



Survey Report : State and Future of Talent Assessments in India – 2021 & Beyond

2nd Edition

Table of contents

Key Findings	4
Demographics	7
Survey Insights	
— Impact of current situation on organization	9
—Impact of COVID on budgets	10
—Strategies adopted to manage the challenge	11
—Key challenges of employees WFH	12
—Strategies adopted for employee engagement	13
—Key strategies to hire and retain talent in 2021	14
—Non-negotiable competencies for the future	15
— Having right people for the right job	18
— Assessments application areas	19
— Typical challenges with traditional assessments	20
— Reasons for not using assessments	21
 Insights for the future – 2021 & beyond	
-Psychometrician note	24
-Why Game-based assessments are virtually impossible to manipulate	26
-Industry Leader's speak	27
Methodology	30



Executive summary

The Covid-19 pandemic has created unprecedented and unheard of situations for organizations around the world. The economy has taken a downward hit, forcing organizations to either look at hiring freeze, budgets cuts, delayed appraisals, etc. to stay afloat during these testing times.

There is an urgent need for organizations to re-imagine their talent assessment and development landscape, to not only tide over the immediate crisis but also prepare for a resilient organization for the future.

Some organizations have fared better than their peer organizations and leaders are specifically looking at these success stories to maneuverer their policies and strategies to the new ways of working, changing job roles and a turbulent recruitment marketplace.

No one knows when we will be out of this and return to normal. The economic reboot and conduct of business as usual may take a very long time. The new normal will require organizations to reform their talent assessment and development strategies alongside developing workforce and workplace dynamics.

In the report, we learned about the impact of talent assessment and development in a remote work scenario. We learned that more companies implemented strategies and technologies to keep their employees engaged during these times. We also learned about the strategies adopted to hire and retain the best talent.

As we have seen that talent acquisition and development has become a differentiator even in a difficult 1.5 year period. The need for the competencies has changed drastically over years and organizations are looking at a few core skills to succeed.

We found that organizations that invested in tools, processes, and strategies for talent development remained on track long-term, largely hiring the right people for the right jobs and focusing on keeping the employees engaged.

There is also insight on what future holds for the talent assessments and what are some of the factors driving its growth.



Among this years key findings



75% of the organizations are facing moderate to total impact because of lock-downs and work from home



49% of the respondents suggested that their HR budgets have either remained the same or went up from last year.



Higher Investment in employee well-being and motivation was the key strategy adopted to manage the impact of COVID-19



Employee engagement and stress management were the two key challenges seen of employees working from home



Employee surveys and open channels of communications were the key tools used to ensure employee engagement



Accountability, collaboration and agility emerged as the top 3 non-negotiable competencies irrespective of the job roles



Over **51%** respondents still don't use any formal methods to ensure the right fitment of people for the right job



Candidates faking their responses has remained as the biggest challenge that organizations encounter while administering traditional assessments.

Preface



The current Covid-19 pandemic has turned things upside down, and things have significantly transformed for everyone across the globe. Be it work, workplaces, or even the workforce, all have changed. The best way for HR and talent leaders to keep going in the post-Covid world would be to re-imagine the skills, HR policies, and strategies.

Armezo in partnership with HR Shapers, set out to measure the impact of continued lock-downs on organizations, challenges faced, strategies adopted to overcome these challenges, and the future of talent assessments.

This survey series is an effort to get insights about the specifics of the challenges faced by HR organizations, strategies adopted to overcome, and competencies required to succeed.

The survey insights aim to highlight a new paradigm in talent assessments due to remote work and set up organizations for success in this fragile environment.

After seeing the results, I strongly believe that the data will shape tools, reports, and points of view on the biggest challenges organizations are facing and what the future of talent assessments look during this time and beyond.

The report is validated and qualitative inputs provided by the leading psychometrician of India and seconded by some of the most respected HR leaders of the country.

Enjoy the read and I will welcome any feedback that you might have.

Happy Reading,

Navjit Singh
CEO & Co-Founder
Armezo Solutions

Preface



The haphazard response to COVID-19 demonstrated the value of talent management, talent mobility, re-skilling, and digital transformation to deal with the pandemic. The leadership readiness was found wanting to deal with COVID-19 and its effect on the workforce. A recent survey by Gartner, found that just 12% of more than 1,500 respondents believe their businesses were highly prepared for the impact of coronavirus. This leaves a lot to be done.

The pandemic is yet not over but a cohesive strategy is required to create a response that draws its insights from the best practices of organizations that did well

during the pandemic but also learn from other's mistakes.

HR Shapers has joined hands with Armezo to bring this knowledge in a structured manner for the benefit of HR fraternity.

This survey series is an effort to get insights about the specifics of the challenges faced by HR organizations, including

1. Managing talent mobility and workplace dynamics including long-term Gig, hybrid or pure WFM scenario's
2. Creating an engaging talent experience
3. Re-skilling based on skills of the future to manage another VUCA crisis like COVID
4. Create the next layer of leadership and workforce to manage the recovery

The results give me the confidence that there will be lot's to learn and implement. Enjoy the read and I will welcome any feedback that you might have.

Happy Reading,

Ashish Gakrey
Founder
HR Shapers

Demographics



The 2021 report is based on the views of 261 respondents across India from 18+ industries.

