

Assessment Insights 2023



Introduction



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The cyclical nature of early careers recruitment, and the relentless energy and innovation in the market, means that each recruitment cycle passes in the blink of an eye. I am always therefore grateful to the reassuring presence of the Amberjack Insights report and the prompt it gives me to take a step back, get away from the detail, and reflect on what's happened in the past year.

Following the uncertainty caused by the pandemic, this year we have seen many organisations reach a conclusion as to whether they are going to continue to run their final stage assessment processes (e.g., assessment centres) fully virtually, fully in-person, or using a hybrid approach. Half of the employers surveyed as part of this work had settled on fully virtual final stage assessments. However, from the discussions we're having, concerns around generative AI

(such as ChatGPT), and the impact it will have on virtual assessments, we may see another period of uncertainty in the short-term. More generally, it will be interesting to see the impact AI has on next year's Insights data. You can read our latest paper on Chat GPT by <u>clicking here</u>.

The data in this report suggests more organisations than ever are using blended approaches to assessment (gaining a holistic view of a candidate through assessing multiple areas) rather than using a series of assessments assessing narrow characteristics in a hurdled approach. This is having a positive impact on time-to-hire and will continue to improve Diversity Equity & Inclusion (DE&I) performance. It's also encouraging to see a third of organisations using completely bespoke assessment processes. This is a year-on-year increase and may be contributing to the improvement in offer acceptance rates as candidates are given a more realistic job/organisation preview as they go through the assessment process.

Less positive news is the ongoing use of CVs in recruitment with 15% of organisations using these as part of their process. This is despite the research evidence discouraging their use. A quarter of organisations are also only bespoking the final stages of their processes, suggesting they are "back-loading" their investment in the assessment process. This is despite the fact most candidates (75%) are not getting past the online assessment stage. There's a real risk that organisations are not progressing the right candidates through to the final stage or engaging them in the right way to ensure they attend this final stage. This could have a major impact on the return on investment resulting from the hard work that's gone in to creating these bespoke final stages.

It's great to see that the significant effort in enhancing keep warm strategies for graduates has paid off with a significant reduction in renege rates (candidates initially accepting an offer but then deciding against it).

I could write further, long introductions for the takeaways I took from the Attraction Insights and the Diversity and Inclusion Insights. This, for me, is the joy of the Amberjack Insights data. Everyone will look at it through a different lens and come away with their own takeaways. So please enjoy.



Welcome to our Insights Reports for 2023!

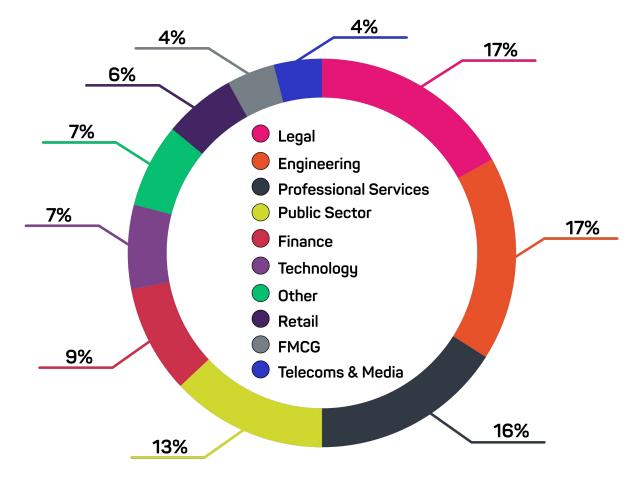
For the last 12 years, we have been running our Annual Insights Research Reports to provide the Early Talent industry with insights into employer considerations and candidate behaviour. This year's reports have been split into three main categories to help organisations plan the 2023/24 recruitment season more strategically.

- Attraction Insights
- Diversity and Inclusion Insights
- Assessment and Candidate Experience Insights



The data has been collated from Graduate and Apprentice populations to provide a sweeping look at the Early Careers market and the differences between the subsets. Where these differences are significant, the data points have been separated to show each individually.

Our 109 employer responses came from these sectors:

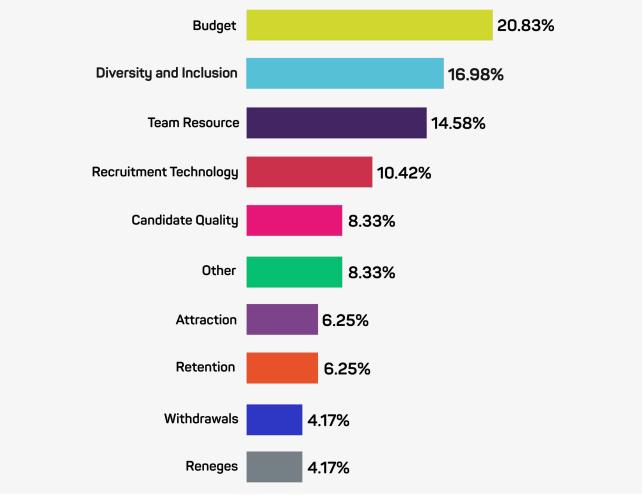




Section 1: Recruitment Challenges

Each year, Amberjack looks at key recruitment challenges to not only help us understand the state of the market at large, but also to support organisations to find effective and innovative solutions.





