

AON

A Guide to Making Better People Decisions With Talent Assessment

Data and insights from 48 million
assessments globally across sectors



Introduction

What your people do, create, sell and support sets you apart from the competition — and delivers your business strategy. Your people are your business.

Hiring and keeping hold of the right people with the right skills has never been more challenging or important. While some sectors struggle with the scarcity of in-demand skills, others are still determining the types of skills and jobs they need in the future. But organizations cannot wait until it is perfect. The “future workforce” is needed right now.

Recruiting or developing talent for a specific and immediate role no longer hits the mark. Future organizational success will be born from three pillars:

- **Resilience:** workforce resilience to ride out change and uncertainty
- **Agility:** organizational agility to flex and adapt
- **Belonging:** the true recognition of individual difference and opportunity to create a more diverse and inclusive organization with a sense of belonging

Underpinning these pillars is the constant need to make defensible, data-informed decisions about talent. Talent assessments provide helpful insights on workforce capabilities, skills gaps and potential. They help you make objective comparisons as well as informed and fairer talent decisions. They ensure that recruiter bias is minimized and help build a more diverse workforce. More than this, they empower your people to claim ownership of the development and career decisions.

We partner with clients across the world, delivering assessments to and touching the lives of, more than 15 million people annually. With such a rich data set, we can track change and see how this data can be used to solve the three core HR challenges we see today.



Addressing People Challenges With Talent Assessment

1 Enable talent strategy that supports business strategy

A changing organization needs a talent strategy that is informed by accurate talent data. A talent strategy must consider:

- the external environment
- the current workforce demographic
- the skills profile and the direction of travel for the firm

The Role of Talent Assessment

Assessments measure skill, capability, behavior and potential. As such, they can inform organizational decision making, provide tangible data for audits and benchmarking and offer insights to empower the individual participant to make better decisions.

Assessment data can be analyzed at an individual, business unit or organizational level to provide the quantifiable measure needed.

2 Design the participant experience and drive diversity, equity, inclusion and a sense of belonging (DEI&B)

Organizations understand the need to deliver their DEI&B strategy and demonstrate their commitment to ESG. They recognize the need for equal opportunities and greater transparency and fairness throughout their talent activity.

The Role of Talent Assessment

Talent assessments provide fair and objective measurement and insight. They offer the opportunity to tailor and customize the participant experience, adapt the assessments when required to support inclusivity.

Measures of values and fit with the organization help communicate and assess organizational culture, nurturing a sense of belonging. Progress in a DEI&B strategy can be tracked using the data generated from assessments.

3 Build resilience and assess future workforce skills at scale

Workforce skills are those skills needed to realize strategy and build a resilient organization. They include the competencies, behaviors and abilities that go beyond traditional technical skills. The increased speed of change means that future skills are needed today.

HR leaders need to pinpoint those skills and recognize how best to identify and develop these in their people.

The Role of Talent Assessment

The potential for agility, resilience, curiosity and inclusive mindset can be identified with assessment. Objective measures can quantify these softer skills, enabling comparisons between participants, spotting the best talent and focusing on development need.

With these current challenges, we see two further overarching concerns: the need to benchmark against the industry and prove the business impact of any talent program and the need for robust data security and compliance.

Proving the Business Impact and Benchmarking the Organization

Business and talent leaders need reassurance that selection processes are fair, rigorous, defensible and deliver what is expected. They need the ability to benchmark against other organizations and dig deep into sector trends. They must capture and analyze assessment and performance data – and understand what it means.

Aon's assessment teams help clients to see the bigger picture. We track and monitor assessment performance and its ability to differentiate between people fairly, predict job performance and measure essential skills and behaviors. More than this, we integrate talent data alongside compensation and performance data from across industries. This means we can benchmark, analyze and understand the opportunities for change.

Robust Data Security and Compliance

Changes in data protection legislation place greater emphasis on the privacy of an individual's data, how it is stored and where it is used. Talent leaders must work with an assessment partner who not only understands the legalization but knows how to translate this into working practice to ensure compliance in whatever country the assessment is used. Leaders must also understand how and why any AI-supported assessment has been developed and produces the results that it does, especially with regards to new or emerging legislation such as the New York City regulations around the use of automated employment decision tools (AEDTs). Being compliant is the minimum but ideally hiring staff can present this information to applicants and employees in a positive and confident manner.

This report looks at assessment data from 48 million candidates and shares how it can inform DEI&B strategies, build employer brand and shape participant experience.



Key Findings



Use Talent Assessment to Enable Talent Strategy

Assessment data on skills, potential and behaviors should inform talent decisions

- **Eighty-five percent** increase in assessment volume in four years.
- Assessment post-hire has untapped potential for employee insight and career conversation support.
- Our study shows that some sectors (e.g., industrials and manufacturing) have made progress in creating a better gender balance in their talent pools while others show slower progress (e.g., transportation and logistics). Although there is progress, talent pools for some sectors are still often skewed towards one gender.
- The number of clients using AI-supported video interviewing has **doubled in three years** and its use is increasing steadily.
- Mobile use for assessments is growing in popularity, but desktop use remains the preferred option for participants.



Drive Diversity With Better User Experience

Organizations need to understand and cater to the individual, being inclusive, driving diversity and creating a sense of belonging

- There is an **11 percent** growth in organizations measuring participant experience through net promoter scores.
- Participants realize their voice counts. The number of participants providing feedback on their experience has doubled.
- There is a **60 percent** growth in feedback reports being shared with participants, suggesting this might become standard practice.
- **Nine out of 10** assessments are completed once started.
- More organizations now offer time extensions to those with special requirements.



Build Resilience With Future Workforce Skills

Workforce resilience creates a sustainable future. It demands the understanding and support of individual resilience and the development of new skills

- Senior managers and customer service staff are more resilient than other groups.
- Resilience increases with age. Those **over 60 years** old are more resilient than those less than 20 years.
- Employees **over 40 years** old have a more inclusive mindset than those under 40 years.
- Our study shows the highest level of inclusive mindset within the construction sector, while hospitality has the lowest.
- **Four of the top five** sought-after skills remain constant during the period of this study. These are: communicates with impact, creates emotional attachment, drives results and takes initiative.

1

How Talent
Assessment
Enables
Talent Strategy



How Talent Assessment Enables Talent Strategy

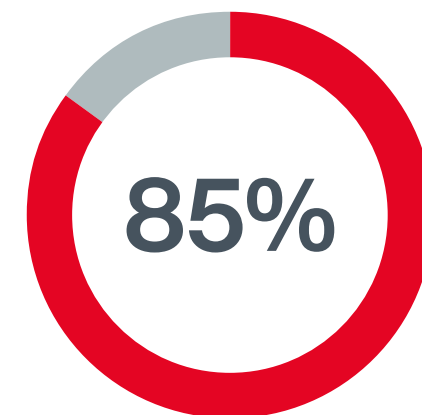
The turmoil of the pandemic has bled into general global economic uncertainty. With such change, HR and business leaders are relying on assessments to make informed talent decisions.

With More Organizations Using Assessments, New Opportunities are Unlocked

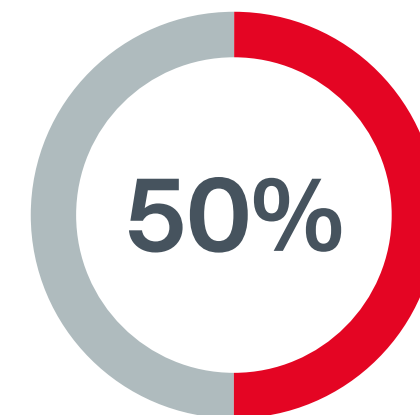
More than 48 million people have completed an Aon assessment in the past four years: The data shows an increase of 50 percent in the total number of assessments used over that time. Eighty-five percent more participants completed assessments in 2022 than they did in 2019.

The surge in growth came during the pandemic when in-person hiring stalled and talent assessments provided the information required to make informed hiring decisions.

