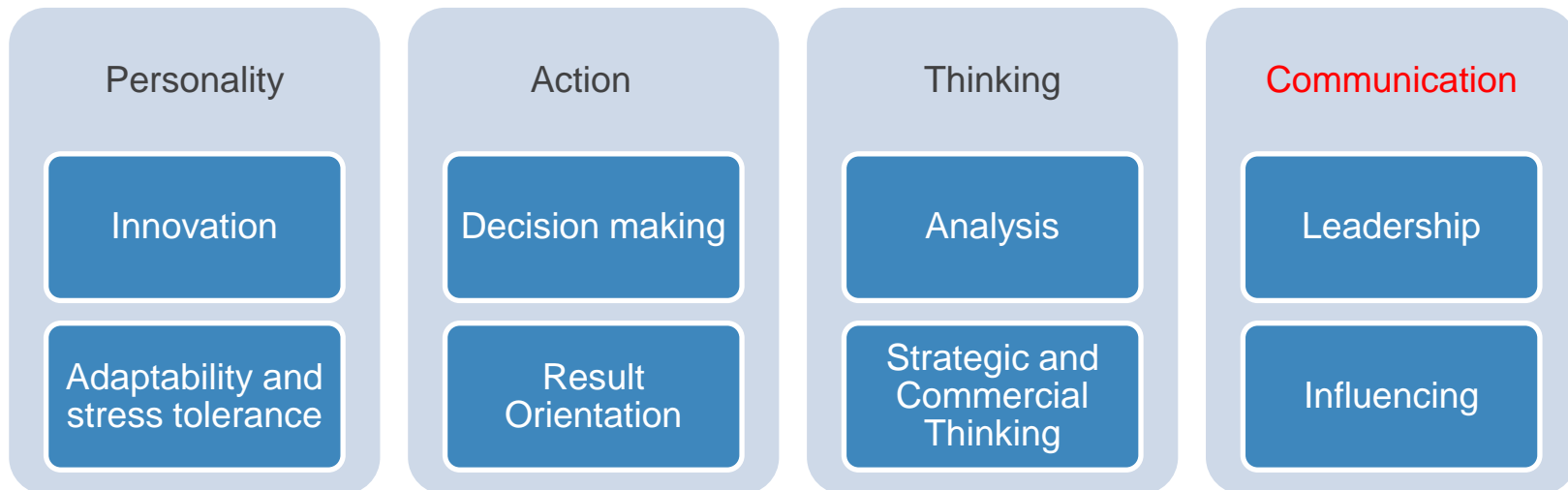
# Leadership Competencies Framework

## Framework to define:

- Potential to lead
- Ability to drive change
- Agility
- Sensitivity to differences



## To meet future business needs



# Sift out and Select in! Selection Process

## On-line (SHL on Demand)

- Ability tests (**Verify**) verbal and numerical computation skills
- Questionnaires (OPQ) and Motivational (MQ)

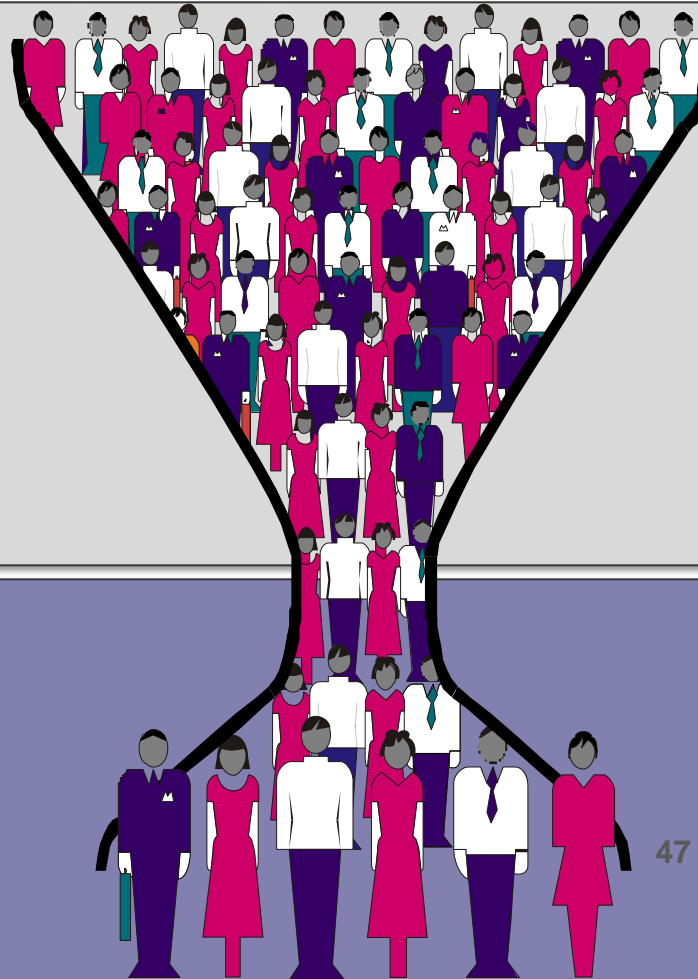
**Sift out!**

400 applicants  
1 month

- Brainstorm test
- Assessment simulations
- Competency-based and validation Interview