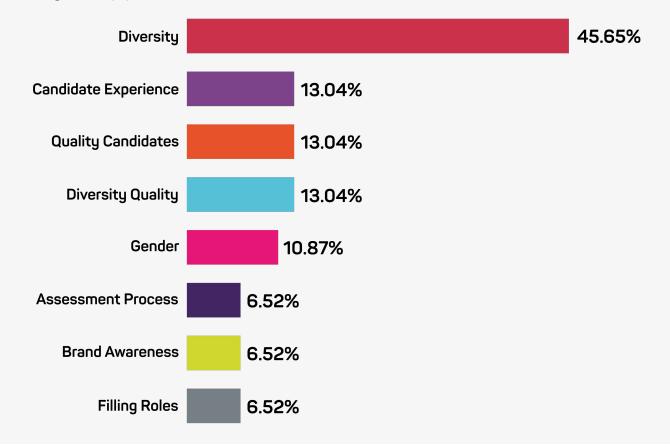
There have been some significant changes in the perceived challenges by employers this year. Perhaps unsurprisingly with the current Cost-of-Living Crisis, Budget has moved into the top spot and Team Resource has entered the top five.



With recent discussions in the industry focusing on ChatGPT, Artificial Intelligence, and anti-cheating, it's also not surprising to see that Recruitment Technology has ranked as the 4th biggest concern for employers right now.

As always, Diversity and Inclusion remains a challenge for employers looking to improve the diversity of their workforce with incoming Early Talent. Attracting this talent, and then making sure they make it through the Assessment process is still pulling a lot of effort and attention.

With an eye on the future, Amberjack also asked Employer Survey participants what their top three priorities for the rest of 2023 were.



What are your top priorities for 2023?

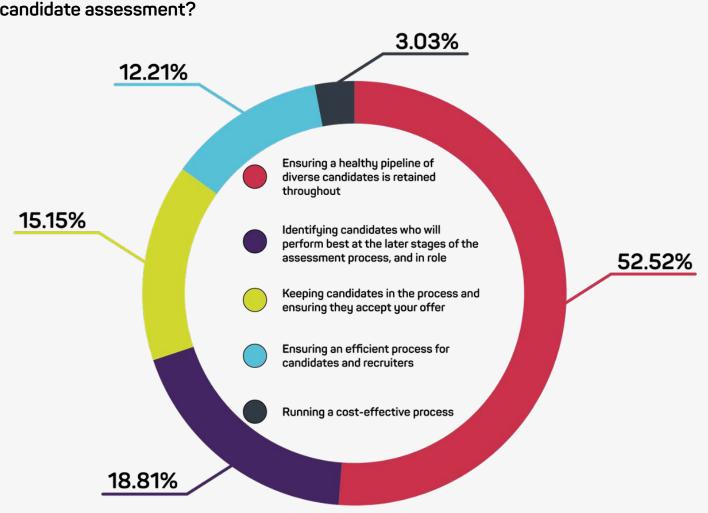
In line with the perceived challenges by employers, Diversity is reported as their number one priority, with 46% of employers considering it a key focus. In addition, with Diversity Quality and Gender also appearing in the top eight priorities for 2023, it is clear to see that this recurring topic is here for the foreseeable future.

As always, Candidate Experience and the Quality of Candidates are also key priorities, foreseeable given the fierce competition for the best candidates.



Section 2: **Employer Assessment Challenges**

Assessing candidates is a topic of continuous discussion and development. With the Early Careers market in an ever-changing state of flux, we were keen to understand the industry's key trends and challenges over the last season, to help organisations plan for the year ahead.

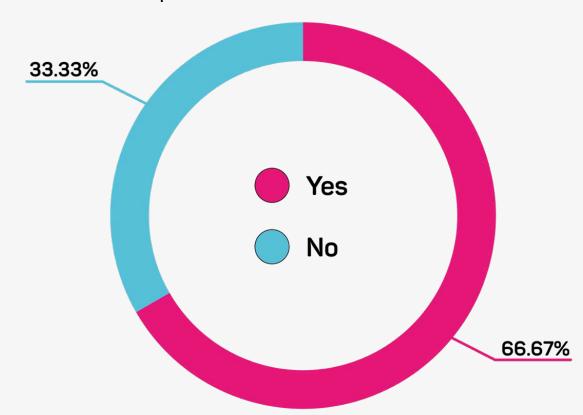


Which one of the following would you say is your biggest challenge in terms of candidate assessment?