INDUSTRY DISTRIBUTION

Automobile	6%
BFSI	7%
Building Materials	3%
Consulting & Services	4%
Education	6%
Energy & Utilities	6%
EPC	4%
Food & Consumer Goods	5%
Healthcare	3%
Human Resources	5%
Information Technology	23%
Internet	5%
Manufacturing	7%
Others	5%
Pharma	5%
Retail & Apparel	3%
Telecom	3%
Travel & Transportation	2%

NUMBER OF EMPLOYEES

Less than 50	11%
51-100	10%
101-500	24%
501-1000	15%
1001-5000	20%
5001-10000	10%
10000+	9%



Survey Insights

What is the impact of the current situation of COVID-19 on your organization in the last year?

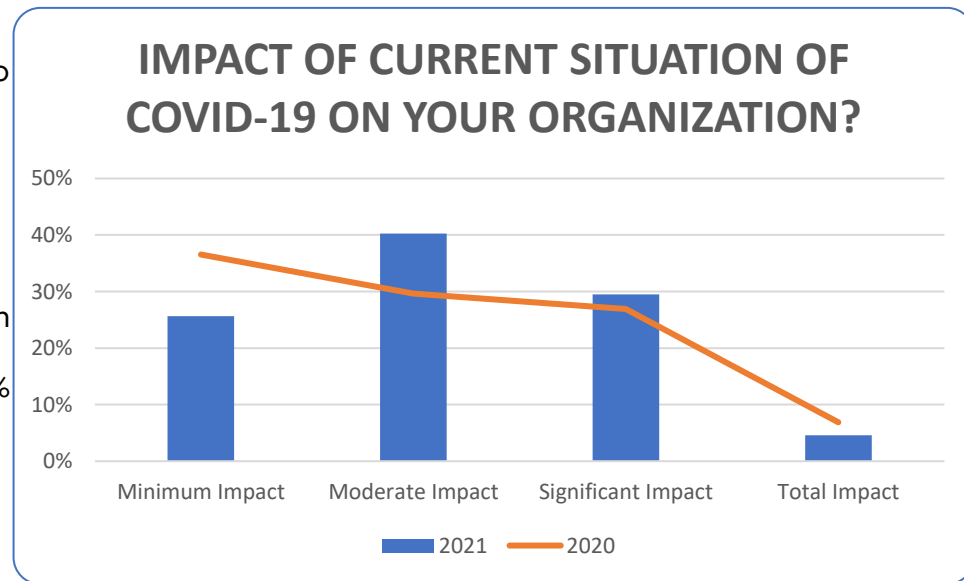
74% of the respondents suggested that continued lockdown had a moderate to total impact on their organizations.

The second wave of the pandemic and ensuing lockdowns has impacted a lot of organizations deeply and almost broken the back.

The survey also reveals similar facts over the last two years. The percentage of organizations getting moderately to totally impacted has increased from 64% last year to 74% this year.

The macro-economic data also pointed in the same direction and during the financial year 2020-21, GDP contracted by 7.3 percent. The services sector which contributes to 55% of the GDP contracted by 16% while the manufacturing that contributes around 18% contracted by 7.2% during this period.

The expected impact of the second wave is so far considered being significantly lower than the first wave as the second wave lockdowns are more localized and centered around smaller groups disrupted for relatively shorter periods.

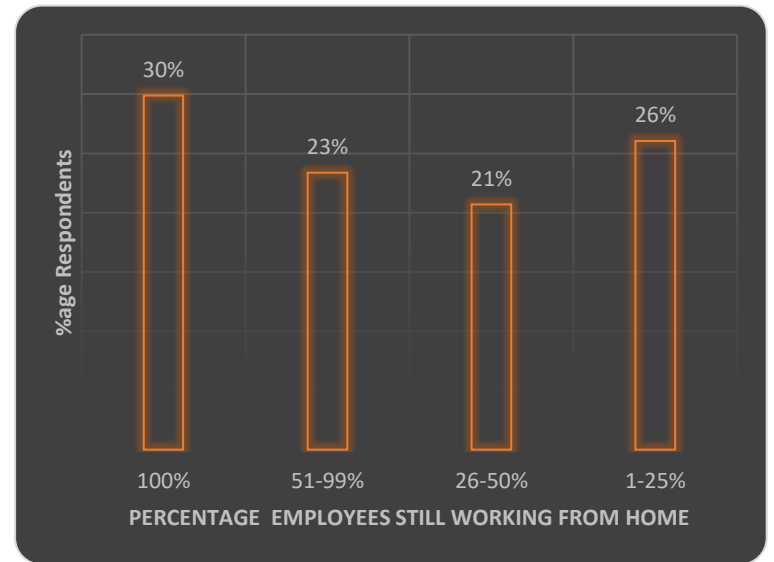
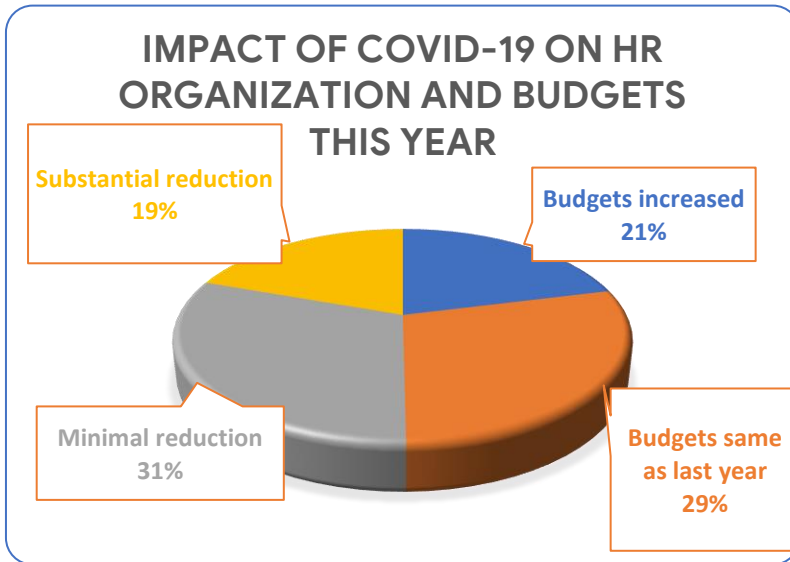