Since then, demand for assessment has remained high. Having realized the value of objective measures of potential — for current and future roles — and the practical benefits of reducing in-person assessment, organizations are not willing return to pre-pandemic practices.



increase in total number of assessment takers in four years



increase in number of assessments deployed



Opportunity #1: Assess Your Talent to Support Retention

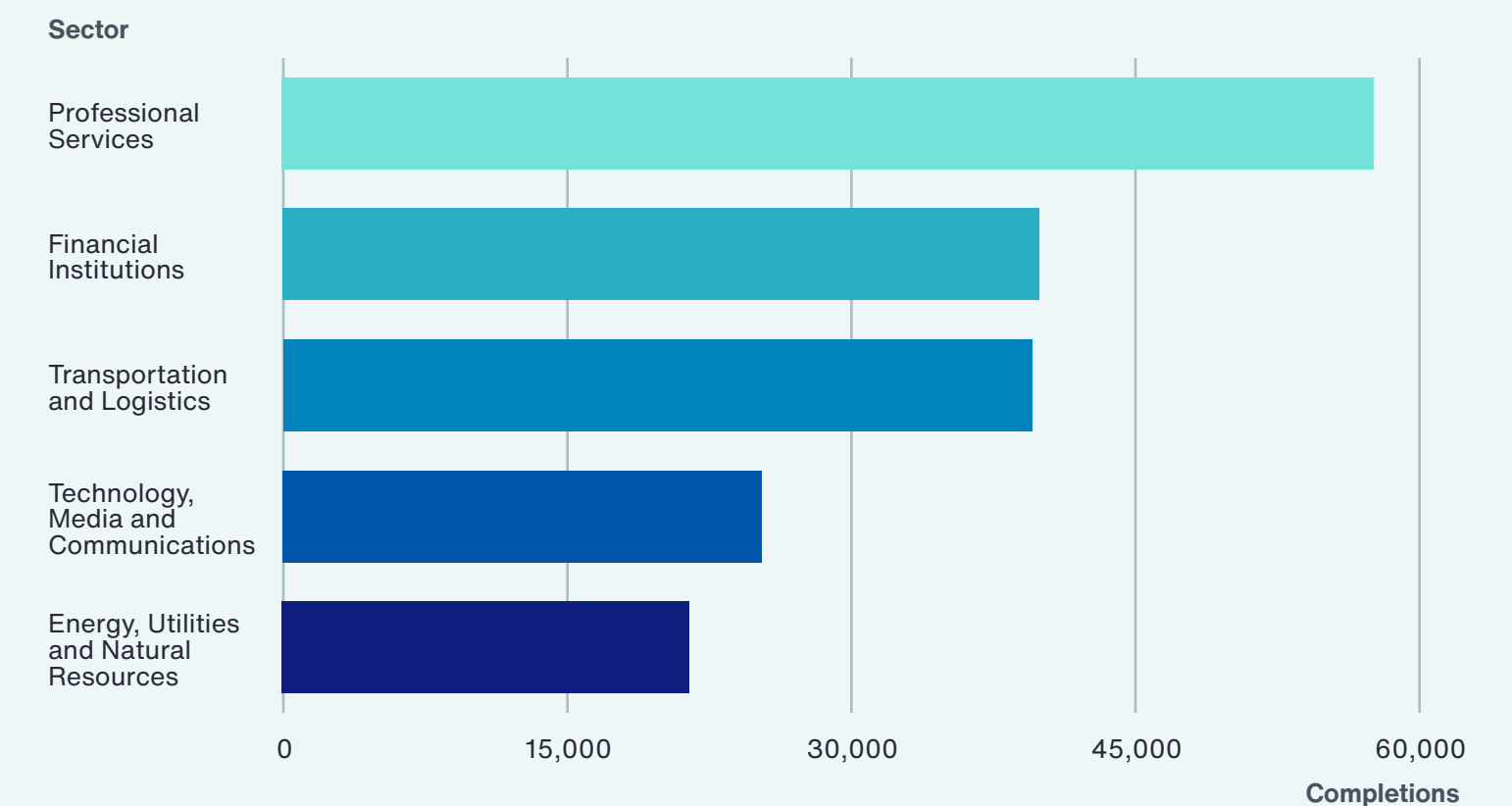
While many companies use assessments in the pre-hire space, since 2020, we have witnessed a surge in the use of assessment for existing employees. There are differences in the use of post-hire assessments by sector and geography. Professional services and healthcare firms lead in using assessments post-hire (nearly 20 percent of healthcare sector assessments are deployed after hiring).

Trends among different sectors have also changed over time. In 2022, financial institutions increased their use of post-hire assessment and moved from ranking fifth in assessment use in 2019 to number one. Meanwhile, the technology sector has fallen in assessment usage from number one in 2019 to dropping out of the top five sectors in 2022.

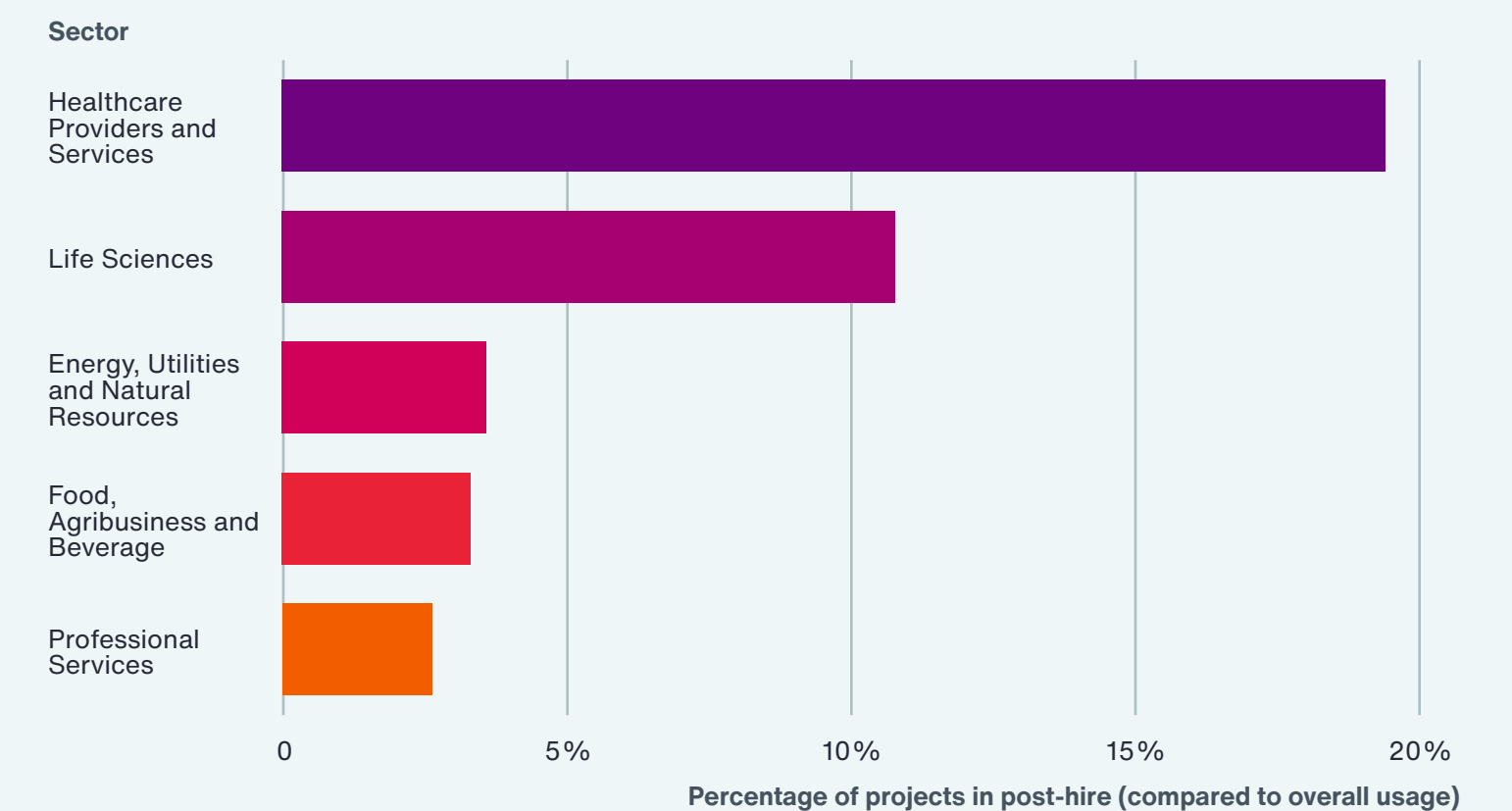
Regardless of changes and trends, assessment remains an untapped and underexploited tool for the HR or talent leader and offers a huge opportunity to make a difference. It provides an objective and fair way to gain real insights into the skills and competencies of the workforce.

Additionally, the value of assessment goes beyond that for the organization. It offers a starting point for career conversations between managers and workers, thereby strengthening retention and empowering individuals to develop themselves and self-manage their own career path.

Post Hire by Top Five Sectors for the Period 2019–2022
Based on Completed Assessments



Post Hire by Top Five Sectors for the Period 2019–2022
Based on Percentage of Post-Hire Projects