**Select in!**

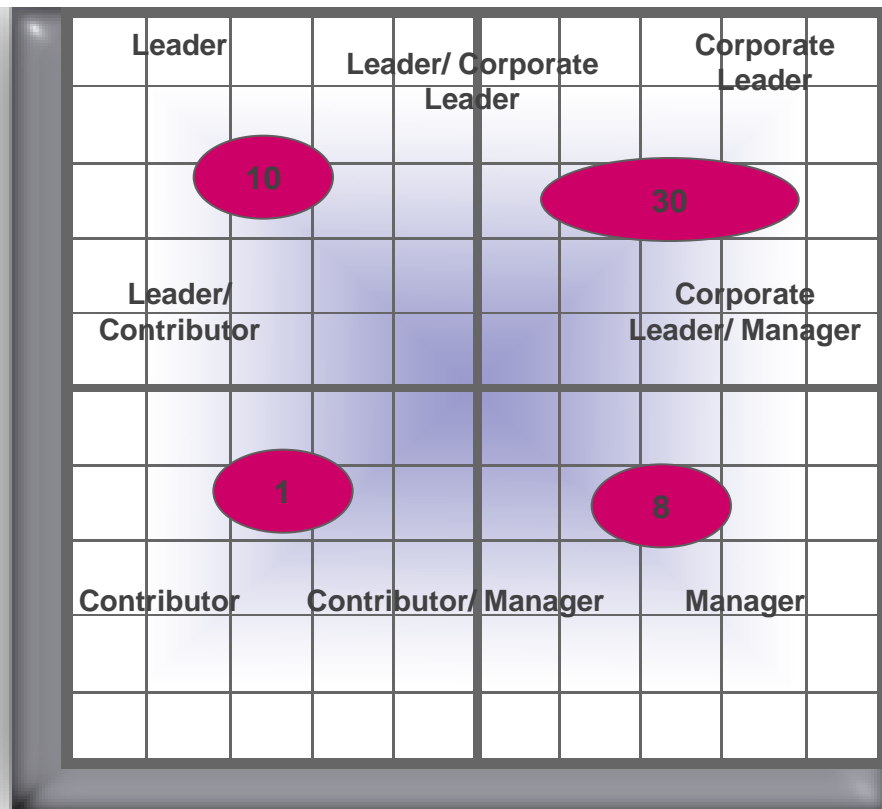
72 applicants incl  
47 nominees (development programme)



# Raising Awareness

- Feedback the same day
- Defining leadership type (inclination to specific leadership behaviour)
- Consolidate and discuss

Transformational Leadership



Transactional Management

# Program Structure and Contents = MiniMBA in Moscow School of Management Skolkovo

5 modules  
within 8 months

2 international  
company visits

3-5 projects  
developed

External  
and Internal  
expertise

Management'  
sponsorship

October 2012- November 2013



# During the first module of training in October 2012 Rosatom top managers and global experts made their contribution to the program



Maurice SAIAS,

IAE Aix-en-Provence

***“You are fantastic group!  
You are the best group I  
have met in Russia, I  
enjoyed working with  
you, you have made my  
day. I wish Rosatom  
becomes the first  
transnational nuclear  
company in the world  
and if you send me a  
message informing me  
about that — ‘Hey,  
Morris, we have done it!’  
— You will make my life!  
Thank you very much!”***



# Rosatom plans to use nuclear partners' network for cooperation in talent development

❖ **JOINT EFFORTS IN IMPLEMENTING THE PROJECTS: REPUTATION AND GLOBAL HUMAN CAPITAL**

❖ **SITE AND DEVELOPMENT VISITS IN THE 2nd QUARTER OF 2013**

❖ **JOINT SITE AND NETWORK**

❖ **OUT OF THE BOX ACTIVITIES: FOOTBALL, TRAVELLING**



**Thank You for Your Attention!**

**Larissa Strutskaya**

HR Director, Head of Global HR Programs  
JSC “Rosatom Overseas”

**E-mail:** [LaMStrutskaya@rosatom.ru](mailto:LaMStrutskaya@rosatom.ru)

**Phone:** +7 (910) 0194292

***Values-based mass-recruitment: Developing a High Fidelity Cartoon Situational Judgement Test for Sberbank-Talents.ru.***