In this year's Employer Survey, we asked participating organisations about their biggest challenges with candidate assessment. The most prominent concern over the last season, as voted by 53% of respondents as their biggest challenge, was ensuring that a healthy pipeline of diverse candidates was retained throughout the recruitment process.

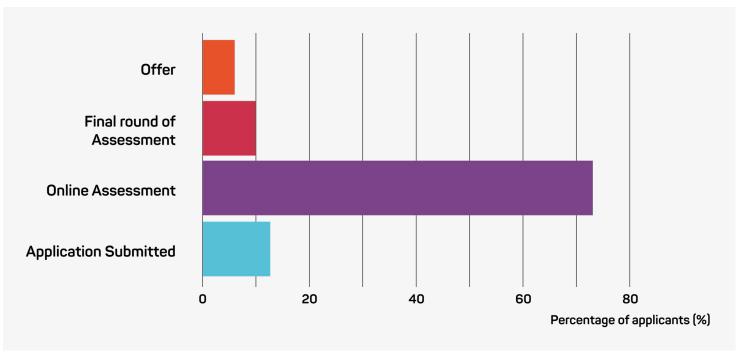
We also asked employers about the formats in which they carry out assessments, particularly the final assessment stage. The responses show that 50% of employers run an entirely virtual process, a significant difference from the Attraction stage which is trending towards in-person activity. This suggests that each stage of your recruitment process should be well thought through individually, to ensure it is fit-for-purpose and effective as possible, while providing a good candidate experience.



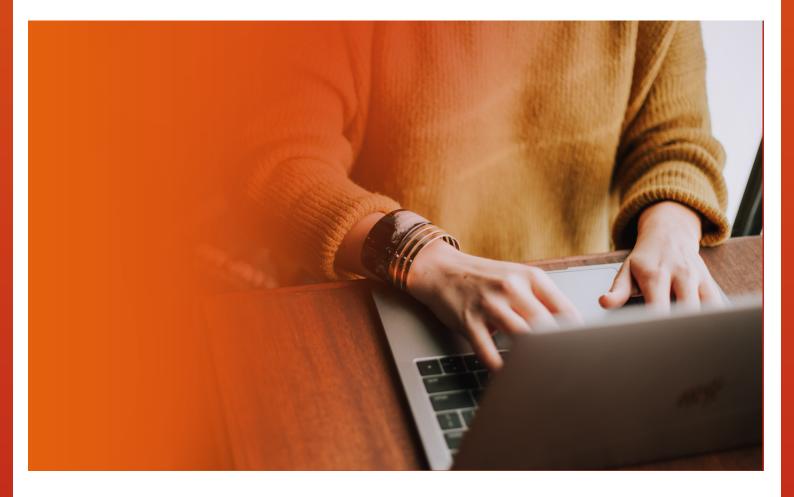
Do you measure candidate experience?

In terms of candidate experience, we were surprised to see that 33% of organisations do not measure this metric. With the majority of candidates not receiving an offer, far more talent will walk away from your process unsuccessful than successful. It's key to make sure that even though these candidates do not receive an offer, they still have a positive experience of your recruitment process – from being potential customers to sharing their opinions with other applicants, a good experience to maintain your reputation is critical, and measuring candidate experience is the first step to achieving this.





Stages Reached by Applicants (with 'failed to submit' and 'withdrawn' removed)'





Key Considerations for Employers

- Consider conducting an adverse impact analysis ahead of the new season to understand how your process is performing and if there are any particular stages that are negatively impacting certain underrepresented groups.
- Think carefully about the support that is required for different groups of candidates. For example, females from lower socio-economic groups may have very different challenges to female candidates as a whole. It's also important to not look at these groups in isolation.
- Relevant and in-depth communications are absolutely essential to ensure that candidates remain engaged and committed to the process. Tailoring these communications as specifically as possible can have a huge impact.
- Challenge yourself in your assessment process. Is it providing enough insight for candidates and measuring the right skills and behaviours for success in role?
- Remember only 6% of your candidates actually receive an offer. Make sure that even in the early stages you are providing a meaningful experience that provides personalised feedback where possible.
- Measure candidate experience. This provides the opportunity to continually improve and protect your brand.

Potential Next Season Trends

- Due to upcoming developments in AI and ChatGPT, employers need to closely monitor assessment data and scores. At Amberjack we are working with our clients to support them and putting measures in place so we can react quickly to any issues.
- Due the challenges with AI (and candidate preferences) we may also see a larger percentage of employers returning to face-to-face interviews and in person assessment centres. This could also be an opportunity to re-test candidates who have raised a flag over test scores. One to watch...