Opportunity #2: Understand and Build Diversity in the Talent Pool

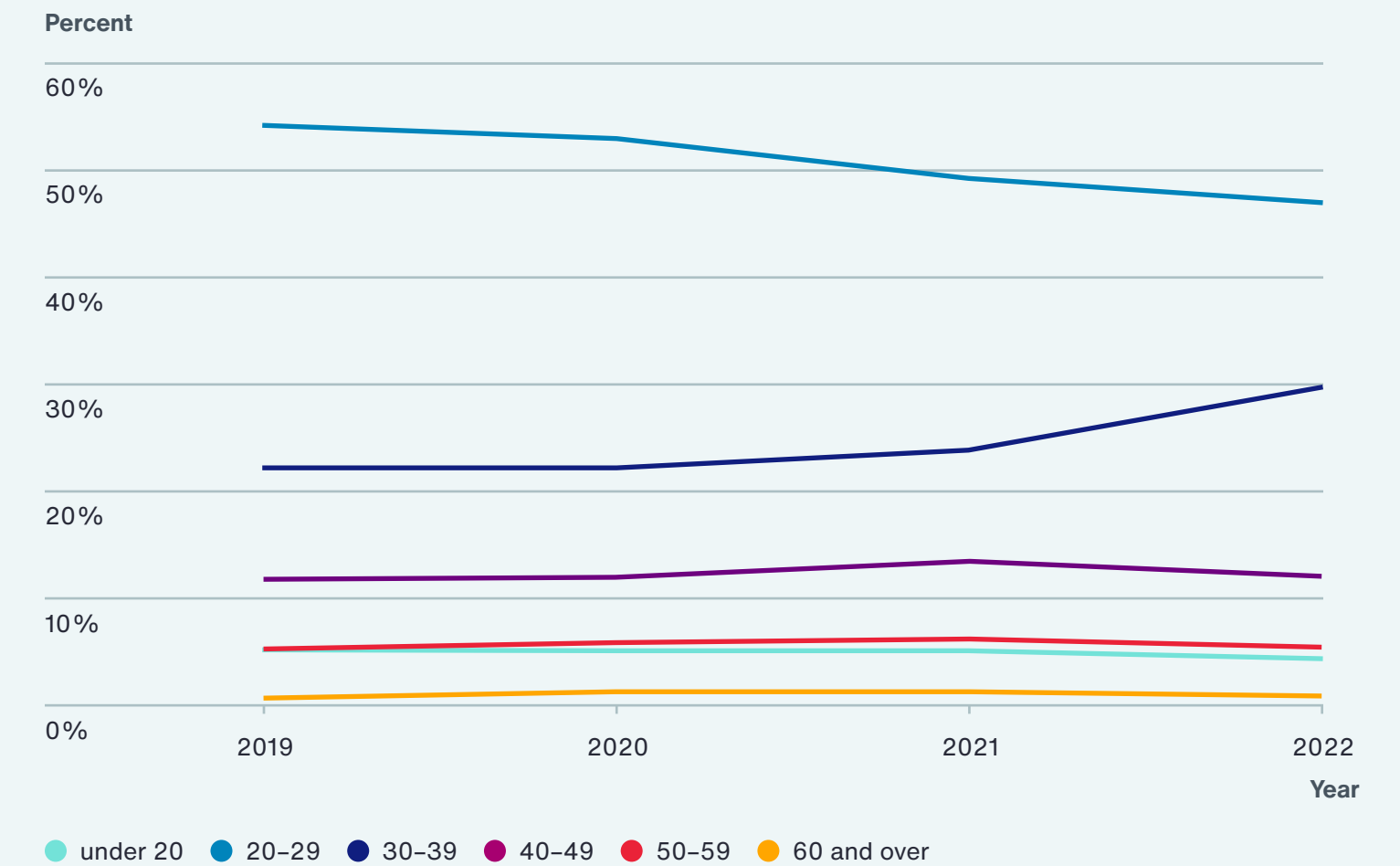
Our data shows a change in the makeup of the candidate pool. More candidates aged 30 to 39 are using assessments, while the percentage of 20 to 29-year-olds is decreasing. Other age groups remain static.

There are, however, differences in candidate age between regions and sectors. Understanding these differences across sectors and regions can help an employer target broader diversity in their talent pool.

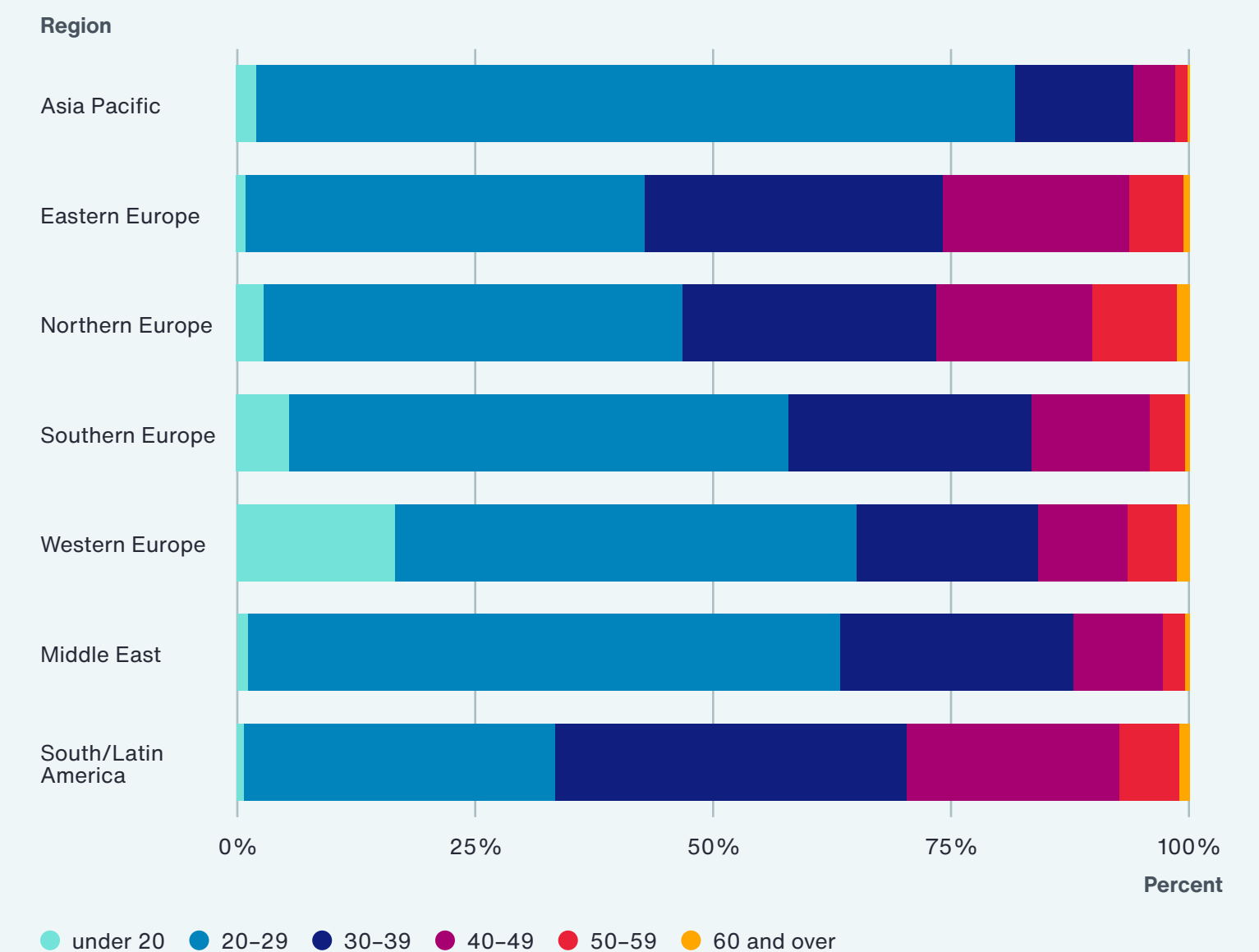
- In Asia Pacific, eight out of 10 participants are younger than 30 years old, whereas in Latin America seven out of 10 are over 30 years. This regional difference may reflect fewer roles for less experienced talent in Latin America and more roles and a buoyant young talent market in Asia Pacific.

- Western Europe has the highest percentage of participants younger than 20. A greater number of job opportunities or wider assessment use with school leavers, apprentices and interns may account for this.
- Northern Europe has the highest percentage of participants in the 50 to 59 age range. This may suggest that people over 50 seek a career change or return to the job market having taken early retirement.
- Forty percent of participants in the sports and entertainment sector are younger than 20, likely reflecting the volume or seasonal hires that such a sector offers.
- Healthcare providers and services and the public sector have the oldest talent pool, with more than 30 percent of participants over 40 years. Again, this supports the commonly held perception that older workers are attracted to the stability that such sectors offer.

Candidate Pool Diversity — Age Trends Overall



Candidate Pool Diversity — Age Distributions by Region



Source: Aon, 2019–2022

Aside from age differences, talent pools continue to see more males than females being assessed, based on Aon’s data. Furthermore, that gap is widening rather than closing across many regions and sectors.

- Participants in Latin America, the Middle East and Asia Pacific regions have a predominantly male talent pool, whereas European clients experience a closer to equal gender split, with a slight male majority.
- Our data shows that energy, industrials and manufacturing and transportation and logistics sectors have a primarily male talent pool. These are sectors perceived as being male dominated and may struggle to attract female talent.

Despite these statistics, some progress has been made. Many organizations in typically male-dominated sectors have invested in gender diverse education, attraction, recruitment and retention programs. Our data shows that while some sectors are attracting female talent, some continue to struggle.

- Females are slightly overrepresented in certain sectors that traditionally hire more females, including healthcare, retail and public sectors.