**Alexander Lebedinskiy**

*Technology Expert, Sberbank*

**Eugene Lurie**

*Head of Assessment Technology*

*Development,*

*ECOPSY Consulting*





**SBERBANK**

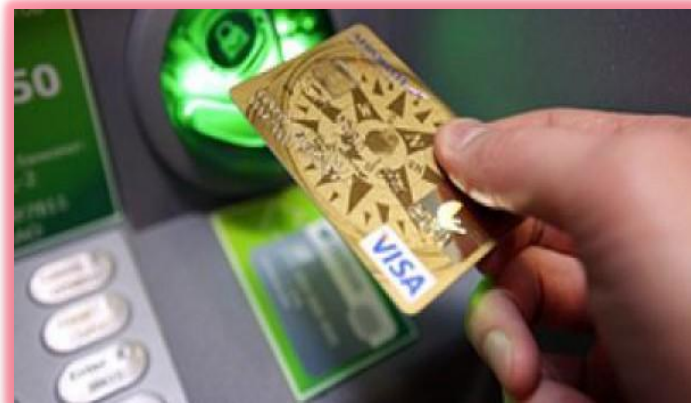
*By your side*

**Values-based mass-  
recruitment:** Developing a  
High Fidelity Cartoon  
Situational Judgment Test for  
Sberbank-Talents.ru

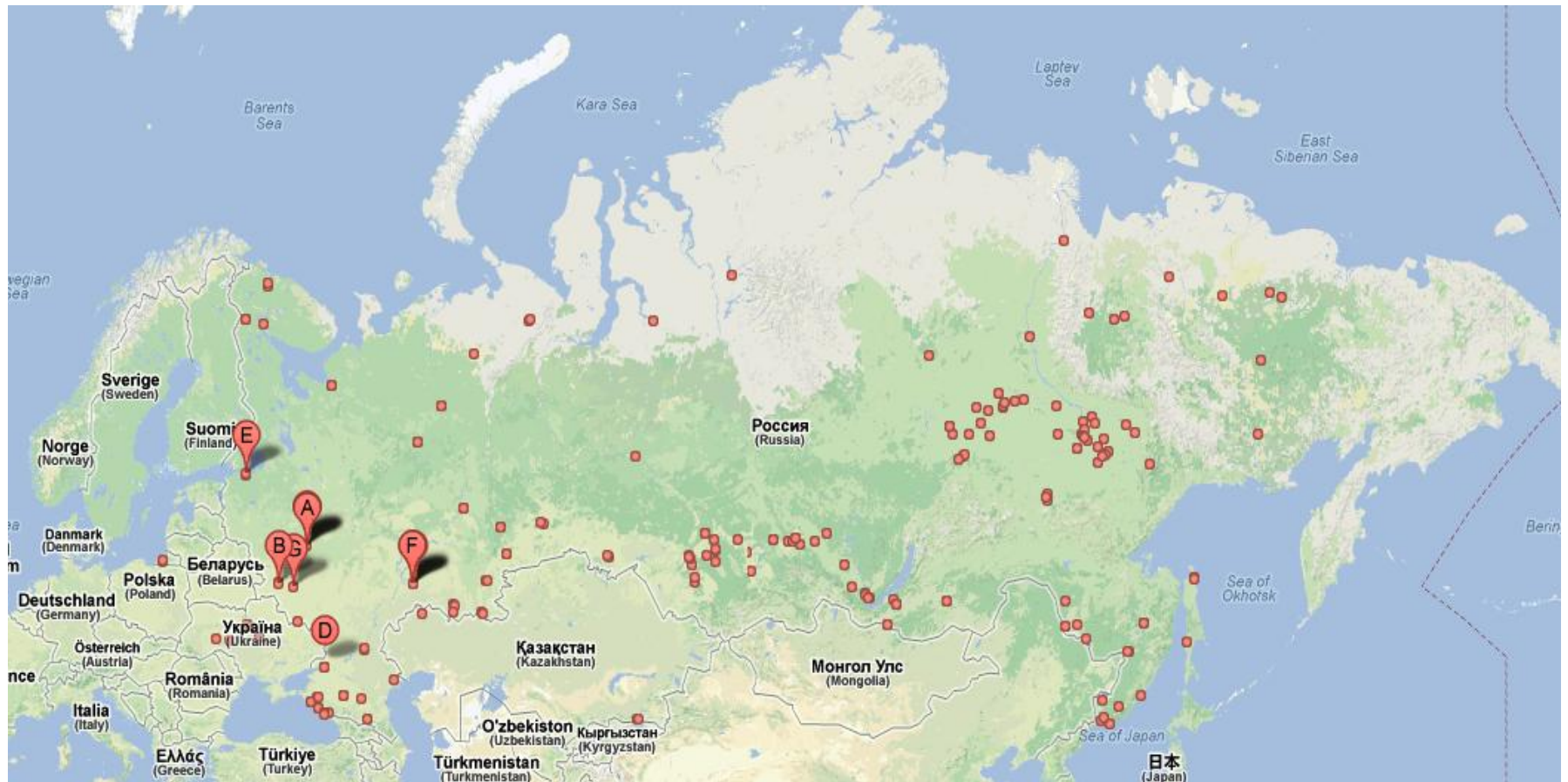
# Agenda

- ▼ Pre-story: situation & needs
- ▼ Project design
- ▼ Results: implementation & validity study

