career connections®

2019

Thought
Leadership

Case Study

Identifying and Developing High Potential Graduate Talent in the Financial Sector

career connections

Introduction

Recently, Career Connections partnered with one of East Africa's largest banks to support the talent management team to identify management trainees from the bank's vast pool of talent in non-management roles. Internally, the bank had high potential talent.

The bank approached Career Connections to support in the designing of an objective process that would be used to identify the high potential candidates for the management trainee programme.

The Challenge

For the bank, a management trainee selection process is not simply a recruitment campaign but a process that is focused on personal development and building self-awareness for all the successful and unsuccessful participants. It had been a few years since the bank had conducted its last programme. This posed both a challenge as well as an advantage for the organisation.

There was an immensely large talent pool for the bank to consider, which solved the typical challenge of having to explore the talent market to find the prospective candidates. However, a selection process of this magnitude would be a logistical nightmare given the massive numbers of the candidates and the limited timescales within which the programme was meant to be conducted.

Following discussions with key stakeholders to align on the project deliverables, Career Connections proposed a comprehensive management trainee identification plan designed to ensure: simplicity, speed, transparency and objectivity throughout the entire process.

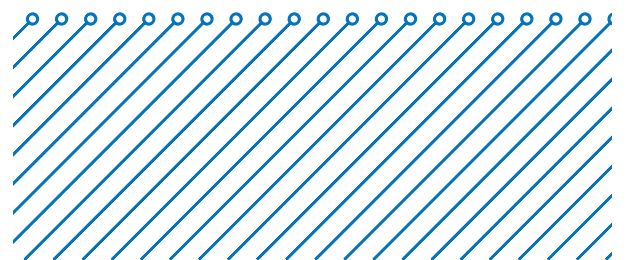## Scoping and Contextualising the Selection Process

The process involved five key steps with various assessment methodologies being applied at different stages. The reasons for using assessments at each of the stages were:
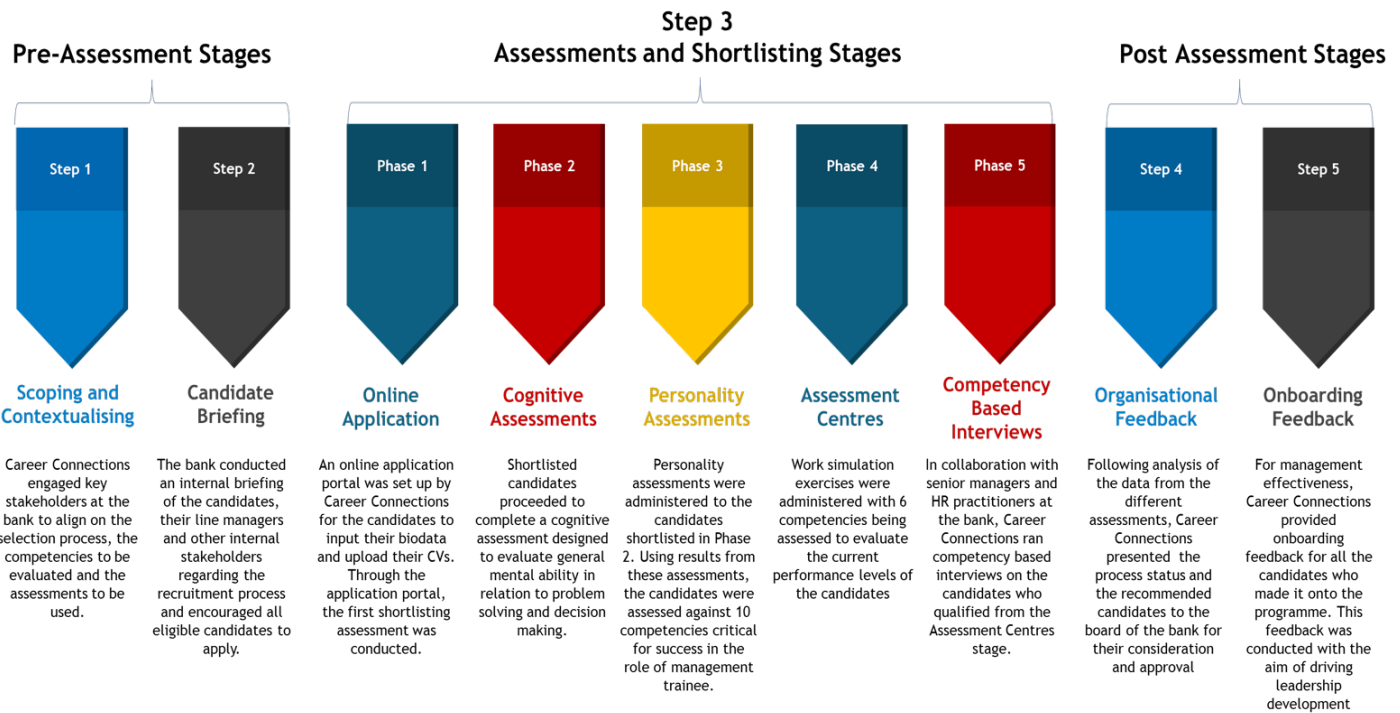
- To evaluate the potential and performance of each candidate,
- To increase the predictive validity of the process, and
- To reduce subjectivity during the shortlisting phases at various stages