What is the impact of COVID-19 on HR organization and budgets this year?

49% of the respondents suggested that their HR budgets either remained the same or increased from last year. For over 53% of the respondents, more than half of their employees are still working from home.

The second wave of the pandemic and ensuing lock-downs has impacted a lot of organizations deeply and almost broken their back.

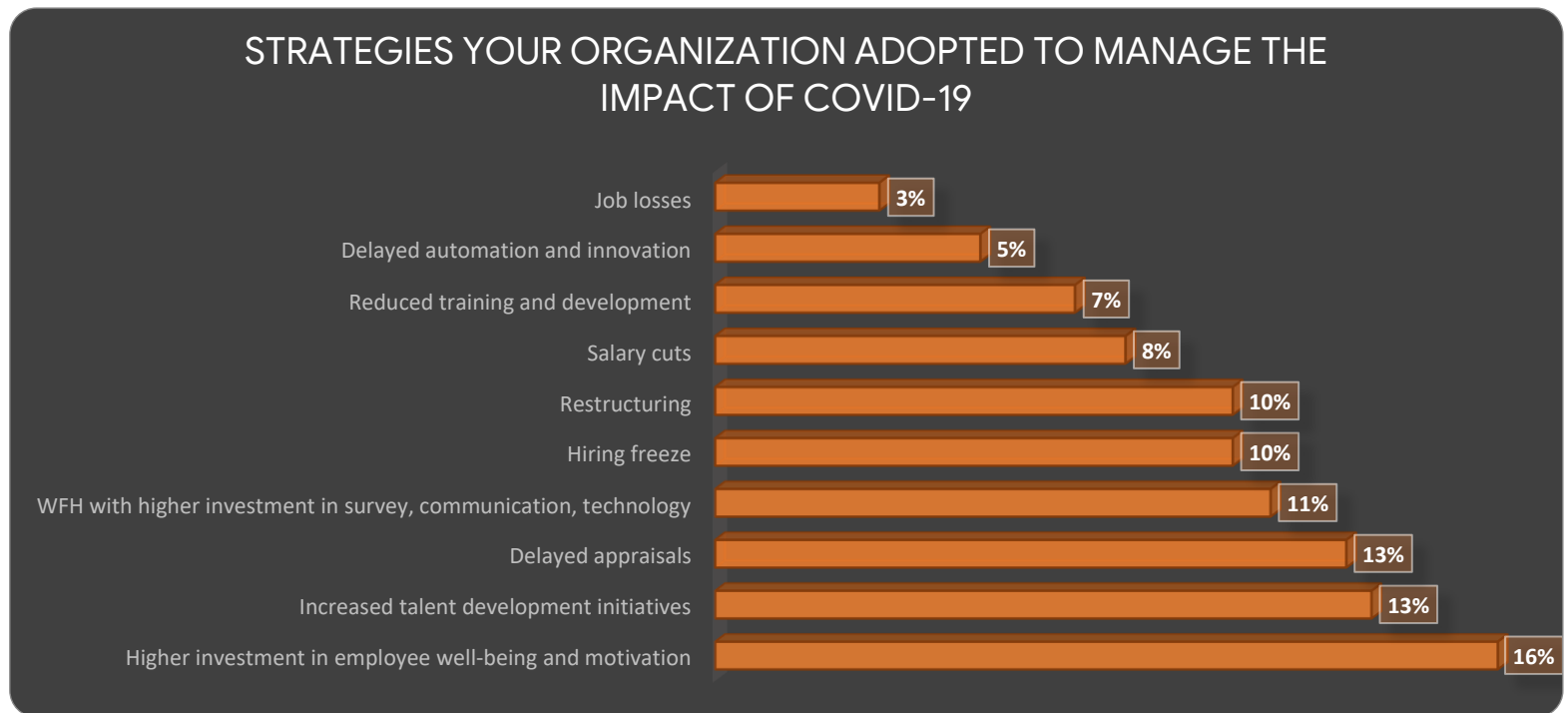
The survey also reveals similar facts over the last two years. The percentage of organization getting moderately to totally impacted has increased from 64% last year to 74% this year.



What strategies did your organization adopt to manage the impact of COVID-19?

Layoffs still remain the least preferred option like last year amongst the choices available to manage the impact of COVID-19.

The results clearly show that the HR leaders have learned to live with and manage the COVID impact. Besides the obvious cost-cutting choices of hiring freeze, delayed projects, delayed appraisals, etc. organizations have made investments in communication and technology for long-term WFM, talent development initiatives, and on employee well-being and motivation.



