

How to do Graduate Hiring in 2022

**Why your Graduate Assessment
Centre needs an Overhaul**

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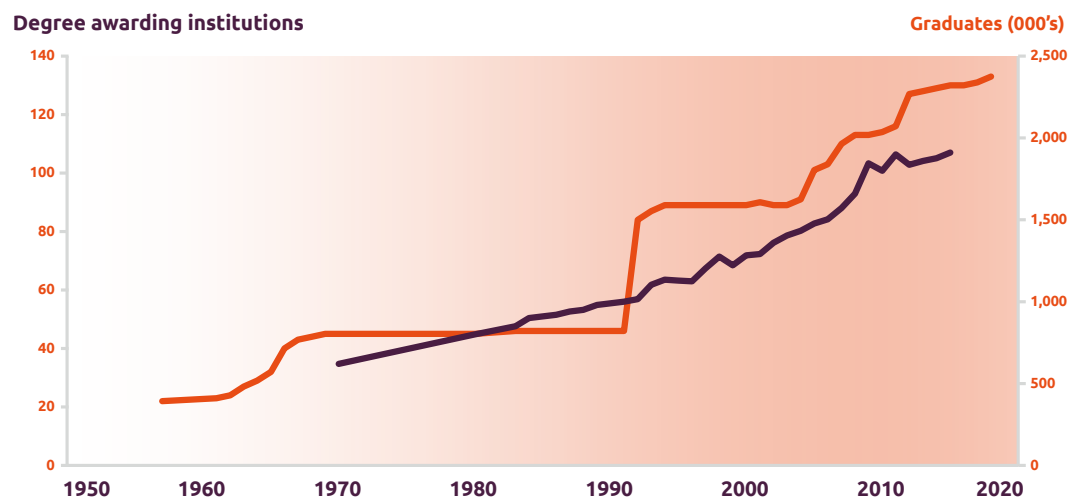
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Introduction

The world of graduate employment has changed fundamentally in the last 40 years. However, apart from online administration and video scoring, many assessment centre designs and processes seem to be very similar to those of the past.

In reality, the present selection problem is much more complicated, with candidates coming with a vastly wider range of qualifications from an array of institutions. In a world with a far greater number and variety of graduates, a more sophisticated approach is required.



Source: Office for National Statistics (ONS)

There has been an increase in:

- Number of jobs classified as 'Graduate Jobs'
- The volume of Graduates in the marketplace
- Graduate expectations of the recruitment process
- Graduate are no longer employed to do management and leadership roles

Attracting and selecting the best people for the top jobs has now been complicated by a number of factors.

The detailed design of assessment centres in general appears to not have kept up with this increasing complexity.