Prior to administering the assessments, it was essential for Career Connections to have a "mental image" of the "ideal" management trainee as viewed from the bank's perspective.

In light of this, Career Connections started out by analysing the bank's Competency Framework to identify the competencies that would be evaluated at each phase.

Discussions between Career Connections and HR leaders at the bank helped to firm up the competency profile that would serve as the road map to identifying the final candidates for the programme.

Pre-Assessment Stages

Step 3
Assessments and Shortlisting Stages

Post Assessment Stages

Step 1	Step 2	Phase 1	Phase 2	Phase 3	Phase 4	Phase 5	Step 4	Step 5
Scoping and Contextualising	**Candidate Briefing**	**Online Application**	**Cognitive Assessments**	**Personality Assessments**	**Assessment Centres**	**Competency Based Interviews**	**Organisational Feedback**	**Onboarding Feedback**
Career Connections engaged key stakeholders at the bank to align on the selection process, the competencies to be evaluated and the assessments to be used.	The bank conducted an internal briefing of the candidates, their line managers and other internal stakeholders regarding the recruitment process and encouraged all eligible candidates to apply.	An online application portal was set up by Career Connections for the candidates to input their biodata and upload their CVs. Through the application portal, the first shortlisting assessment was conducted.	Shortlisted candidates proceeded to complete a cognitive assessment designed to evaluate general mental ability in relation to problem solving and decision making.	Personality assessments were administered to the candidates shortlisted in Phase 2. Using results from these assessments, the candidates were assessed against 10 competencies critical for success in the role of management trainee.	Work simulation exercises were administered with 6 competencies being assessed to evaluate the current performance levels of the candidates	In collaboration with senior managers and HR practitioners at the bank, Career Connections ran competency based interviews on the candidates who qualified from the Assessment Centres stage.	Following analysis of the data from the different assessments, Career Connections presented the process status and the recommended candidates to the board of the bank for their consideration and approval	For management effectiveness, Career Connections provided onboarding feedback for all the candidates who made it onto the programme. This feedback was conducted with the aim of driving leadership development

Candidate Briefing – Importance of Clear Communication

Given the sensitive nature of the recruitment process (predominantly because all the candidates involved were internal), Career Connections supported the bank by developing the briefing communication that would be sent out by the business leaders.

There was a need to strike a balance between the speed of execution in the recruitment campaign as well as ensuring transparency so that the programme did not have a negative impact on the candidates' general performance within their various roles.

An internal memo was sent out to all employees across the branches and subsidiaries in East and Central African countries where the bank has its operations. Heads of Departments were also engaged to encourage all eligible candidates in their dockets to apply.

This marked the onset of the recruitment programme seeing more than 100 applications through the portal within the first 3 hours of the launch of the programme.

Online Application – Using a structured application approach

Career Connections had designed an application portal that would allow candidates to send through their applications to the programme from anywhere as long as they had access to internet connectivity. This invitation to apply from the bank attracted candidates from all six countries: Burundi, Kenya, Rwanda, South Sudan, Tanzania and Uganda. The portal was left open for two weeks allowing for the 2,887 unique applications to be made.

What information should you be asking for through the application? There will definitely be the typical elements such as bio data, educational background and professional background.

To aid in the initial shortlisting process, and also to make the process quantifiable, there were two additional sections added to the application process: the candidate's knowledge of the bank's strategic focus areas and situational judgement tests.

These two sections proved immensely beneficial in creating the much needed balance in terms of regions of the bank, gender, tenure etc.