## Pre-story









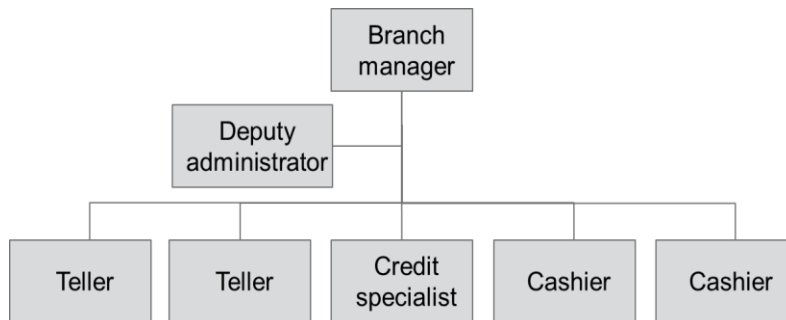
# 1 Greatest change of the management style & modalities



# 2 Other reasons (including redundancy and retirement)



## Target job positions



Local HQ

Total Staff ≈ **240 000**

18 000 br. ≈ **45%** of the total amount of all Russian branches

## New instruments: why do we need them?



**SBERBANK**  
By your side

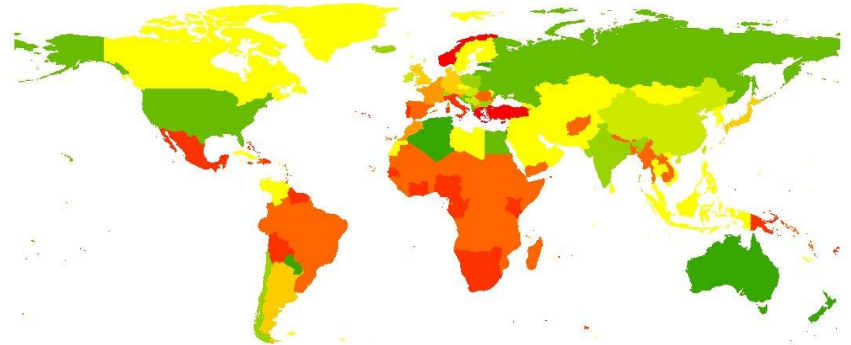
**ECOPSY**  
CONSULTING

### ▼ Legacy of 1990s

- ▼ Demographic crisis lowered percentage of hireable people
- ▼ “Brain drain”
- ▼ Low quality of education
- ▼ No international experience

### ▼ We world is changing

- ▼ High competition
- ▼ Global market
- ▼ New technologies and professions
- ▼ We have to hire “best of the best”



# Solution: Sberbank-Talents.ru



- ✓ up to **5 million** candidates
- ✓ up to **100,000** unique users per day
- ✓ **all vacant positions** of Sberbank in one database
- ✓ business with **total control** over Portal
- ✓ flexible highly adaptable **matrix structure**
- ✓ **new technologies** in recruiting

**Stage 1** of implementation

03.2012 – 11.2012

**DONE!**

**Stage 2** of implementation

11.2012 – 06.2013





- Easy registration through social networks account



- Access to all Sberbank's open positions:

- ✓ navigation test
- ✓ unlimited search
- ✓ automatic geo-tagging



- Automatic notification system
- Complete information about career perspectives at Sberbank



- Optimization and automation of business processes:
  - ✓ complete database of Sberbank's positions
  - ✓ single point of entry for candidates from internet
  - ✓ candidates assessment on early stages (with intellectual tests, motivation case-test and games)
- Crowd-staffing: assessment of candidates activity in social media 
- Engaging target groups through advertisement in top internet recourses 
- Employer branding
  - ✓ modern versatile information platform
  - ✓ easy access and user-friendly interface