Change in the Percentage of Female Candidates Assessed by Sector



Industrials and Manufacturing

2019: 26%
2022: 28%



Transportation and Logistics

2019: 38%
2022: 30%



Technology, Media and Communications

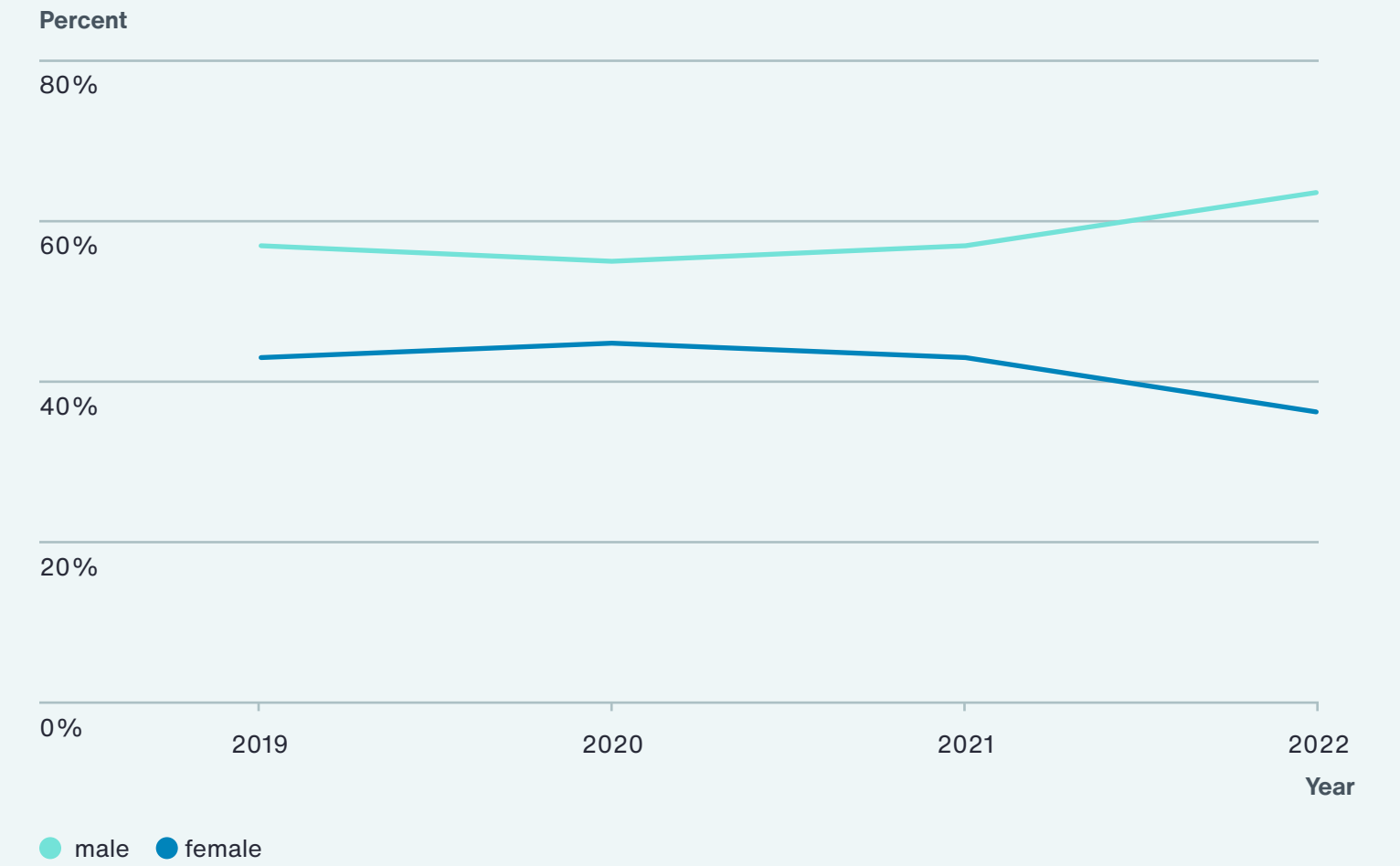
2019: 36%
2022: 39%



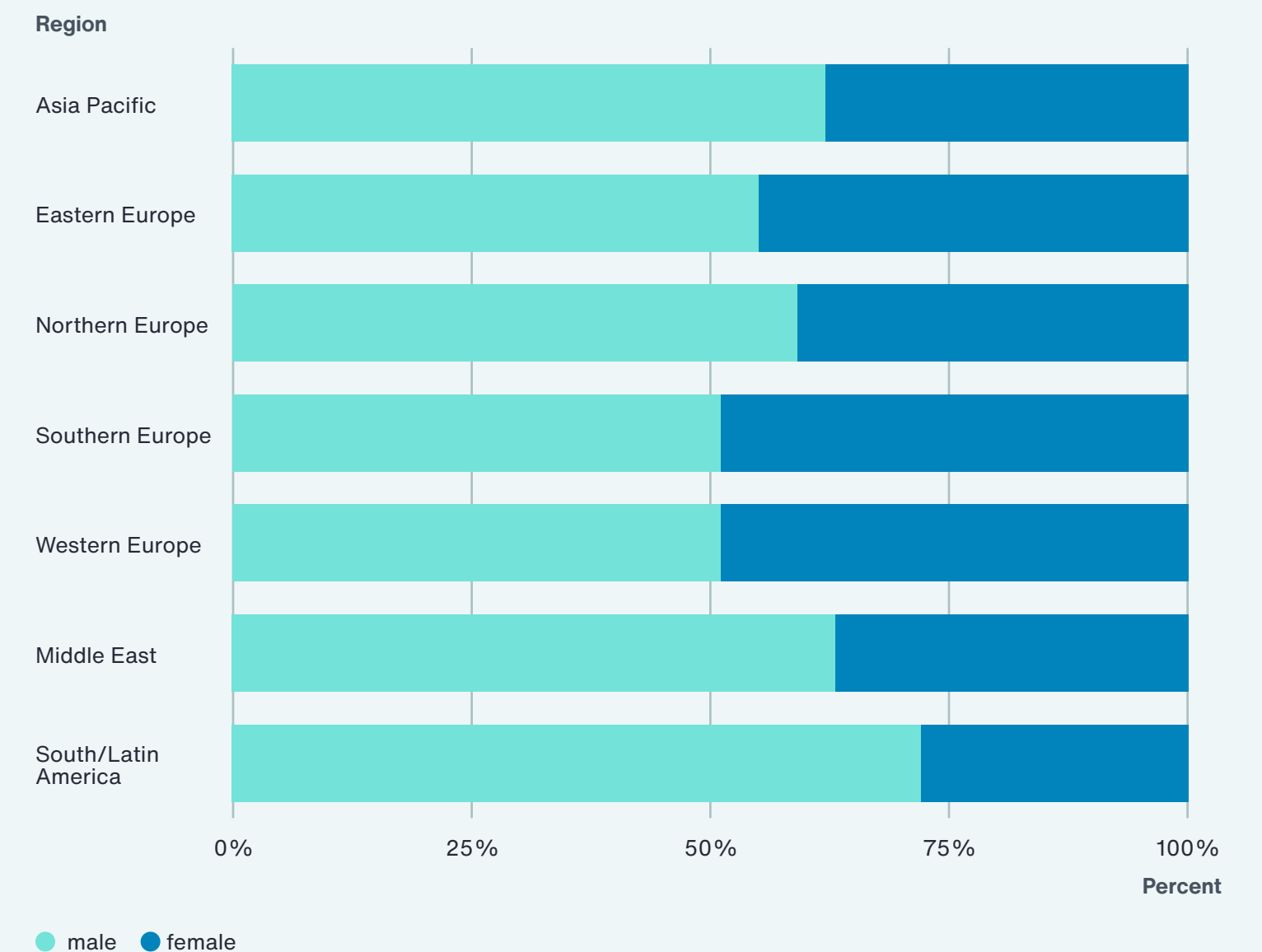
Financial Institutions

2019: 43%
2022: 44%

Candidate Pool Diversity — Gender Trends Overall



Candidate Pool Diversity — Gender Distributions by Region



Source: Aon, 2019–2022

Opportunity #3: Save Internal Resources Through AI-Assisted Assessments

Artificial intelligence provides another means to assess participants.