The shortlisting at the application stage was set against these two as the main criteria: the candidates' knowledge of the bank's strategic focus areas and their responses to four Situational Judgement Tests (SJTs). These criteria were selected over more traditional shortlisting factors such as years of experience, duration of time within the bank, post-graduate academic qualifications etc. The aim, as abovementioned, was to ensure inclusivity across the organisation.

Situational Judgement Tests (SJTs) – Bringing the Candidates Back Home

Situational Judgement Tests (SJTs) are designed to evaluate skill rather than knowledge. Researchers at Ghent University, Belgium have revealed that in addition to being one of the easiest ways to screen large numbers of candidates, SJTs show a higher predictive validity than many other assessment methodologies especially unstructured interviews. This essentially means that recruiters are able to select candidates with specific competencies using a carefully-crafted SJT rather than by using a battery of interviews during the screening stage. Furthermore, SJTs allow for a diverse talent pool as they are less adverse on minorities.

Career Connections administered four SJTs that were focused around four critical competencies of Decision Making, Customer Focus, Communication and Planning and Organising. Results at the end of the programme revealed a higher correlation between the candidate responses in the SJTs and their results in related competencies in all the other assessments that followed.

For instance, for the candidates who answered the SJT on Decision Making right, there was a 0.73 correlation between their score in the cognitive assessment and their score in the Solving Problems competency in the personality assessments. This is in contrast to the 0.67 correlation in the same competency for the candidates who answered the same SJT wrong.

One limitation to SJTs is that they are prone to the influence of familiarity and the possibility of being coached through the responses.
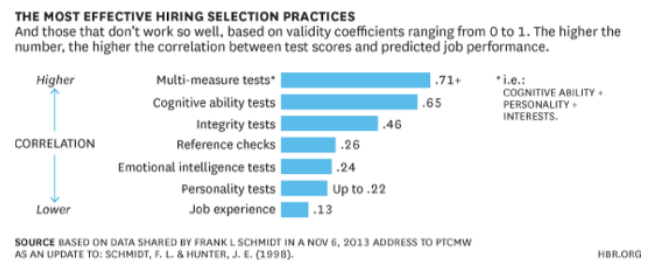
One limitation to SJTs is that they are prone to the influence of familiarity and the possibility of being coached through the responses. To control for this, Career Connections designed the SJTs for the bank.

This made it possible to craft the SJTs to suit the verbal style of the bank as well as using relatable scenarios common within the banking industry. This is as opposed to using off-the-shelf SJT generators. Out of the 2,887 candidates assessed using the SJTs, only 13 of the candidates got all the SJTs correct.

In totality, 915 candidates were shortlisted to proceed to the next stage of the process- the cognitive assessment- having met the desired criteria that focused around the SJTs and their understanding of the bank.

Cognitive Assessments – General Mental Ability

While SJTs are highly predictive, a research by Frank L. Schmidt (1998) as published in the Harvard Business Review has demonstrated that multi-measure processes have a higher job performance predictiveness than use of a single data point.

THE MOST EFFECTIVE HIRING SELECTION PRACTICES
And those that don't work so well, based on validity coefficients ranging from 0 to 1. The higher the number, the higher the correlation between test scores and predicted job performance.

Higher	Multi-measure tests*	.71+
	Cognitive ability tests	.65
	Integrity tests	.46
CORRELATION	Reference checks	.26
	Emotional intelligence tests	.24
	Personality tests	Up to .22
Lower	Job experience	.13

*i.e.: COGNITIVE ABILITY + PERSONALITY + INTERESTS.

SOURCE BASED ON DATA SHARED BY FRANK L SCHMIDT IN A NOV 6, 2013 ADDRESS TO PTCMW AS AN UPDATE TO: SCHMIDT, F. L. & HUNTER, J. E. (1998).   HBR.ORG

This research study by Schmidt revealed a correlation of 0.65 between test scores from cognitive assessments and the predicted job performance of the candidate.

Career Connections thus proposed the use of a cognitive assessment, Matrigma, to create an additional data point for the programme.

This assessment test has proven to be highly effective in the selection processes at junior positions. Being a general mental ability test, Matrigma has the capacity to reveal mental agility, decision making and problem-solving skills of a candidate.

Employees who score high on cognitive ability assessments tend to adjust faster and better to new and ambiguous situations. These employees demonstrate a higher ability to learn and apply new information with ease.

Essentially, the higher levels of cognition translate to better decision making and effectiveness in developing solutions when faced by novel situations. Matrigma's advantages stem from the fact that the test is globally normed. It is also a non-verbal test assessments thus reducing the risks that amount from test translation. These facts explains the absence of a linear correlation between Matrigma scores and the candidates' age, their tenure within the bank, their gender and nationality.