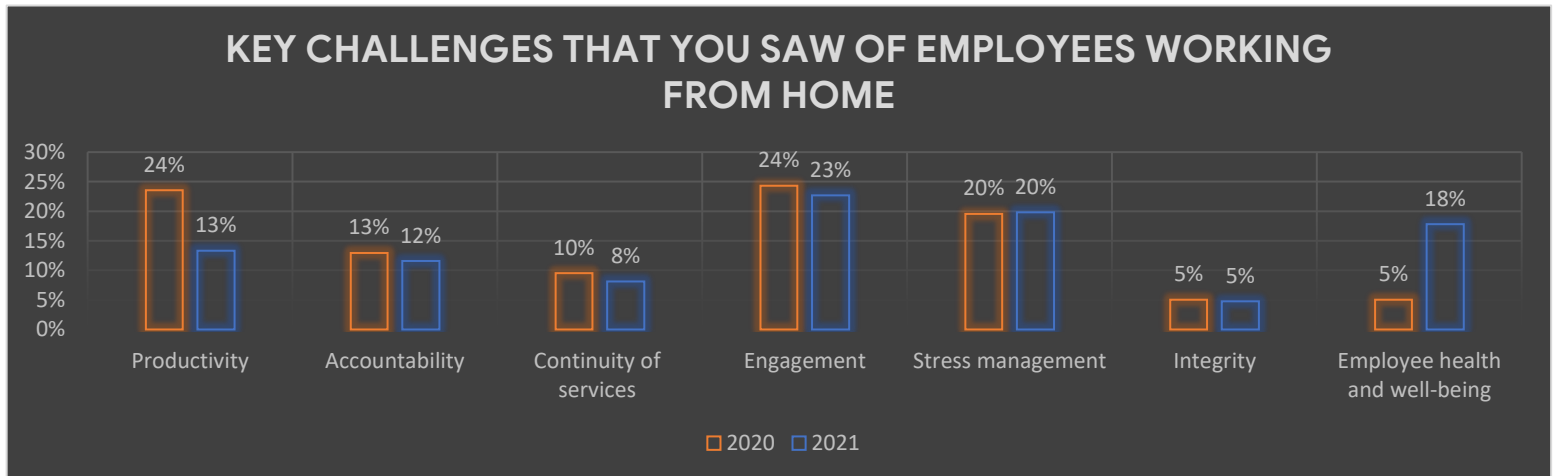
What are the key challenges that you saw of employees working from home?

60% Of the respondents have said that Work-from-home's biggest impact is in the areas of employee engagement, stress management, and employee health and well-being.

Employee engagement, stress, and wellbeing are all closely interlinked with each other. Greater wellbeing is related to better engagement at work and vice-versa. Also, lower levels of engagement and well-being mean high stress levels.

Pandemic related challenges were noted for all people irrespective of their marital status, whether they lived in nuclear or joint families, or with kids or single. Parents experienced exhaustion taking care of their children, working, and managing their houses sometimes without any help and single people experiencing loneliness and isolation. These challenges were higher for people working from home for longer periods compared to workers who had the opportunity to work on-site.

The survey also reveals its biggest challenges in terms of employee engagement, stress management, and employee health and well-being.



What strategies did you adopt to ensure your employees felt engaged during lockdown and WFH?

49% of the respondents used different types of surveys as their go-to-tools to get a pulse of the needs of the employees and check their satisfaction.

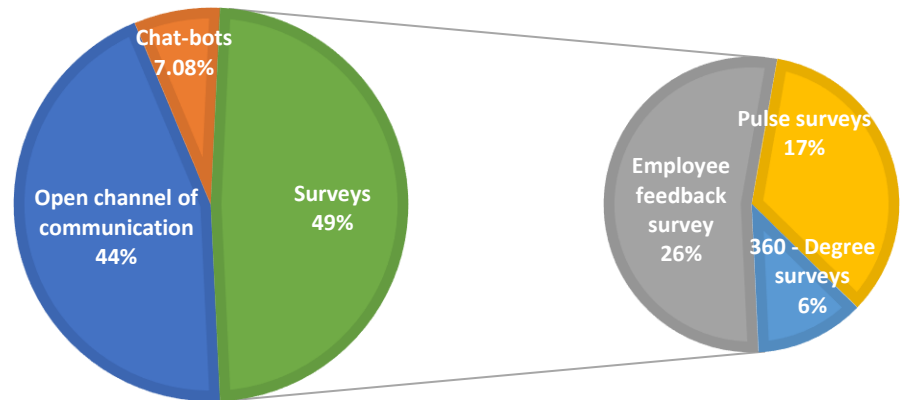
Employee engagement is fundamental to any organization's success. The lock-downs and ensuing work-from-home have only brought the importance of employee engagement to the fore-front. Organizations have used multiple strategies to ensure that their employees felt engaged during this period and continue to do so in these uncertain times.

While having an open channel of communications is good at any point of time, there is no better time to practice it when employees are dispersed through geographical locations.

Surveys have emerged as the preferred tools to get employee feedback, check their pulse and get a 360-degree perspective.

For employees, shy of sharing their feedbacks in open forums or platforms, chat-bots are fast emerging as the tools to receive anonymous feedback 24X7 and solve any challenge in its budding state itself.

STRATEGIES ADOPTED TO ENSURE EMPLOYEE ENGAGEMENT



What are the key HR strategies to hire and retain best talent in 2021?











Engaging the right people for the right job has retained the number 1 spot to hire and retain best talent for the last two years.