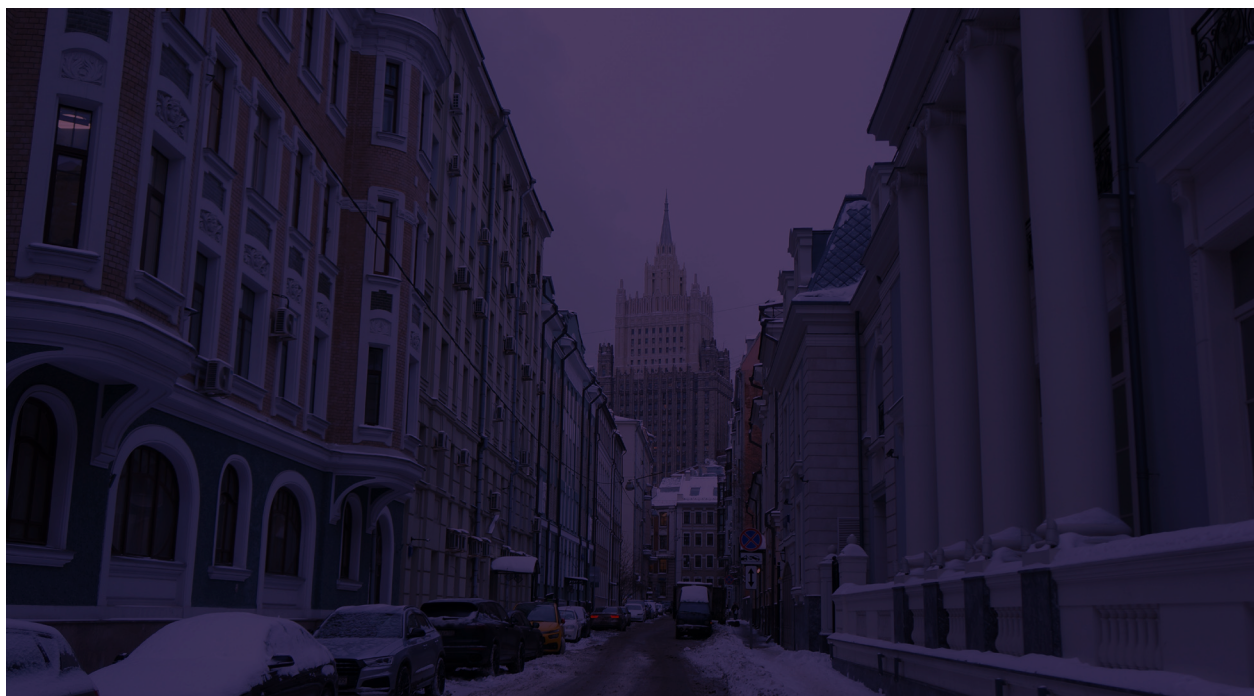
Context

Over the last forty years the world of work and the placement of graduate entrants to it has changed fundamentally. The world of work in the 1980s and the 'Cold War' had more in common with the second World War than that of the 2020s.

Despite automation revolutionising manufacturing in the 1980's, it was still largely a world of paper: files, letters, wall charts and forms. Operations and change ran at the speed of the postman and of the clerks pushing trollies of files around the office. Management was traditionally functional and hierarchical, dominated by graduates from the relatively small number of traditional universities that then existed. The "job for life" was dominant and individuals changing organisation were regarded as "defectors" or "carpet baggers". For graduates, it was important to secure a place on the bottom rung of the best corporate or public sector management ladder that they could and work their way up from there.

For graduate recruiters the mission was simple, securing "the best of the best" to provide the management, leadership and key professionals of the future. Luckily for them this was actually quite a straightforward problem: Academic institutions could be relied upon to act as a pre-screening process. At that time in the UK only around 5% or so went to university at all and only 5-10% of those would get a first class degree.

"The world of work in the 1980s and the 'Cold War' had more in common with the second World War than that of the 2020s."



The competition for undergraduate places was fierce, underpinned by a strongly norm referenced A Level marking system, that was largely immune to 'grade inflation'¹. With an average university offer of "CCC" on an A-E pass scale there was plenty of discriminatory power. In a 1980's world, psychometric ability testing was a nice addition, providing an objective way of identifying the upper quartile of graduates for triaging between top talent schemes, management schemes and those not selected. But of course, just sticking a pin in a list of those with a first or upper second class degree would have yielded a sample of the top 1% or so.

The world of the 2020s is quite different. Of course, technology, specifically information technology has enabled the transition towards the knowledge economy. Whilst the proportion of knowledge jobs in the economy has risen, the supply of graduates has grown faster, with 30-40% of the UK population now going to university. The effect of this has been that the range of jobs classified as "graduate entry" has expanded enormously as evidenced by the

creation of new technical jobs, greater skill demands for existing jobs and reclassification of largely administrative clerical jobs.

"In the 1980's ... Academic institutions could be relied upon to act as a pre-screening process. At that time only around 5% or so went to university."

Consider also that as a result of the response to the COVID pandemic, in three years' time, all of the A level grades are going to be entirely subjective, possibly inflated and definitely not standardised or reliable as a selection mechanism.

Given that the range of abilities being selected from and the range of jobs being matched to has changed so much as to be incomparable, it is therefore a surprise that many graduate recruitment assessment centres/processes still look remarkably similar, both to their traditional ancestors and to each other.



¹ Grade inflation (also known as grading leniency) is the awarding of higher grades than students deserve, which yields a higher average grade given to students.

Graduate recruitment in the 2020s is a large-scale complex challenge

“General Mental Ability (GMA) ... cannot be the only yardstick across such a wide range of roles”

Graduate recruitment is a critical, but a challenging process for larger businesses due to the huge investment required per candidate in the early years of employment. Graduates generally need to be hired based on **potential and organisational/cultural fit** rather than for **job specific competencies/abilities**, or **immediate performance** (with notable exceptions such as doctors and lawyers).

Research on traditional graduate management careers has shown that up to 50% of the variance in successfully reaching the bottom of the senior management layer can be accounted for by General Mental Ability. So, whilst assessments of GMA, either by ability testing or from academic records, must remain important, they cannot be the only yardstick across such a wide range of roles.