The bank's data saw some of the highest scores observed in Matrigma's test within East Africa with 74% of the candidates assessed ranking within the average level of ability i.e. a score of between 3 and 6 out of the possible 10. Therefore, 449 out of the 915 candidates were shortlisted to proceed to the personality assessments phase.

Personality Assessments – Are the Candidates the Right Fit?

The first objective use of personality tests was documented back in 1917 during World War I. These tests were used to identify soldiers who were likely to suffer "shell shock"- the psychological disturbance that results from extended exposure to active warfare particularly under bombardment.

The assessment used at this time was Woodworth's Personal Data Sheet. This assessment focused on employee maladjustment and was highly regarded in screening out candidates who would create workplace disturbances.

Fast-forward to 2019, personality testing is an industry that is valued at roughly half a billion dollars. With unemployment remaining a global issue, consumption of personality assessments has grown majorly since the days of Woodworth's assessment.

In 2011 an article by NBC News placed the annual increment of the personality assessment usage at 20%. Advancements in internet technology have also allowed the increase in number of applications coming in for any given job posting. Recruiters are therefore finding themselves with a task of having to seek faster, cheaper and objective ways to cut down the numbers of job-seekers.

Personality assessments get the job done quite well. They are not only objective but also very predictive. For instance, the Hogan Personality Inventory (used in this process) has a predictive validity of 0.29 and a test-retest reliability of 0.81.

As the third step to the assessments process, Career Connections proposed the use of Hogan Configure personality assessments. Hogan Configure is non-intrusive and is based on two of Hogan Assessments System's flagship personality inventories i.e. the Hogan Personality Inventory (HPI) and the Hogan Development Survey (HDS). HPI evaluates the personality traits that people are likely to see on a day to day basis while HDS assesses the "dark side" of personality-traits that are likely to emerge when a candidate is under pressure. The results from these assessments were then mapped against the Hogan Configure competencies.

The candidates were assessed against ten competencies that were determined to be vital for success in the role of a management trainee within the bank. These competencies had been mapped out from the bank's competency framework. At the onset of the process, it was evident that there was high potential talent within the bank but the immensity of it had not been imagined until completion of these assessments.

The bank was able to confidently quantify the potential of its talent pool. Out of the 449 candidates assessed, 38% registered high and very high potential and a further 28% scored within the moderate potential range.

Driving Innovation emerged as the highest scored competency, with Taking Initiative and Inspiring Others ranking second out of the ten competencies assessed. These results are attributed to the generally high scores of candidates in the Ambition, Interpersonal Sensitivity and Inquisitive scales of HPI as well as the overall low scores on the Cautious and Colorful scale of HDS.

A 2018 Career Connections data analysis of 15,805 candidates revealed a general trend of high Ambition scores across East Africa with the modal score being 87%. The Ambition scale on the Hogan Personality Inventory relates to a personality propensity towards competitive behaviours and taking up leadership positions.

Hogan Configure Average Per Competency
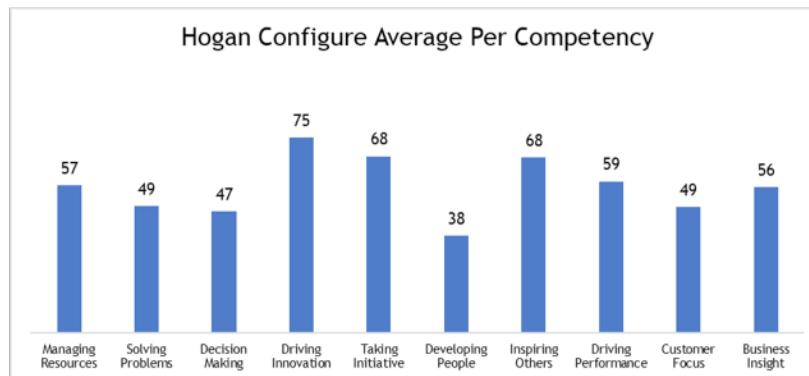
The East African data on Hogan also revealed the high Inquisitive nature of the candidates with the modal score being 83%. A similar analysis of HDS scores of 11,078 candidates unveiled a very low score on the Cautious scale with the modal score being 10%. The Cautious scale of Hogan concerns being excessively worried about criticism; a behaviour that translates into a resistance to change and reluctance to take chances. Essentially, a combination of these scales: Ambition, Inquisitive, Interpersonal Sensitivity, low Cautious and low Colorful, could explain the high scores seen in Driving Innovation, Taking Initiative and Inspiring Others.