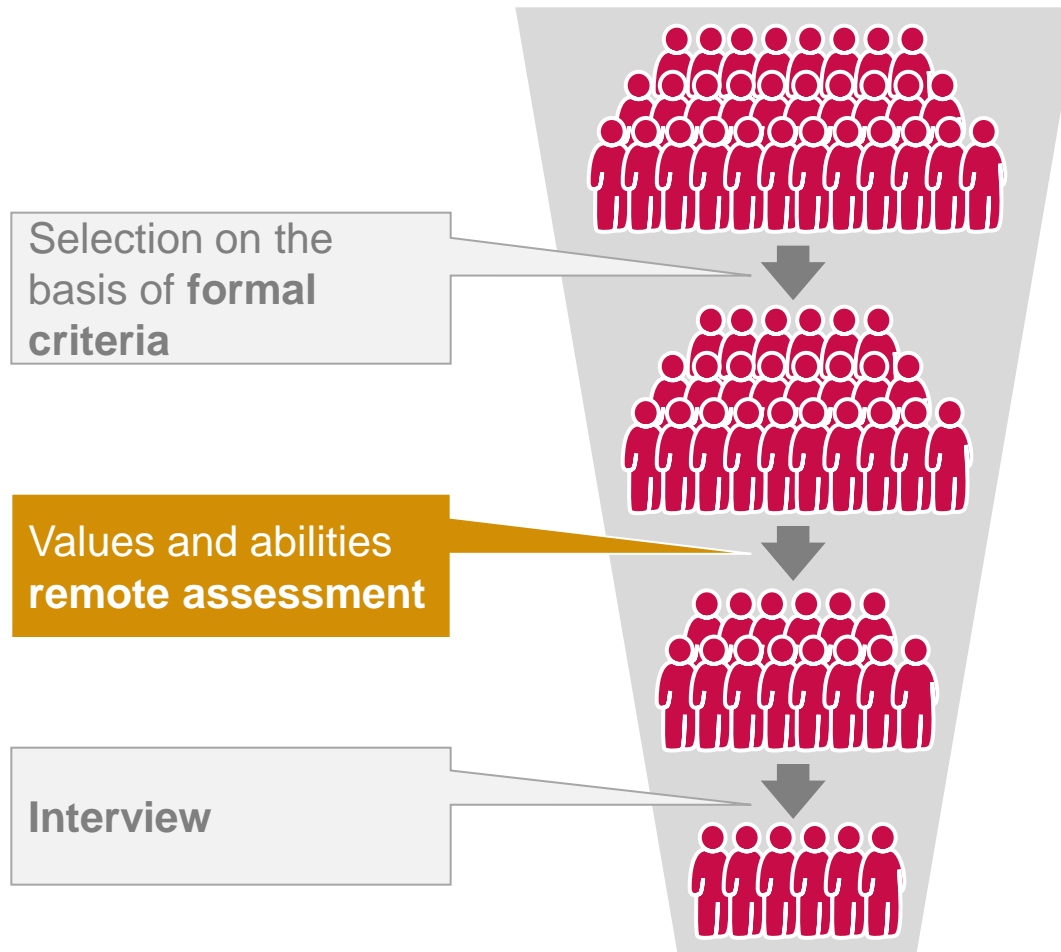


# Multi-stage assessment sift-through



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*By your side*

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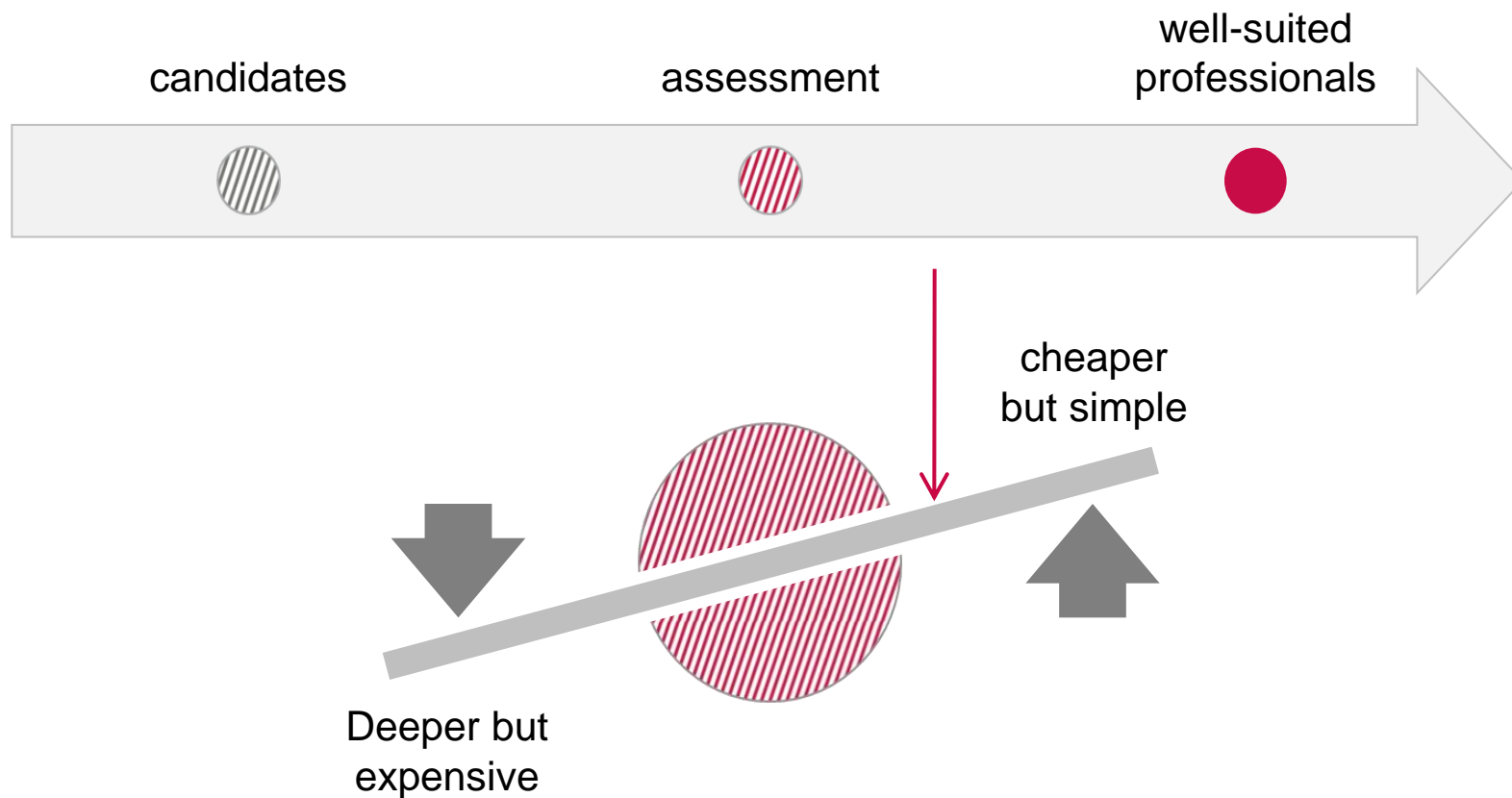
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# Dilemma