The right person, in the right job, with the right skills, at the right time, this is the workforce model everyone wants. Studies have shown that employees value being in a position they feel they can excel at that involves meaningful work and stay longer in those organizations. They feel more engaged and highly engaged employees are more productive and committed to the organizations in which they work.



Which competencies will be non-negotiable for your organization irrespective of the job role?

To emerge successfully from the current crisis, organizations will need to find and nurture their employees' emotional, social, cognitive, and adaptability skills.

Competency	2021 Rank	2020 Rank
Accountability	1 	7
Collaboration	2 	2
Adaptability	3 	6
Customer Delight	4 	13
Problem Solving and Decision Making	5 	1
Effective Communication	6 	16
Developing People	7 	15
Learning Agility	8 	5
Understanding Customer Needs	9 	10
Achievement Orientation	10 	14

Which competencies will be non-negotiable for your organization irrespective of the job role?

With the second wave and extended remote work, it comes as no surprise that accountability has emerged as the top competency desired by organizations. With workers in different locations w/o direct supervision, the need is for employees who are accountable and take responsibility for their actions and output.

While a manager is expected to be accountable for team success, for a remote employee it's about taking responsibility for their work tasks and performances, keeping to their promises on time and output and owning their roles and duties towards the team and organization.

The most significant benefit of remote worker accountability is that it helps build trust. With the possibility of not meeting your employees for months, trust between teammates becomes a

crucial aspect.

Regular collaboration and communication leads to organizational accountability to deliver on their commitment — which, builds trust among remote workers.

With continued remote work the need for collaboration has continued to be strong. Collaboration in the workplace helps create an open environment where people feel cared for, valued, and heard. Now it's even more critical to promote collaboration so that everyone stays updated, aligned, and connected. HR leaders have not only invested in processes to promote collaboration, and also in collaboration tools.

The prevailing uncertainty has brought adaptability into focus. Employees who can adapt to the ever changing environmental

scenarios are in demand for the organizations. The employees are living through a period of extraordinary change, with jobs lost, businesses closed, and appraisals postponed. They have not been to offices for long, have not met their colleagues or clients for months, and are managing their chores with little or no support along with the official responsibilities. People who are alone are suffering from loneliness and anxiety.

In the future, there's more uncertainty on the horizon and no one can predict when it will let up.

It's a lot of change to get used to for anyone all at once, and the change is not going away anytime sooner. So, from now on, adaptability will be one of the key non-negotiable competencies to have.

Which competencies will be non-negotiable for your organization irrespective of the job role?

Customer delight and experience is of paramount importance to retain the clients, but during such difficult times, customer delight is not just tough but heavy on pockets too. The cash-starved businesses are looking at newer and creative ways of delighting customers. One of the fundamental pillars to delight your customers is to find the right set of employees who can succeed in customer delight whatever may be the situations.

Pandemic are changing a lot of perception and habits of customers are changing and some of these habits will remain forever, so every organization must invest in keeping customers engaged and delighted. These delighted customer can help companies retain customers in the long run.

At the 5th spot is the problem

solving and decision-making competency. Even a study by World Economic Forum, the number one skill that employers will need in their employees in the future is the problem solving ability. The report shows that 36% of all jobs across all industries will require complex problem-solving abilities as a core skill.

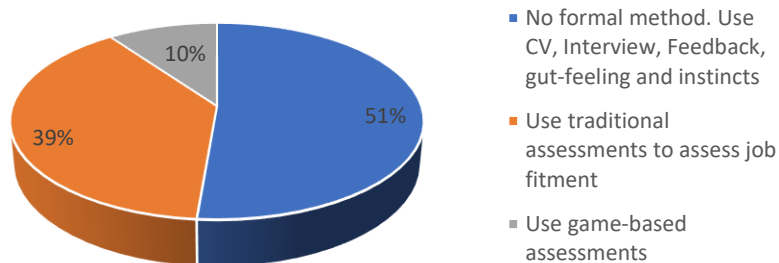
Problem solving skills become essential, especially in a remote working scenario. Problem-solving skills enable employees to approach problems rationally. In this way, they can identify the most effective methods to rectify situations and ensure smooth functioning of business operations.



What methods you used to ensure the right fitment of the people for the right job?

The verdict is split almost 50:50 between organizations not using any formal methods and the one's using formal talent assessment methods.

METHODS USED TO ENSURE RIGHT FITMENT OF THE PEOPLE FOR THE RIGHT JOB



While there is still a whopping 51% of organizations not using any formal methods to ensure right fitment of the people for the right job, the good part is that organizations using formal assessments methods has increased from 33% last year to 49% this year.

Because of remote hiring, HR leaders have shown their confidence in talent assessments to ensure the right fitment.

Typically, the spectrum of assessments varies from observing someone's work behaviors to acquired knowledge, skills, and behaviors, and lastly, to innate personality types and attributes. These skills and behaviors combined together have proven to demonstrate their effectiveness in predicting job performance most accurately.