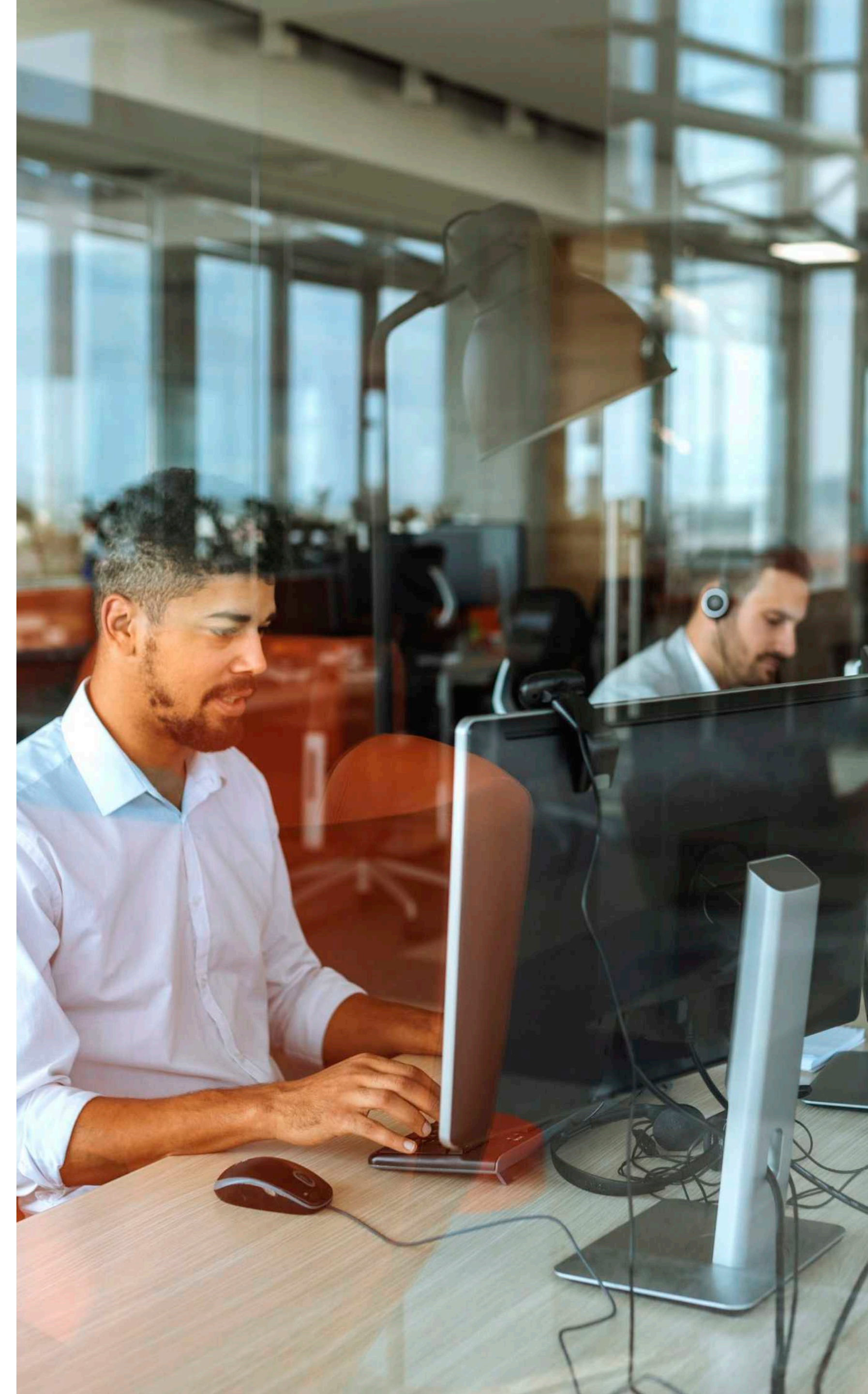
Aon's vidAssess-AI tool asks candidates to record their replies to the hiring organization's specifically determined interview questions. Responses are transcribed to text and then analyzed by an algorithm trained to evaluate and score various competencies. This method results in a correlation with human expert scoring, while removing some of the biases that human interviewers bring to the table. Such interviews can take place prior to an in-person assessment center or interview — saving HR resources.

The tool is predominantly used in the UK and China, as well as by companies in the financial and insurance sectors. While the number of clients has doubled in the past four years, the potential for using AI assessments is still largely untapped.

Accessing the AI-supporting tools provides greater objectivity in interviews which are typically subject to bias. It also offers HR the opportunity to create a more distinctive, objective and transparent interview process, as well as save internal HR resources to refocus energy into more value-adding activities.

Organizations want to be sure that the individual invited to take the assessment is the person actually doing the assessment. Remote proctoring technology allows confirmation of the participant's identity during offsite assessment. This remote proctoring system has steadily increased in recent years, used mostly by clients in Ireland and India and those in the public and transportation and logistics sectors.

Remote proctoring offers added confidence in assessment scores obtained during remote completion, a clear differentiator in the participant experience and shows the employer is committed to objectivity and fairness.





Take Action: How HR Can Use Talent Assessment to Achieve the Overall Business Strategy

Understand your talent assessment data and use it to drive your organization's talent strategy. Consider how you can:

- Design how assessment and supporting technologies fit into your hiring practice. Participants expect to be fairly and objectively assessed using relevant assessments.
- Check on the delivery of DE&I actions, carry out skills audits to close gaps, track development opportunities and understand potential — drawing on the wealth of talent data.
- Use assessments more widely with the existing workforce.

The benefits of doing so include:

- ✓ Achieving better business results by getting the right people into the right roles where they will be happiest and most productive and successful.
- ✓ Understanding how ready they are to achieve their targets and objectives — do they have the necessary skills and competencies in-role?
- ✓ Informing leadership and individual development, workforce planning and organizational skills audits.
- ✓ Providing data concerning different demographic groups and those typically underrepresented.
- ✓ Tracking change over time in gender diversity of participants.
- ✓ Informing the targeting of flexible benefits, total rewards and engagement programs to become more attractive to the talent needed to hire and retain.

2

Design the Participant Experience to Drive Diversity, Equity, Inclusion and Build a Sense of Belonging (DEI&B)



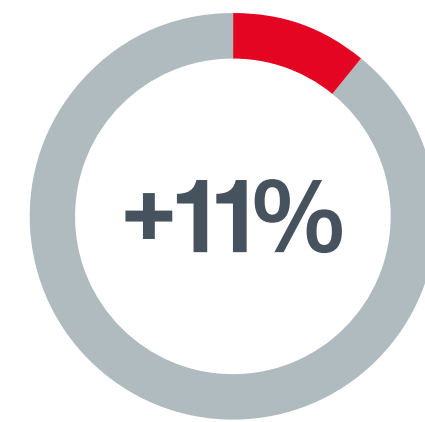
Designing the Participant Experience and Driving DEI&B

Organizations understand the need to deliver their DEI&B strategy and demonstrate their commitment to Environmental, Social and Governance (ESG). They recognize the need for equal opportunities and greater transparency and fairness throughout their talent activity.

Talent assessments provide the insights needed and help you make objective comparisons and fairer talent decisions.

Key Findings

Organizations must understand and cater to the individual. They must be inclusive, drive diversity and create a sense of belonging.



There is an 11 percent growth in organizations measuring participant experience through net promoter scores.



Participants realize their voice counts: The number of participants providing feedback on their experience has doubled.



There is 60 percent growth in feedback reports being shared with participants, suggesting this might become standard practice.



Completion rates remain stable: after an assessment is started, nine out of 10 are completed.



More organizations now offer time extensions to accommodate those with special requirements.

Designing the Participant Experience

We see a rise in the recognition of the individual — across both the pre-hire stage and within the employee workforce. Diversity, equity, inclusion and the creation of a sense of belonging are taking center stage. Recognizing and celebrating individual differences and the underrepresented has become fundamental to organizations and policy is moving to practice. Organizational culture and values now are commonplace and filter through into day-to-day working.

With a scarcity of in-demand skills, organizations are paying increasing attention to the participant experience — a differentiating factor when vying for talent. An engaging recruitment process requires timely communication, greater transparency of the decision-making process and relevant and easy-to-access assessments. Furthermore, organizations must respect the time participants invest and show they value this by providing useful feedback.

Put a strong focus on the individual to:

- recognize individual differences
- utilize the technologies available to create an outstanding participant and user experience across talent assessment
- reinforce a positive attitude towards the employer, increasing job performance and job acceptance¹
- lead to high satisfaction ratings from participants about the hiring process
- include assessments that are engaging, relevant and result in completion



Ask Participants About Their Experience

Organizations understand the need to measure and track participant satisfaction. A good experience engages participants, differentiates from those competing for talent and ensures a high completion rate.

Our data shows that the number of organizations asking participants about their assessment experience is increasing, up 11 percent. Furthermore, the number of participants rating assessment practices has more than doubled since 2019.

High Completion Rates Indicate a Positive Participant Experience

Assessment completion rate is a strong indicator of participant experience. High completion rates suggest that test takers recognize the relevance of the assessment, are engaged with the process, find it simple to complete and are willing to finish. Our research shows a consistent completion rate of over 90 percent.

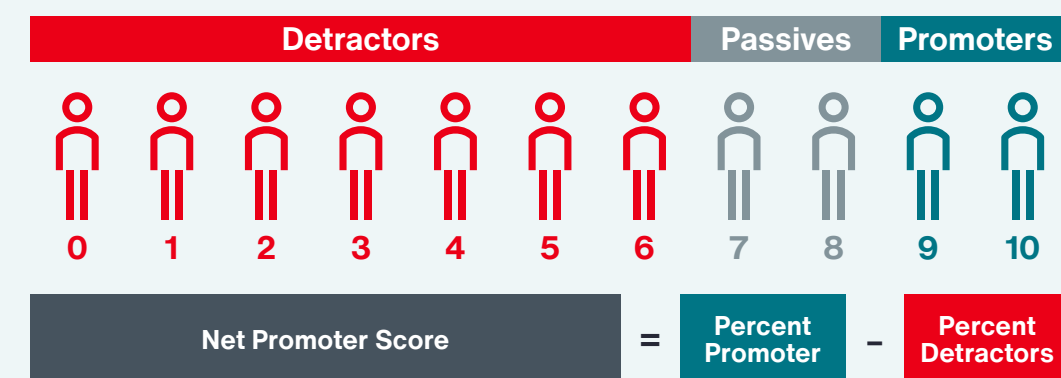
There are sector differences. Sectors with completion rates of over 95 percent include sports and entertainment, life sciences, healthcare providers, energy, utilities and professional services.

Another helpful data point to consider in the overall experience with the assessment is the Participant Net Promotion Score (NPS). Ratings of Aon's assessments provided by participants have risen from 7.6 to 8.2 on a 1-10 scale where 10 is the most positive.