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## Key Sberbank values

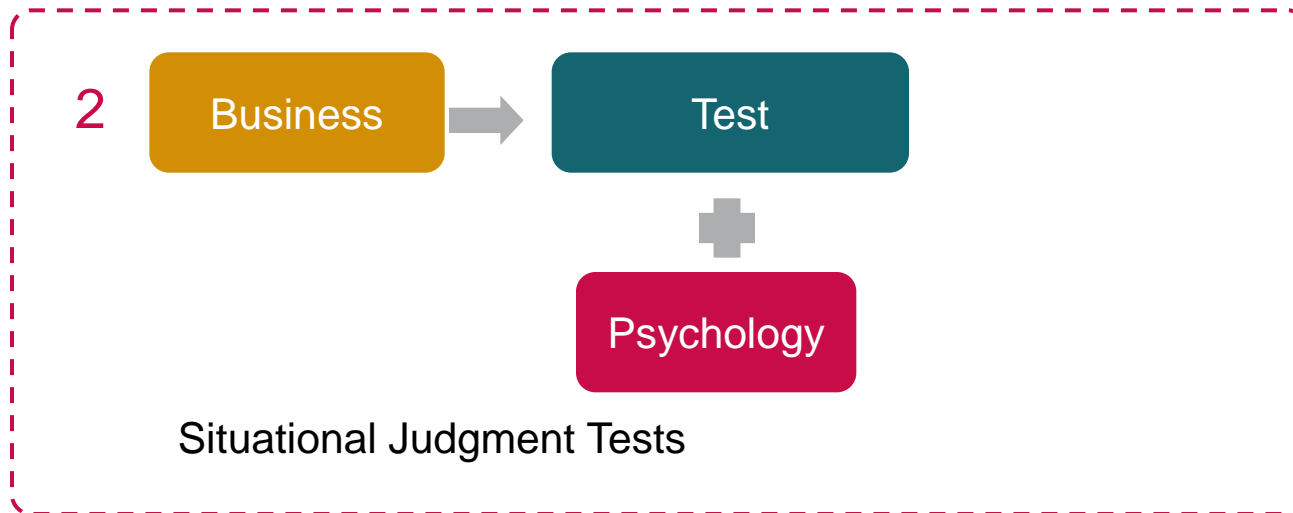
- ▼ Initiative
- ▼ Responsibility
- ▼ Customer orientation



## Two different test development approaches



Ability tests, motiv. questionnaires



Situational Judgment Tests

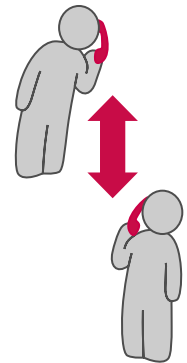
# Situational Judgment Tests (SJT)



**SBERBANK**  
*By your side*

**ECOPSY**  
CONSULTING

- ▼ An applicant is presented with a situation and asked what he/she would do
- ▼ SJT items are typically in a multiple choice format: items have a stem and various item responses (options)
- ▼ Different formats: paper & pencil, computer, cartoon & video
- ▼ Fidelity = Extent to which format of stimulus (item stem) and response (options) is consistent with how situation is in a work setting





## Вопрос 3

Клиент обратился в Банк с претензией. Три дня назад он положил деньги на кредитную карту, но деньги до сих пор не поступили. Он возмущается и требует, чтобы деньги поступили сегодня же. Ваши действия?

Выберите один вариант ответа:

- Успокою клиента и объясню что, решением проблемы занимается соответствующее подразделение. Ему не стоит волноваться. Деньги в любом случае поступят на счет.
- Успокою и попрошу клиента оставить контакты. Пообещаю связаться с ним как только выясню причину проблемы и срок поступления денег на счет.
- Успокою клиента. Попрошу клиентов в очереди перейти к другому окну. Попытаюсь выяснить подробности инцидента, свяжусь с ответственным за операцию подразделением, и выясню причины возникновения ошибки и сроки ее решения.
- Скажу клиенту, что действительно случаются такие проблемы, но их решением занимается соответствующее подразделение. Дам контакты и порекомендую обратиться напрямую к ним.