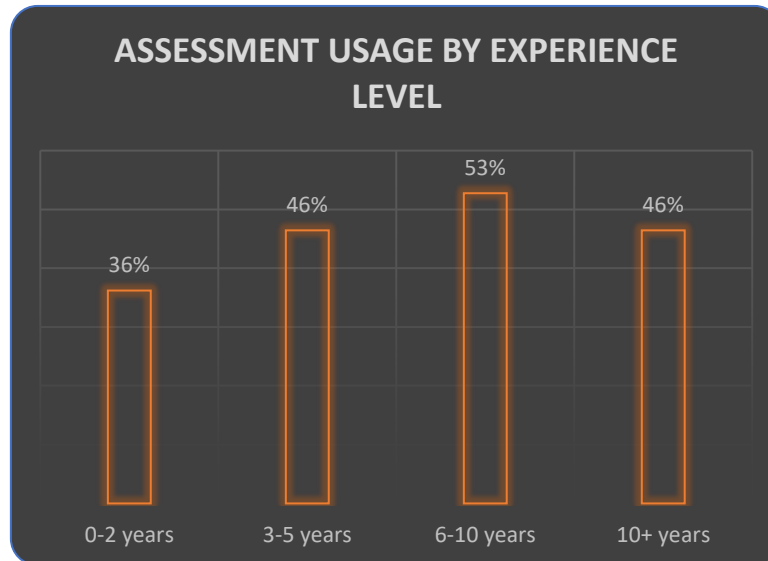
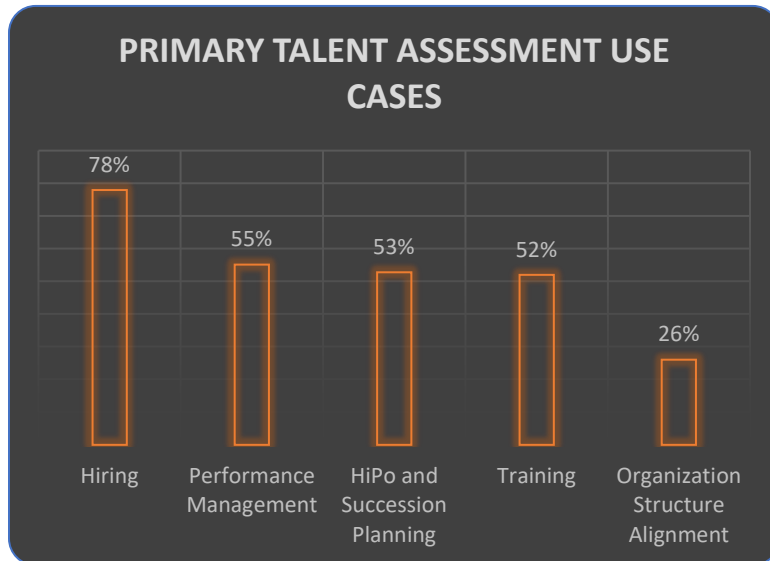
There is also a growing acceptance of game-based assessments to keep the candidates engaged and identify their strengths in a fun and engaging manner.

What are the primary areas and employee levels would you use assessments for?

78% of the respondent selected hiring as the primary talent assessment use case and used mostly in the 6-10 years experience level

Organizations using the assessments are deploying them across the employee life cycle - hiring to performance management. The most prevalent use case of the assessments for these organizations is for hiring and closely followed by performance management and HiPo and succession planning. The prevalence of use case for HiPo and succession planning has gone down from last year as a lot of organizations have delayed appraisals and talent development in the last year.

From an employee levels, the most prevalent use cases are in 6-10 years of experience. This is the typical juncture where employees move to people management roles and they are the one in most demand managing remote employees.



What are the typical challenges that you encounter while administering traditional assessments?

Candidates faking the response has remained the top concern for HR leaders and a big reason for bad hires and first year attrition.

52% of the respondents selected candidates faking the response as the biggest challenge encountered while administering traditional assessments. As these assessments depend on candidate's awareness of the self's personality, which is not true in a lot of cases, as the survey results depict. Being question and answer based and lengthy, candidates don't find these assessments engaging and the drop-out rates are pretty high resulting incomplete assessments and wasted resources.