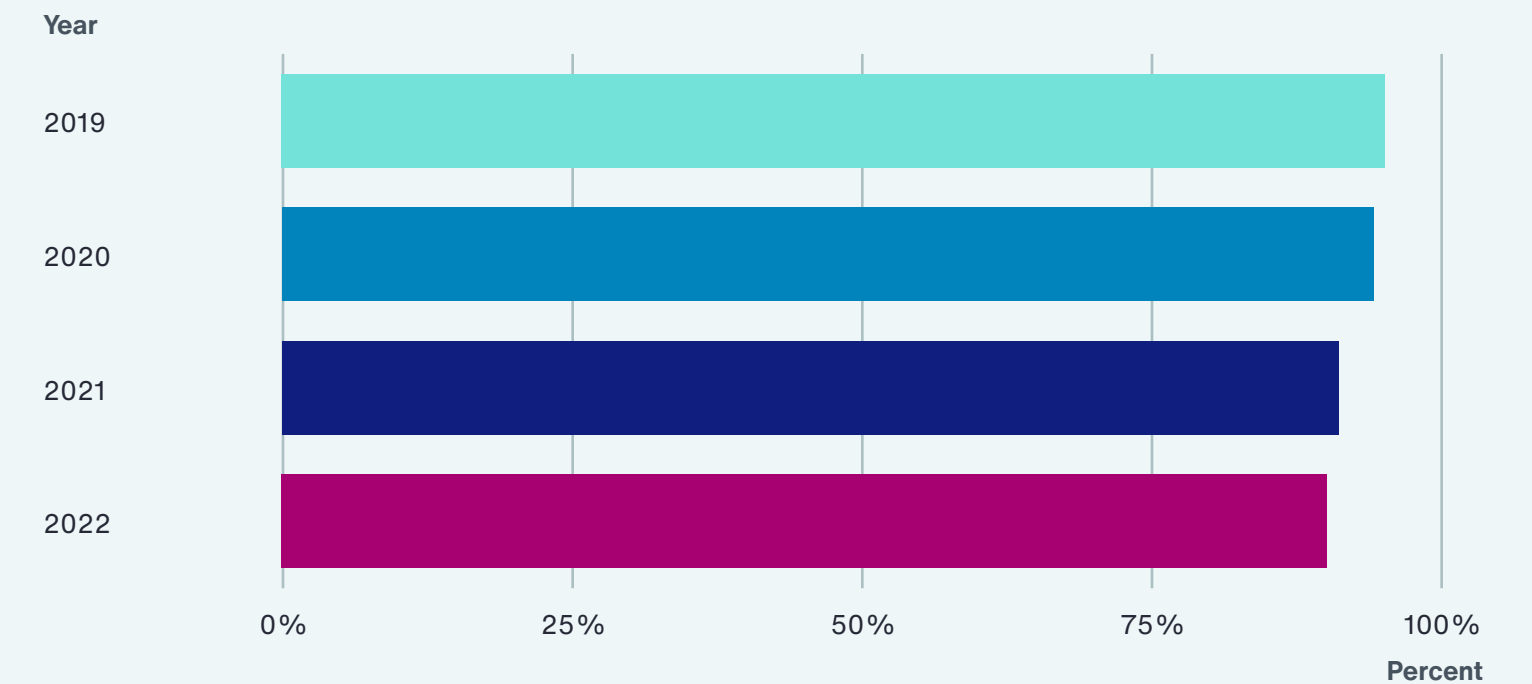
How Participant Experience is Calculated

Participant Experience is measured through the Participant Net Promoter Score (NPS).

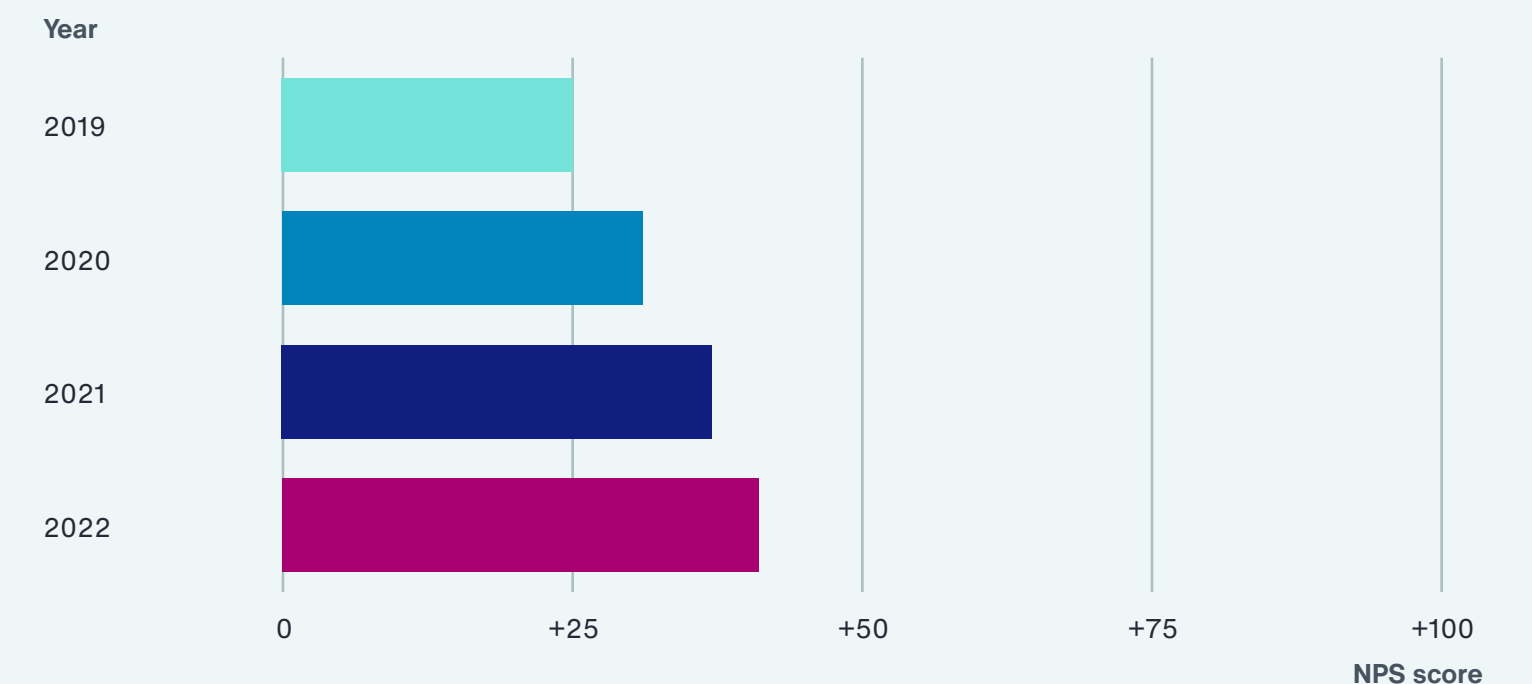
This is determined by the participant indicating the likelihood that they would speak positively about the assessment experience on a rating of 0 to 10. Collation of all ratings enables the subsequent calculation of NPS which ranges from -100 to +100.