Ответить

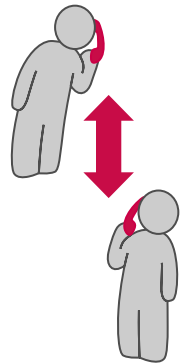
Response options

Stem (job related situation)



## Why they are so popular?

- ▼ People respond favorably to SJTs because they perceive SJTs to be job-related - high face validity
- ▼ Emerging body research, popularity US & UK
- ▼ SJT have significant criterion-related validity (.56)
- ▼ Have incremental validity over and above cognitive ability & personality tests
- ▼ Broaden competencies (interpersonal) measured
- ▼ Have good acceptance by applicants
- ▼ Large groups





Values Scale

Motivation Scale

Career Guidance  
(Analytics, Sales, Support)

General  
score



# Test Results



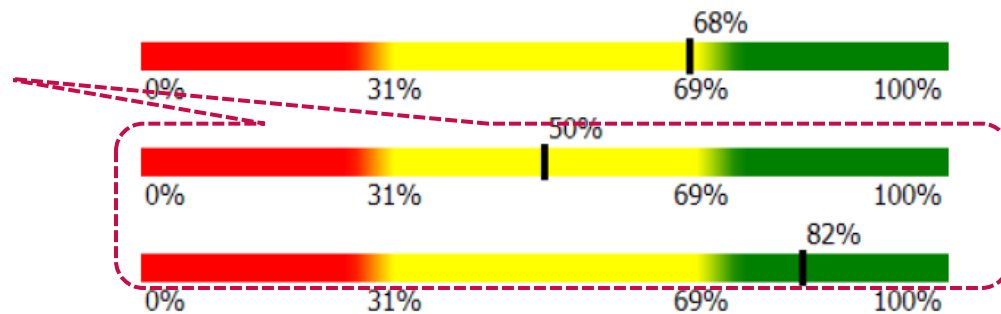
**SBERBANK**  
*By your side*

**ECOPSY**  
CONSULTING

**Total  
Score  
Values**

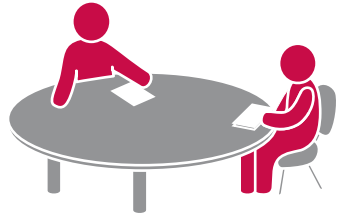