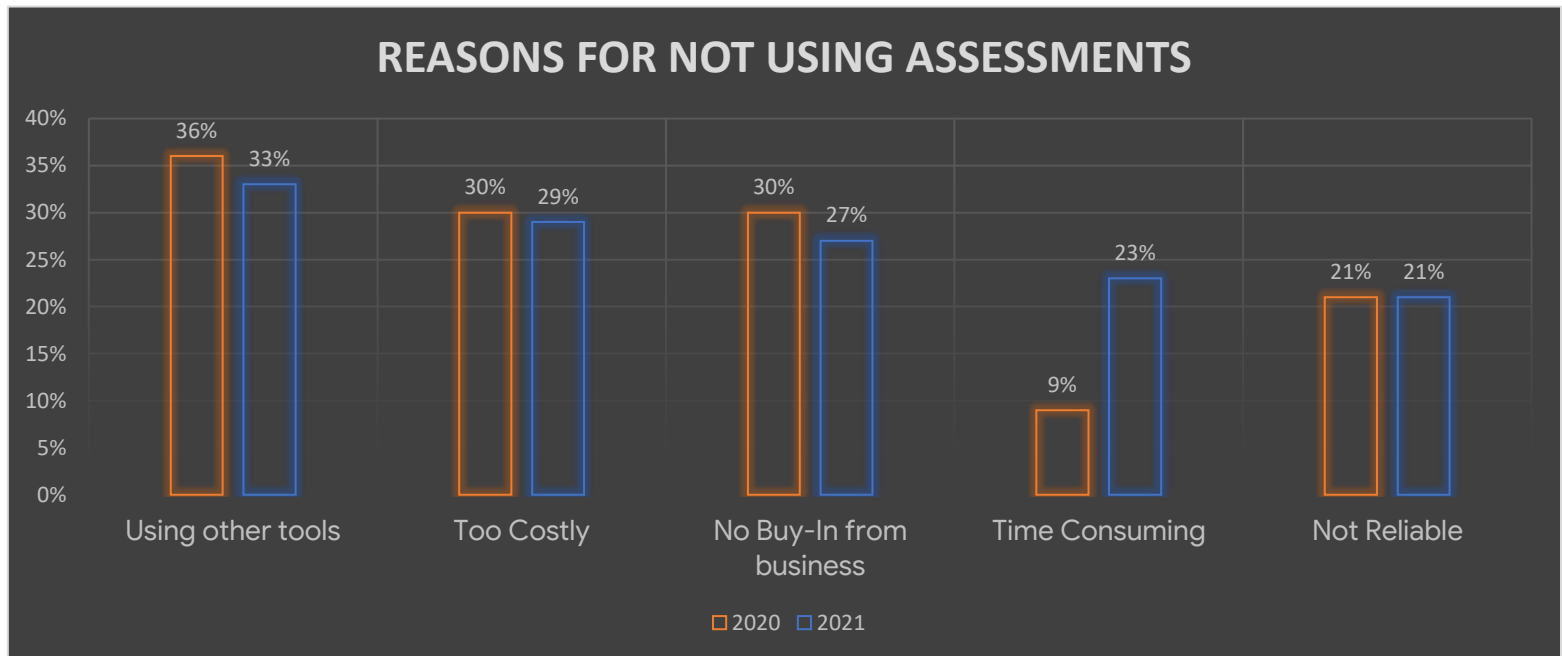


What are the reasons for not using assessments?

The onus is on HR leaders and assessment providers to educate the overall market on how assessments are time saving, reliable, and cheaper in mid to long –term.

The reasons for not using the assessments have remained similar to last year as the hiring, talent development, etc. have taken a back seat amongst HR priorities. The HR and business leaders consider it as an expense and look at it from a short-term perspective as an immediate cost.

The HR should consider assessments as a friend to make sure that they have the right people to do the right job. With proven results in employee productivity, retention, and engagement, assessments return the cost many times over for organizations using them.



Conclusion



The biggest strength of human race is that it can fight back against any challenge for its survival. The pandemic is no exception. In the last one year itself, we have seen extremely fast pace of vaccine development and fight back to return to normalcy.

Some organizations seen an uptake in their budgets, they have invested in employee well-being and employee engagement.

Organizations have realized that the only thing that will separate them from the ones that will have a fast pace of recovery would be the ones that have the right talent pool and the leadership to guide, motivate, and lead that organization. This is seen via the additional investment in employee engagement, collaboration, and making employees feel motivated.

Key strategies adopted by the HR and talent leaders to hire and

retain best talent are to have the right person for the right job and keeping the employees engaged. The choice of tools selected includes talent assessments and surveys in different shapes and forms as suggested by the survey insights.

With continued lockdowns accountability is the key strategy to remain competitive in this fluid world.

The adversity has presented an opportunity to organizations to optimize their processes and achieve a similar, if not higher, productivity. The pandemic has brought forward the transformation of HR function by couple of years. The tools for collaboration, talent assessment, engagement, and well-being are part of the new strategy adopted by the people function.

2021
FUTURE
AHEAD

A large, solid yellow arrow points horizontally from left to right across the center of the image. The arrow is thick and has a slight 3D effect with a darker yellow shadow on its right side. Overlaid on the arrow is the text '2021 FUTURE AHEAD' in a bold, white, sans-serif font. The year '2021' is positioned on the left side of the arrow, while the words 'FUTURE' and 'AHEAD' are stacked vertically on the right side of the arrow.

INSIGHTS FOR THE FUTURE
2021 & BEYOND

Psychometrician Note



COVID-19 pandemic has brought shifts in the way organizations think, act and react and transform themselves to continue maintaining their existence in the ecosystem. The impact of COVID-19 only accentuates the value of psychometric testing.

Companies are making hiring decisions without having an opportunity to meet candidates face-to-face. In this scenario, the psychometric testing is even more critical.

Furthermore, social distancing has led to organisations and individuals operating with dramatically changed working arrangements, and these may last some time.

Psychometric assessment provides crucial information on how people and teams may react to the repercussions of physical distancing, social isolation and remote working. A deeper knowledge about an individual's core values and type of character enables leaders during these times to be more empathetic to an enormous range of different responses, challenges and needs, and to implement effective working arrangements and the right culture.

The COVID-19 pandemic has provided a catalyst for change in assessment methods by removing many of the bureaucratic barriers that were previously in place. Whilst these experiences unquestionably provide important insight into how other similar adaptations may be developed, it is important to recognise that they represent context-specific solutions, the long-term implications of which are not yet understood.

The psychometric assessment landscape may therefore yet be more disruptive, requiring fundamental alterations in practice rather than simple adjustments. As we move forward, it is important to keep in mind that the adaptations reported to date represent the best efforts of psychology professionals to modify existing practices to fit the needs of a new landscape. We now have the opportunity to reconsider how we might best design new models of assessment that are fundamentally more suited to a world where second waves and pandemics remain a likelihood.

Psychometrician Note

There is an urgent need for organizations to re-imagine their talent assessment and development landscape, to not only tide over the immediate crisis but also prepare for a resilient organization for the future.