The problem of selecting, or rather matching, the “right” graduates both for individual roles and for entry to “graduate schemes” has become much harder than it was for employers in the 1980s and 90s for example. Consider the following:

- The demand for “knowledge workers” as a proportion of the total workforce has steadily increased. However, the broad range of work involved can imply the need for specific aptitudes, abilities and attitudes, not necessarily simply the highest GMA.
- The range of job roles classified as graduate entry has expanded enormously, now including roles which would have traditionally been for 18-year-old school leavers. Accepting that GMA is a good basis for such selection then the range over which effective discrimination is required is beyond the capabilities of many single tests and standard, traditional batteries.
- The number of graduates entering the job market has increased enormously. Simply attracting and identifying the right graduates for your role is more challenging in a larger more heterogenous and dilute pool.
- The number, range and diversity of degree awarding bodies has increased as has the range of degree courses. With this choice “good” graduates can choose highly specific courses and locations based on non-academic considerations.
- The effectiveness of other traditional measures with previously known criterion validity such as A-Level point scores has been increasingly compromised. Over the last 20 years grade inflation has been a significant problem resulting in both a “shifting sands” baseline and range restriction as many more candidates get A and A* across the board.
- Legal and regulatory changes mean that eliminating if possible, or at least reducing, managing and justifying adverse impact is now as important as the effectiveness of the selection process. This means there is a premium on processes which can be demonstrated to have low and managed adverse impact.
- The tolerance of current graduates to traditional “examination style” testing and the willingness to engage with extended Q&A assessment is much lower providing challenges for traditional psychometric approaches.

However, the need to select the best graduates and offer them appropriate development opportunities remains. In fact it has increased with the addition of critical specialist roles to the traditional route of general management.



A considered approach to graduate recruitment and development is needed

To meet the challenges of recruiting graduates today a thoughtful approach is needed, not just to the construction of recruitment assessment centres but to the recruitment process itself. For large organisations this can result in a number of recruitment process designs.

- **Single stream entry with later identification of top talent.** This is done either in the initial grad programme or in early career. This can be effective but is susceptible to “sponsorship” effects and inefficiencies due to losses from the cohort occurring after significant investment. These types of design are common in the IT industry.
- **Dual independent stream recruitment.** Typically, this has been realised with explicit “fast stream” and ordinary graduate entry (the UK Civil Service is a good example). Using two completely different selection designs enables effective and efficient selection for both career paths. However, full optimisation requires it to allow for post-recruitment crossover in each direction.
- **Single Centre, Dual Stream.** In this less common design, a single assessment centre can be used to feed multiple grad programmes. This requires testing at various levels of difficulty and evaluation of style and resilience for example.
- **Individual Role.** With so many jobs now being in the graduate category and with many small and medium sized enterprises unable to support “graduate programmes”, there is a need to cost effectively support recruitment into individual roles, sometimes requiring specific aptitudes in addition to overall ability.

To support this range of recruitment designs successfully requires more than just a single battery GMA focussed assessment, deployed alongside traditional interviews (based on largely academic CVs) and a few group exercises.



A modern, platform based psychometric approach plays a key role

To address today's recruitment needs requires a modernised approach that combines leading edge psychometric techniques and multi-channel delivery and scoring. Ideally this is delivered across the internet from trusted cloud-based platforms. These must have, in our view, the following key features.

- **Modular Psychometric Design.**
 - Range of GMA tested from average graduate to top quintile/decile
 - Gamified and traditional tests
 - Rapid battery construction and trialling without large extra cost
 - Development and maintenance of internal norm groups
 - Access to a wide range of anonymous norm groups
- **Personality and Style, not just ability**
 - Low granularity (Big 5) assessment suitable for discussing work preferences, team and organisational style.
 - Highly Granular assessment (16-30 subscales) for “deep dive” exploration of values and behavioural fit.
- **Development, not just recruitment**
 - Self-Awareness and development
 - Group and Team facilitation
 - Development for Senior Management
- **Evergreen Platform**
 - Updating and refreshing existing individual tests and reports
 - Overall battery option refresh
- **Consulting Support**
 - Expert Psychometric support from experienced Occupational Psychologists
 - HR process consulting from strategy to assessment centre design and delivery

We believe that only this kind of comprehensive and integrated approach can meet the complex graduate recruitment needs of the modern business:

1. At a **price** that is much lower than traditional methods,
2. At a **quality** that meets or exceeds the best of the past; and,
3. With the **flexibility** to enable an agile and dynamic approach to assessment centre design and delivery.

Conclusions

We conclude that the needs of the graduate recruiter have changed fundamentally in the last forty years and that the following need to be recognised

- Selection is harder as it is across a much wider range of roles and abilities
- A one-size-fits-all approach to graduate recruitment is no longer sufficient
- Traditional methods based on academic attainment and institutional choice are much less useful
- There is a need for a flexible, agile and highly configurable approach to assessment centre design and delivery
- The traditional quality of validated psychometric testing is needed now more than ever to support effective and unbiased recruiting.
- Only a modern, modular, cloud-based platform approach will meet the needs of today's graduate recruiter

It is these core conclusions and our belief in them that drives the Cognisess approach to supporting recruitment and development.

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