**Motivation**

**Career  
Guidance**



Informational Analysis, Sales

## Test development



Interviews with management, HR and PR

**Result:** criteria



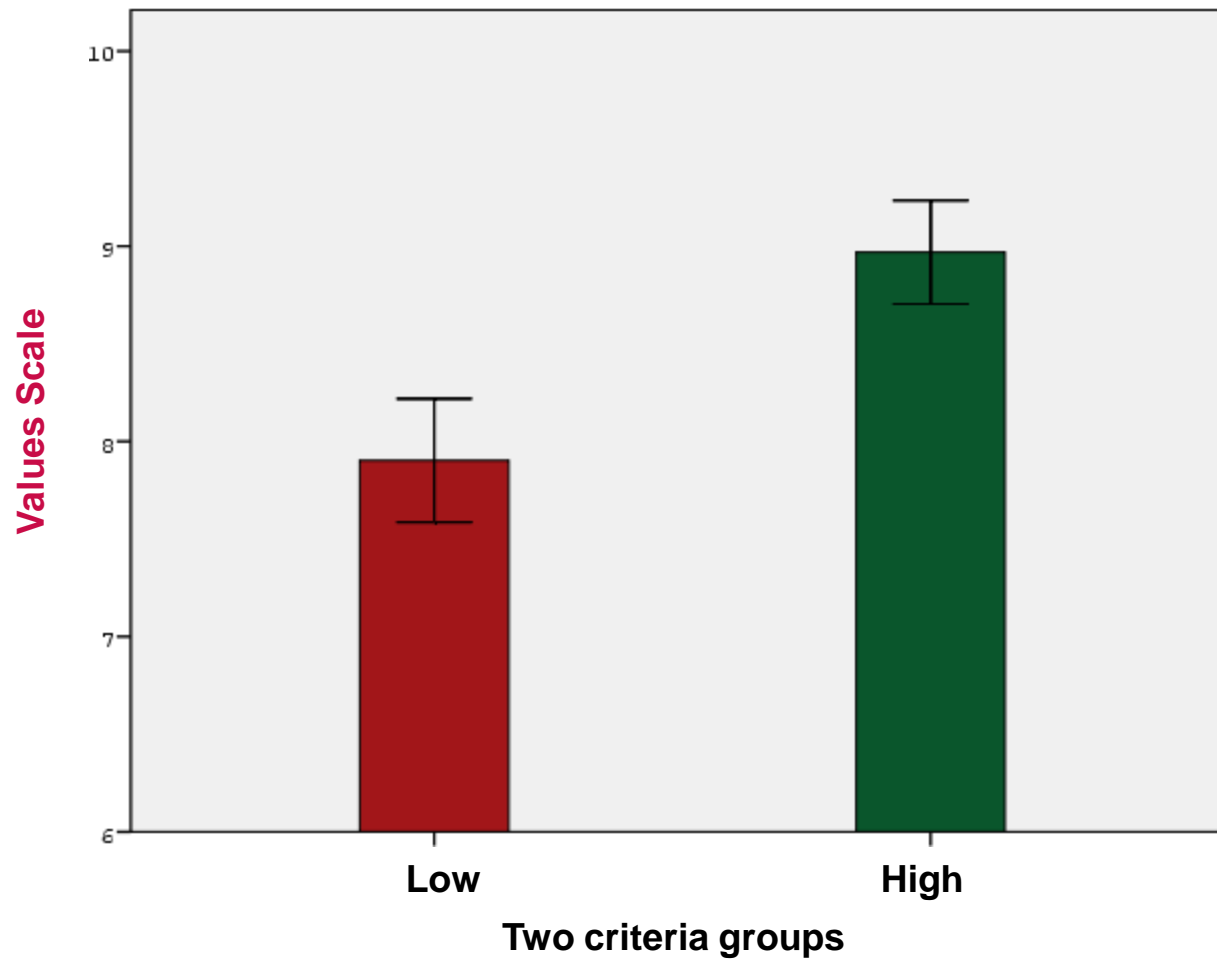
Sessions with low level managers

**Result:** specific content



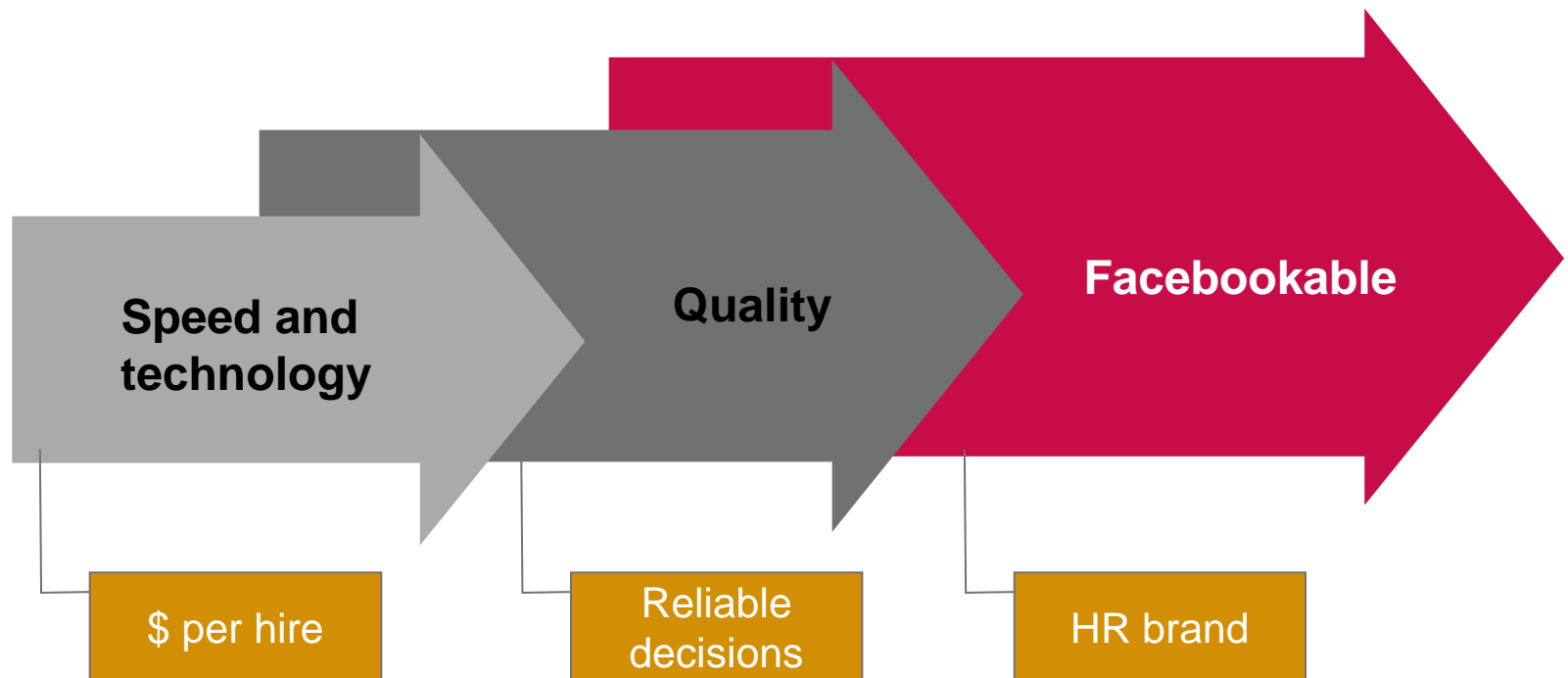
Two validation research stages. N = 581

**Result:** high-suited instrument



**N = 581**

## Assessment in XXI century



# Summary

- ▼ **Pre-story:** emerging HR challenges
- ▼ **Solution:** Career Portal & High-Fidelity SJT
- ▼ **Results:**
  - ▼ Implemented
  - ▼ **Benchmarking quality**



Questions?



- *Open event*

# ***Questions & Answers***



**The Association of European Businesses (AEB)**

Ul. Krasnoproletarskya 16, bld.3

127473 Moscow, Russia

Tel.: +7 (495) 234 27 64

[www.aebrus.ru](http://www.aebrus.ru)