The lowest score in Hogan Configure was around Developing People. This could be explained by the fact that the candidates considered for the Management Trainee Programme were not in management positions. As a result, the competence and skill around people development had not been explored sufficiently in the time before the assessments, indicating a development gap.

Developing People on Hogan Configure is a function of Ambition on the HPI which, when scores are high (as is the case according to East African data), inhibits teamwork and can result in a leader's competing with his/her direct reports instead of developing them. The high scores on the Diligent scale of HDS would also impact the potential score in Developing People.

Analysis of Hogan data revealed a modal score of 99% on the Diligent scale which concerns a tendency to be perfectionistic, leading to the micro-management of direct reports when under pressure or stress.

Assessment Centres – Observe the Candidates in Action

Hunter & Hunter (1984) conducted a meta-analysis of multiple studies to determine the accuracy of predictors. The predictive validity of assessment and development centres was observed to be 0.6 with perfect prediction standing at 1.0 and chance prediction at 0.

Career Connections therefore proposed Assessment Centres with the objective of evaluating the candidates' performance against six competencies that were determined to be vital for success in the role of a management trainee. With a panel of highly trained and certified assessors, Career Connections conducted assessment centres on 186 candidates who ranked in the very high and high potential brackets of Hogan Configure. On a five-point scale, the candidates scored highest in Planning and Organising (mean score = 3.64), Commercial Awareness (mean score = 3.12) and Persuasive Oral Communication (mean score = 3.04).

Planning and Organizing	Customer Service	Leadership	Commercial Awareness	Initiative	Persuasive Oral Communication
3.64	2.39	3.10	3.12	2.88	3.04

The lowest scores were observed in Customer Service (mean score = 2.39) and Initiative (mean score = 2.88).

Even so, of the 186 candidates assessed 59.68% attained acceptable and above acceptable scores, indicating a high-performance culture within the bank. 30% of the candidates scored within the borderline range and only 10% of the candidates were found to be below the acceptable range in the competencies evaluated for the role of management trainee.

Noteworthy, was the fact that the candidates performed much better in their oral presentations than in the group exercises indicating the propensity to work better in one-to-one situations than in a group. Analysis of the mean score against the tenure of the candidates indicated a seemingly bell-shaped curve, with individuals who have been with the bank for between 6 and 10 years scoring highest. There seemed to be a gradual "increase" in competence with the increase in tenure.

Overall Assessment Centre Score
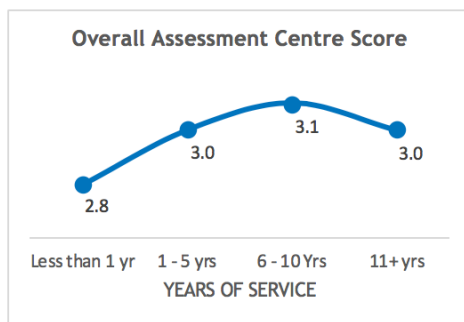
As the candidates learn how to manoeuver around the business, their roles and the culture of the organisation, there seems to be a strengthening of the candidate's competence to perform in their varied roles.

After 10 years within the organisation, the curve takes a dip but the performance level does not drop below the expected. This might allude to a situation where the candidates (after 10 years with the company), find the role becoming repetitive and simply perform the "bare minimum". These individuals are also motivated by different objectives at this time compared to those who have recently joined the company.

The role may no longer be a motivating factor and therefore they meet just what is expected of them.

Competency Based Interviews

Career Connections proposed Competency Based Interviews (CBI) as the final assessment stage. CBI borrows heavily from the assessment centre evidence-based approach. The 114 candidates who qualified from the assessment centre stage were interviewed by senior managers at the bank in collaboration with representatives from Career Connections.

Career Connections, selected interview questions from a collection of more than 1,000 CBI questions designed to evaluate 35 different competencies categorised under five groups: Individual Traits, Motivational Behaviours, Interpersonal Skills, Decision Making Skills and Managerial Skills. The questions selected for this programme were centred on four competencies identified as must-haves in order to be successful as a management trainee in the bank. These competencies were: Leadership, Problem Analysis, Customer Service and Initiative. On a five-point scale, the results were as per the table shown.

Leadership	Problem Analysis	Customer Service	Initiative
3.30	3.36	3.46	3.13

Unstructured interviews have been shown to have a low predictive validity. Competency Based Interviews, however, give a great deal of prediction.