Completion Rates



NPS



Source: Aon, 2019-2022

How to Improve the Participant Experience

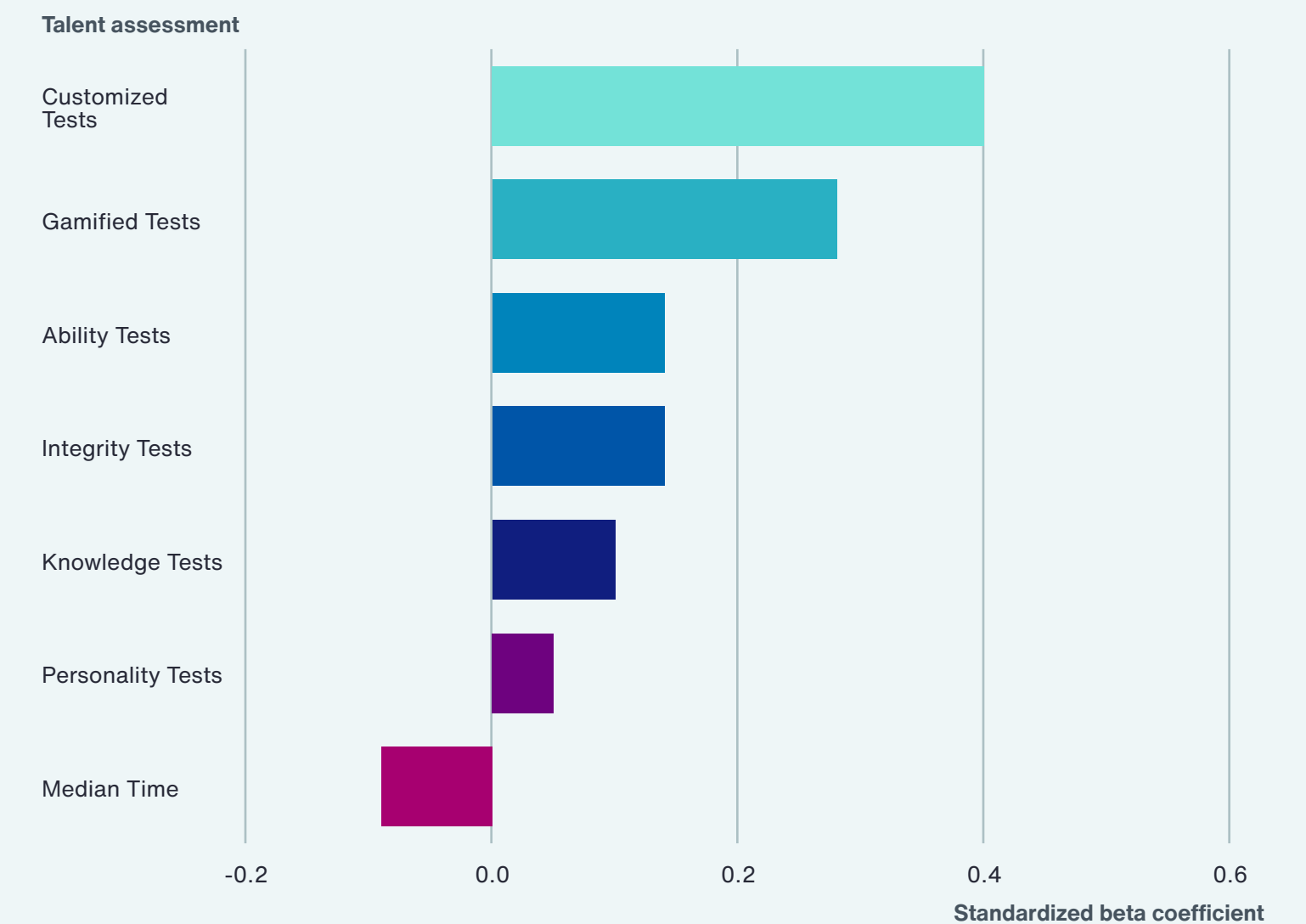
While participant experience is trending in the right direction based on our data, there is always room to improve overall measurements and ensure these continue to be tracked.

Participant experience scores are driven by three key factors relating to the assessment itself:

- 1 Test Design**
 Our research shows that two forms of talent assessment improve the participant experience: customized tests which are designed for a specific job role or organization and assessments which make use of gamified elements. And beware of making assumptions of different demographics preferring certain types of tests. While it might be counterintuitive, our data finds older test takers are more attracted by gamified assessments.
- 2 Length of Assessment Time**
 Participants are not keen on longer assessments and report a less positive experience. This relates to the total time spent rather than the number of assessments asked to complete.
- 3 The Type of Assessment**
 Our research shows that participants prefer to complete gamified and cognitive ability tests over those measuring knowledge or personality characteristics.

Those who perform better on an assessment tend to give higher Participant NPS scores.

What Drives Participant Experience



Source: Aon, 2019–2022

Provide Participants with Feedback

Hiring organizations have recognized the need to provide feedback to participants to improve engagement and the overall experience. HR leaders understand the time commitment made in applying the valuable insight that assessments offer and the benefits from sharing this information with the participant.

Our data shows that the use of feedback reports (the reports designed and written for the participant based on their assessment results) has increased significantly since 2019. Many organizations do not provide feedback — sometimes to avoid risk of litigation. However, with proper legal guidance there is a considerable opportunity to improve the participant experience with standard informative reports bringing value to the applicant and not exposing the company to any risk. The information in such reports offers insights but also empowers individuals to make their own decisions.

Only 20 percent of participants have access to a feedback report. However, in the past four years this has increased by 60 percent.

400%

increase in generated feedback reports

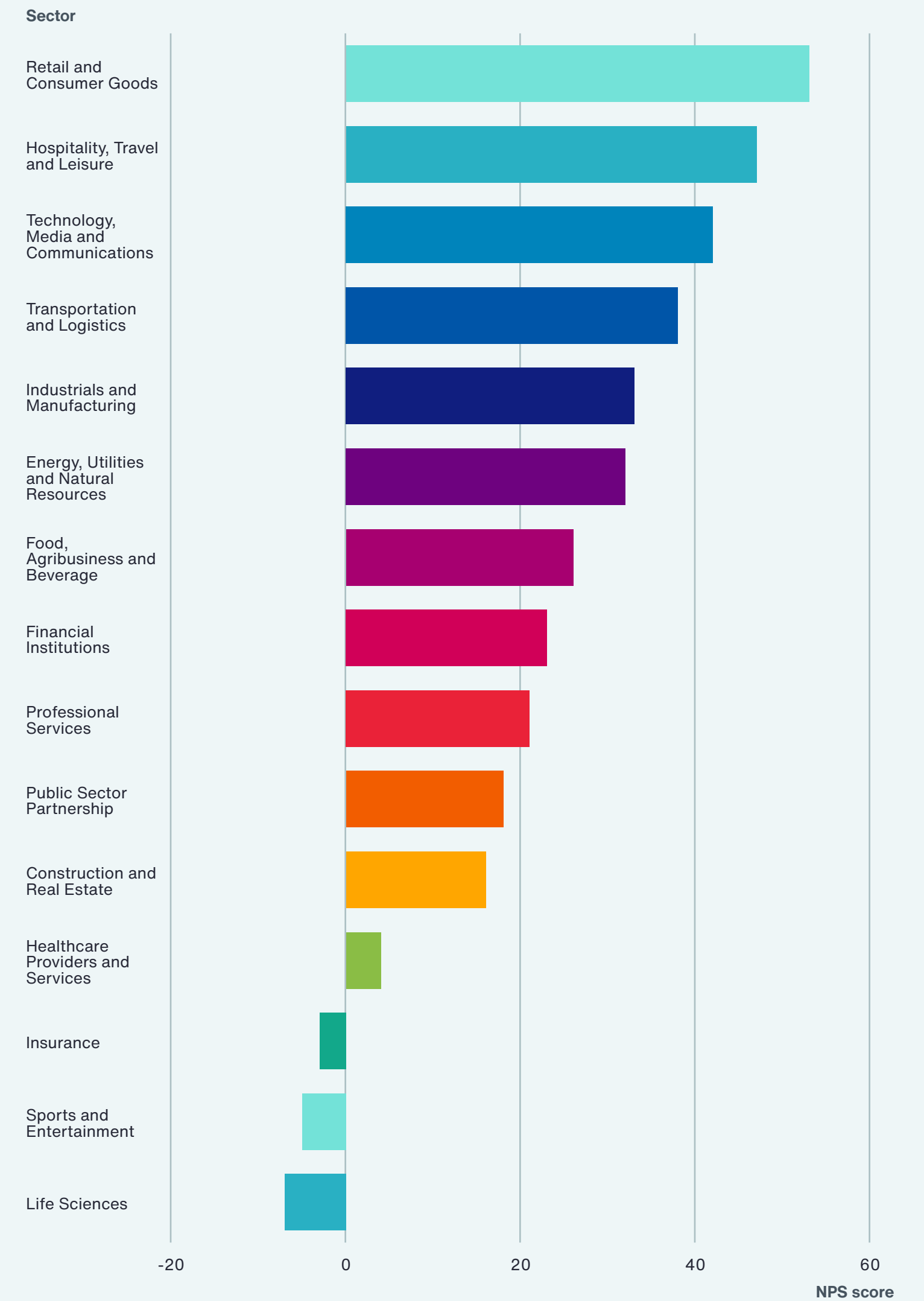
Participant Experience Scores Vary by Sector

Consistently strong NPS scores are found across the retail, hospitality and technology sectors.

Participants being assessed for roles in the insurance, sports and life sciences sectors hold a less positive perception of their assessment process.

No gender difference is observed in the Participant NPS scores given. However, more educated participants tend to give lower NPS scores.

NPS by Sector — 2019–2022



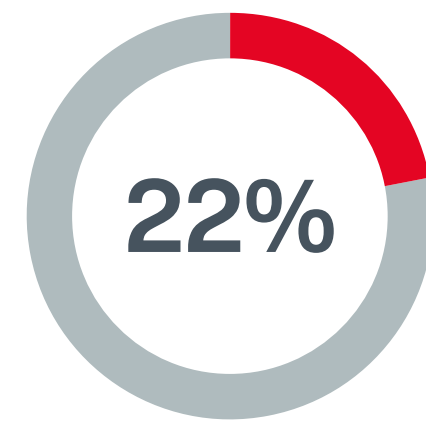
Source: Aon, 2019–2022

Give Participants a Choice of Devices

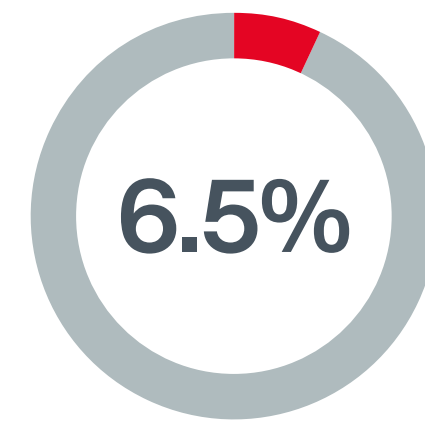
Offering test takers multiple ways to complete an assessment provides choice and a better experience.