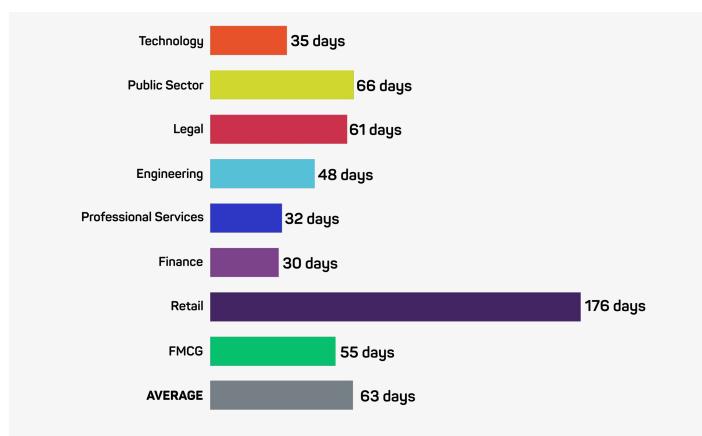




Section 3: The Key Metrics Data

Each year we report on several key metrics to provide benchmarking data for our clients and the wider industry. This year we captured data on time-to-offer, offers accepted, and reneges.

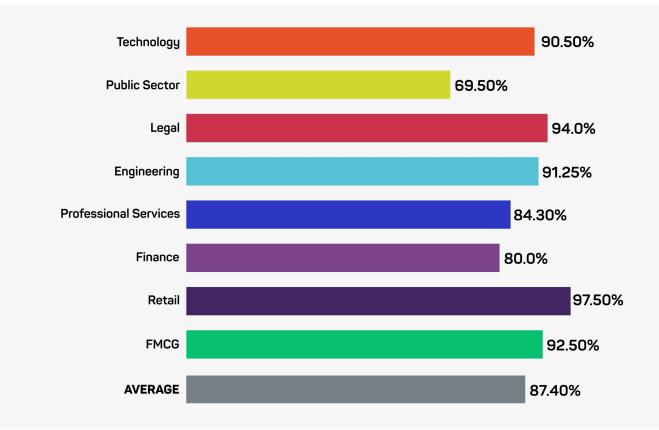
Time-to-offer



Last year we saw a significant drop in the time it takes from initial application to offer. We felt this was due to the extremely competitive market and employers having to move quickly to get those first offers out. This year, we've seen a slight drop from 67 to 63 days which indicates that this is still a focus for employers and something to consider carefully if your hiring process is considerably longer.

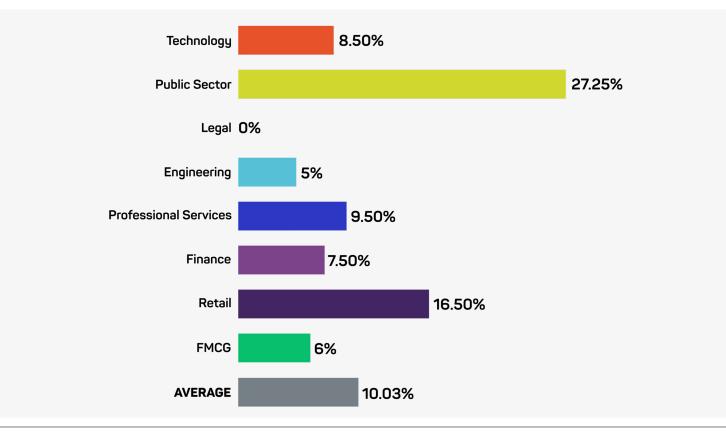


Offers Accepted



This has remained relatively static this year, with an average of 87% of offers being accepted. The retail sector reports a significantly lower % of offers accepted and interestingly a much longer time-to-offer. This could be an indication that candidates are just not willing to wait to get their role secured.

Renege Rate





The biggest change we've seen in the key metrics data this year, is the renege data. Last year, we saw extremely high levels of reneges across the graduate sector but lower with apprentices. This year we've seen this trend switch. We are attributing this to the fact that many employers implemented enhanced keep warm and on-boarding strategies due to the increased competition in the market. It could be that apprentices did not benefit from the same level of engagement. Furthermore, it could also be that apprenticeships are growing at a faster rate than graduate roles so competition is just more fierce. Either way, this is important for employers to consider.

Final Comments

There are some potentially significant changes to keep an eye on over the next recruitment season within the assessment space. It is important to keep ahead of these and be ready to invest time and effort to understand their impact.

This year we expect to see further adoption of blended and immersive assessment across the sector and a potential move back to in-person assessment practices.

You can discover more information on Amberjack's products and services, including our Assessment Services, or request a chat with a member of our team by getting in contact today.

Contact Us

You can also visit our Resource Hub to explore industry insights and news.

Resource Hub