Combining CBI with the abovementioned assessments simply added onto the predictive validity of the entire process. From the pool interviewed, two-thirds were observed to be performing at an above acceptable range.

The evidence they provided of their experience within various roles in the bank served to validate their being in this final stage of the assessment process. Only 11% of the interviewed candidates were evaluated to be below the acceptable range for the Management Trainee Programme.

## Feedback – Bringing the Pieces Together

Although designed for the purposes of selection, this selection process included multiple elements of development such as assessment feedback and development planning. The feedback was aimed at facilitating development of self-awareness for all the candidates, both successful and unsuccessful.

All candidates were encouraged to prepare their personal development plans based on the results provided. Candidates who proceeded through to the interviews received a feedback report pack including: Matrigma, Hogan Configure, Assessment Centre and CBI reports.

The successful candidates also received individual personality reports i.e. the Hogan Personality Inventory Career Builder reports-plus a one-and-a-half-hour session providing on-boarding feedback and development planning support. The goal of providing this feedback was to piece everything together and paint a picture of the strengths and development gaps of each candidate.

To maximise the impact of the programme, data collated from the entire selection journey was analysed with the aim of collating key themes and trends. It was with this data that Career Connections conducted an organisational feedback session delivered to the senior leaders.

The insights drawn from this exercise would determine talent management initiatives aimed at the betterment of performance of both the successful and unsuccessful candidates. The organisational feedback would also serve as a conversation starter for the various stakeholders involved in the process, HR, Head of Departments and the board as well.
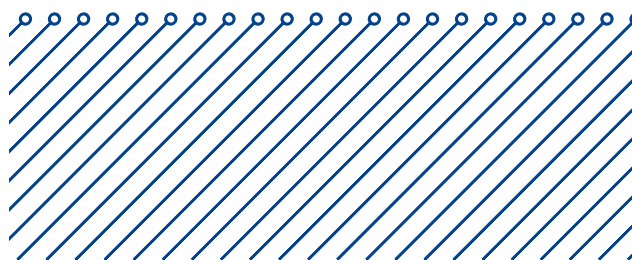
Conclusion

The abovementioned process took three-and-a-half months from the candidate briefings and management of the application portal to the running of the competency-based interviews and making the final recommendation to the bank. With the advent of state-of-the-art technology in talent management, many organisations are waking up to a new dawn of more predictive hires.

When it comes to management trainee selection, a lesson that many recruiters are still grappling with is that there is no one method of selection that can grant perfect prediction. Combining multiple selection tools grants not only objectivity in the shortlisting processes but also drives predictive selection a notch closer to perfect. A multi-stage process also assists with the shortlisting process.

Management Trainee selection is not simply a HR affair. Head of Departments, Line Managers and other strategic business leaders need to be involved at various stages of the process, for instance, the application stages, interviewing as well as providing post-feedback support for both the successful and unsuccessful candidates (in the case of internal candidates). This process should be a collective effort for the business in its entirety.

Management Trainee selection programmes that involve internal candidates are very sensitive but also very productive. For one, the process can give a clear picture of the kind of talent the organisation holds. With this insight, it becomes easier to develop interventions for performance management. Secondly, converting the selection campaign into a development journey becomes a possibility as well; a case of the proverbial two birds and one stone.

The first step to providing a development platform for the candidates is to provide feedback at each stage. This intervention will give the candidates a picture of where their strengths lie, their blind spots and consequently their areas to focus upon for their professional development.
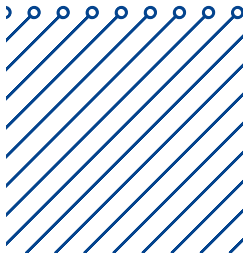
ABOUT CAREER CONNECTIONS

Career Connections are the leaders in talent consulting. Founded in 1997, we are the partner of choice among organisations seeking to leverage the competitive advantage of their people, impacting organisational effectiveness and return on talent.

We offer a unique portfolio of solutions, integrating unmatched expertise in our core services of executive search, talent assessment, team and leadership development and executive coaching. Through partnerships with global leaders in talent solutions we offer best-in-class and quality focused services.

Our purpose is to help clients through a partnership that offers what is right, to the highest standards, uncompromising in our service and nurturing long-term relationships. We believe this is the only way we can earn the place of being your trusted strategic talent advisor.

TELEPHONE

Phone: +254 20 375 2400

WEBSITE & MAIL

www.careerconnectionsltd.com
info@careerconnectionsltd.com