Some organizations have fared better than their peer organizations and leaders are specifically looking at these success stories to maneuverer their policies and strategies to the new ways of working, changing job roles and a turbulent recruitment marketplace.

No one knows, when we will be out of this and return to normal. The economic reboot and conduct of business as usual may take a very long time .The new normal will require organizations to reform their talent assessment and development strategies alongside evolving workforce.

As we begin to contemplate new models of assessment that are less reliant on high-stakes assessment, we are reminded again that options exist within the field that may now take on greater imperative than they have in the past.

Moving to a model of programmatic assessment, game-based assessment and competency-based assessment requires a re-conceptualisation of the role

of psychometrics and would pose many of its own challenges. However, similar to the way technology allows for a greater degree of flexibility in the organization and delivery of assessments, a model of programmatic game-based assessment offers fundamental advantages over a more traditional psychometric alike in a new era of uncertainty.

If we are to adapt to become more responsive to change in the future, it is also crucial that we become increasingly reflective and self-critical such that we can recognise when any intervention has been successful or unsuccessful. The challenge will be to remain open to such a possibility when there is likely to be a tendency to consider a problem 'solved' once an adequate alternative has been found.

Regards,

Dr. Anamika Sharma

Chief Psychometrician

Armezo Solutions

Why Game-based assessments like Gammezo are virtually impossible to manipulate?



Never asks for a direct response

Candidates get immersed in the game without realizing the competencies getting measured and brings out their natural responses to situations.



Immersive and engaging in nature

The immersive nature tends to reduce stress resulting from the stereotype threat. Games also minimize socially desirable responses, by eliciting more authentic behaviour.



Multiple scales

Game-based assessments like [Gammezo](#) use multiple scales to ensure that responses are mapped to multiple traits and can't be manipulated.



Minimize bias

Games do not assume that the test-taker is aware of one's personality and the design of games is such that there is no interference because of a lack of self-knowledge.



Reveals a candidate's natural behaviour

Game-based assessments are progressive – they adapt as the candidate engages with it and reveals natural behaviour without the pressure of looking good.



More data-points

A game-based assessment like [Gammezo](#) measures a single response to multiple traits and every trait is measured at least 5 times, giving an accurate assessment.

Industry Leaders Speak



“A good many number of organizations are now looking at de-centralizing their decision making process”

This survey has certainly thrown back some ‘interesting’ results to ponder upon and has also broken some myths.

Personally, I have found the response to the ‘non-negotiable competencies’ question to be intriguing.

Accountability jumping up the rankings to No.1 position and Problem Solving & Decision Making losing rankings compared to last year is an indicator that a good many number of organizations are now looking at de-centralizing their decision making process and would encourage individual employees to remain accountable and answerable for what they are doing.

This should help in faster decisions and reduced bureaucracy.

Wriddhee Maitra

**Director – Human Resources, Comm. & Sales Training
Exeltis**

Industry Leaders Speak

Compliments to the team that created the survey and the findings. The report has some definite pointers that are not only cognitive, but intuitively relatable too.

Organizations have had two significant shifts. The first is to creating value vs. chasing valuation. The second is about caring for employees, rather than trying to cure them constantly. This has meant that employees need to have a high degree of ownership, which translates into accountability.

Psychometrics has for long, not been effectively used, and in some cases wrongly used. It's time has come to help both individuals and organizations succeed.

Naga Siddharth

Author of Being an Awesome People Leader

www.SiGoTalent.com

HR Head at an E-commerce startup



“Psychometrics has for long, not been effectively used, and in some cases wrongly used. It’s time has come to help both individuals and organizations succeed.”

Industry Leaders Speak



“Organizations led by leadership with foresight has moved from striving to thriving mode in spite of these challenges”

The Survey gives us tremendous insights on the key challenges and strategic responses in striving through the pandemic. Organizations led by leadership with foresight has moved from striving to thriving mode in spite of these challenges.

Organizations which have responded well during the challenges with focus on Employee Well Being, Motivation, Empathy & Resilience thereby reassuring the employees, rekindling the spirit of the enterprise have achieved significant outcomes since they remain resolute on the bigger order goals & the overall PURPOSE and will not be cowed down by setbacks and disruptions. After all, it's a VUCA world and disruptions are here to stay.

Such organizations invested & are continuing to invest heavily in Digital Infrastructure, Employee Engagement, talent & capabilities as well as on Leading with Empathy. The survey results on competencies such as Accountability, Collaboration, Adaptability are most relevant and are challenges of remote work / hybrid work which is the Next Normal.

Janardhanan N
Sr. Vice President – Human Resources
Oaknet Healthcare

Survey methodology

Science and math behind our survey

A request to participate in the survey was rolled out in June 2021 via email, HR groups, and social media campaign to more than a thousand HR, TA, OD, & L&D leaders in India. Of these 24% responses were received across the 18+ industries and geographies spread across India.

The number of respondents varies from question to question, as some questions were only intended for respondents who chose a specific option.

As with any research, readers should exercise caution when generalizing results and should take individual circumstances and experiences into consideration when deciding based on these data.

The results presented in this survey report are only representative of the sample of HR and business leaders responding to the survey.

Reach out to us at navjit@armezosolutions.com to benchmark your data against the survey data from your industry.



**Armezo measures' talent, potential,
and performance for organizations
through our Assessment and Survey
Solutions.**