

A woman with long brown hair, wearing a white blazer and a light green skirt, stands in a grassy field. She is looking up at a bright blue sky where the continents of the world are formed by white, fluffy clouds. The scene is peaceful and evokes a sense of global perspective and future vision.

# SIS White Paper: Trends in Talent Management

January 2012

SIS International Research

# Background

SIS International Research conducted a qualitative industry trend study across the United States among senior HR executives at small, midsize and large companies on the topic of talent management. This market study was conducted from August-November 2011.

The study's objectives were:

- ◆ To better understand customer needs for applicant and employee talent assessments
- ◆ To identify the latest HR industry trends that will impact talent assessments
  - Customer trends
  - Emerging technologies
  - Increasing use of mobile platforms, [e.g., smart phones, tablets, laptops]



## Executive Summary

Companies are increasingly using data mining tools to better predict the relationship between applicant assessment results and future job “fit” and performance. Off-the-shelf assessments are becoming both more numerous and more targeted.

Differing Value Propositions

- ◆ Large Companies
  - Pushing assessments earlier in the recruiting process to limit the number of candidates that need to be reviewed by a live recruiter or hiring manager
  - Core value propositions revolve around cost savings [i.e., decreased screening labor, improved productivity (or other business outcomes)]
- ◆ Small Companies
  - Using assessments to evaluate the quality of candidates
  - Core value propositions revolve around culture match (soft skills) and job fit (soft & hard skills)

***“Companies see significant losses due to hiring workers who can’t perform their assigned job or quit prematurely.”***  
**– HR consultant (assessment developer)**

Companies are increasingly providing a high-fidelity, media-based experience to job candidates. Key goals are to make easier connections with applicants via social media, video, and mobile applications

Companies are looking for useful social media tools that stand out – to generate more referrals and to map out individual networks. According to a number of observers, no one has found the “killer app” yet.

*“Almost all the products I looked at are trying to integrate social media into recruiting. To me this is mostly hype.”*  
– Recruiter

Respondents mentioned increasing use of mobile testing, at least for initial applications. The benefits witnessed were that tests could be given to more candidates, and they can be reached anywhere. Other benefits cited were an increase in the availability of data on candidates, and test materials becoming cheaper to create and administer. Respondents considered mobile devices and videos as key media. The goal is to make easier connections with applicants.

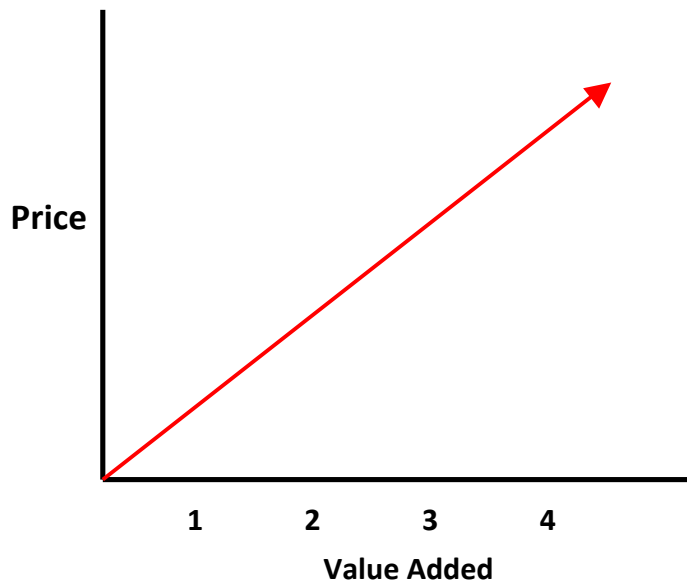
Companies are increasingly requesting for applicant assessments to deliver a demonstrable ROI. For this reason, assessment tools are being used earlier in the hiring process. HR is less willing to spend money on people not likely to be hired. The most important trend is the continued refining of assessment tools to be more predictive of job performance. High volume recruiting produces extensive amounts of data – potential for use of very sophisticated predictive models. A common priority is to increase the validation between test scores and job performance.

Respondents largely noted that pricing is becoming increasingly competitive.

*“Over the last 10 years, assessments have been getting more and more commoditized”*  
– Chief Scientist, acquisition solutions provider

To hiring companies, the value delivered by the assessments tools is more important than the price of the technology:

1. Standardized tests
2. Semi-custom tests
3. Custom tests
4. Talent Strategy providers – full range of products to monitor talent acquisition & job performance



## Summary

Today's Human Resources departments are being pushed in new directions, due to the continued jobless recovery, the expectations of the emerging Millennials in the workforce, as well as the introduction and refinement of new technologies. Companies are increasingly moving to online assessments, believing them to be less costly and time-consuming. In addition, corporate branding is becoming an integral part of the application experience. As a result, social media platforms are becoming an important tool to attract applicants.

Mobile platforms are adding to the increasing complexity of attracting and assessing applicants, pushing many HR professionals to look for new ways to assess applicant suitability for the workplace.

### About SIS International Research

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SIS International Research is a global research firm specializing in market research and market intelligence. Established in 1984, the SIS global coverage spans over 120 countries in Europe, North America, Latin America, Asia and the Middle East.

Our core competency lies in the strategic analysis of global trends, market segmentation and emerging markets opportunities. Our sector coverage includes B2B, Consumer, Pharmaceuticals, Technology, Transportation, and the Service and Education sector.

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