Technological advances and mobile-first designed assessments provide the opportunity to complete tests on a smartphone or tablet. This is a crucial option in making assessments more accessible and increasing diversity in the applicant pool.

While smartphone and tablet completion has grown by 6.5 percent between 2019 and 2022, 78 percent of participants still opt to complete the assessment on a laptop or desktop computer.



mobile device
assessment
completion in
2022

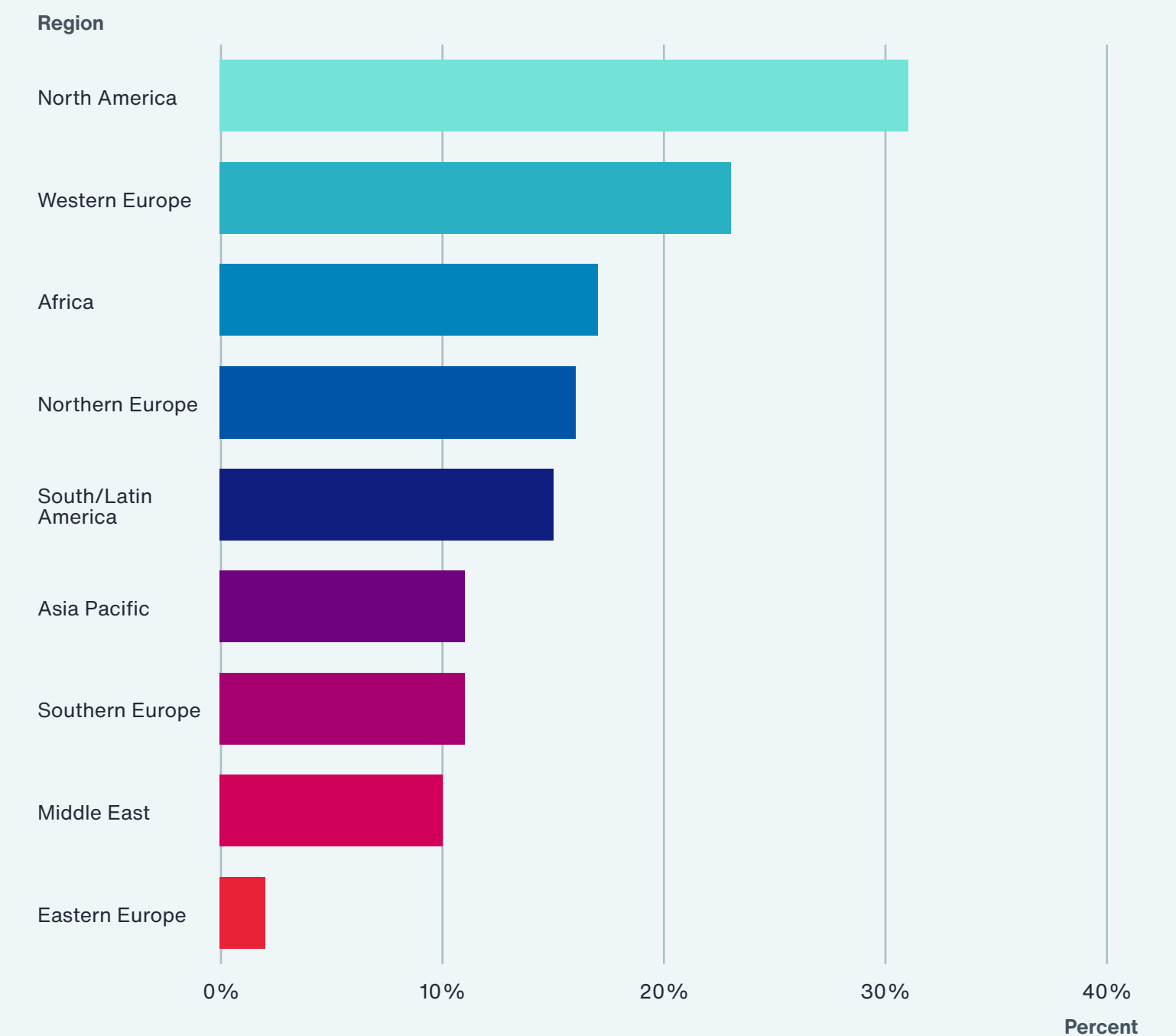


increase in
mobile device
assessment
completion

Our data shows strong geographical and sector differences.

- Nearly one third of all assessments in North America are completed on a mobile device.
- In Western Europe, nearly one quarter of assessments are accessed via a smartphone or tablet.
- Only 2 percent of Eastern European assessments are completed via a mobile device.

Percent Mobile Completions by Region — 2019–2022

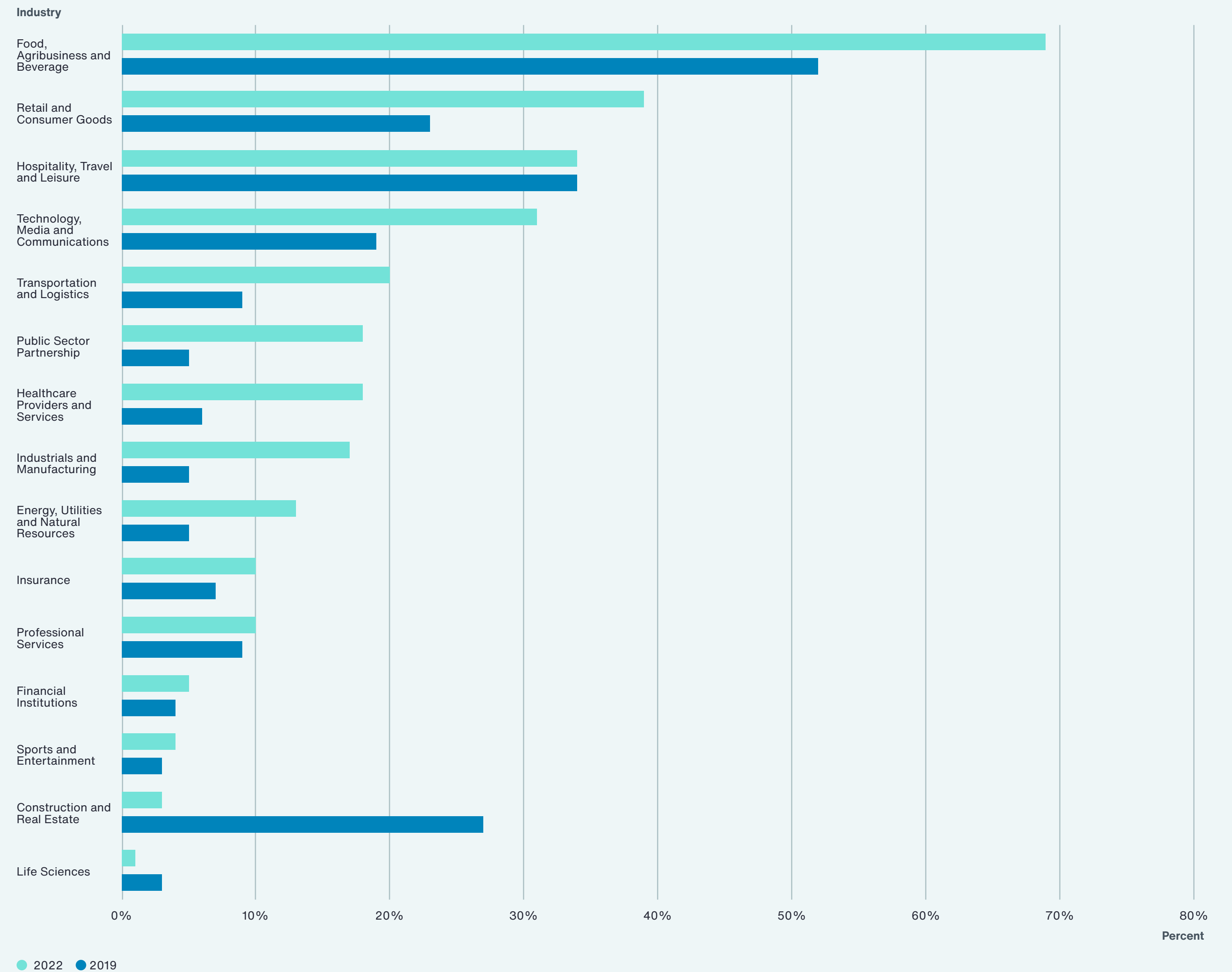


Source: Aon, 2019–2022

Four of the five top sectors that use mobile assessments have remained constant across our four-year comparison: food, agribusiness and beverage; retail and consumer goods; hospitality, travel and leisure; and technology, media and communication. In 2022, transportation and logistics replaced the construction and real estate sector as the fifth largest user of mobile assessment.

Mobile assessment completion is particularly strong — and growing — in the food, agribusiness and beverage sector. Fifty-two percent of all assessments completed in this sector were submitted via a mobile device in 2019. This has risen to 69 percent in 2022. There is similar growth in the retail and consumer goods sector (growing from 23 percent in 2019 to 39 percent in 2022). These sectors are often challenged to attract and hire workers; mobile assessment enables them to reach and assess candidates using a preferred platform for some participants.

Percent Mobile Completions by Industry



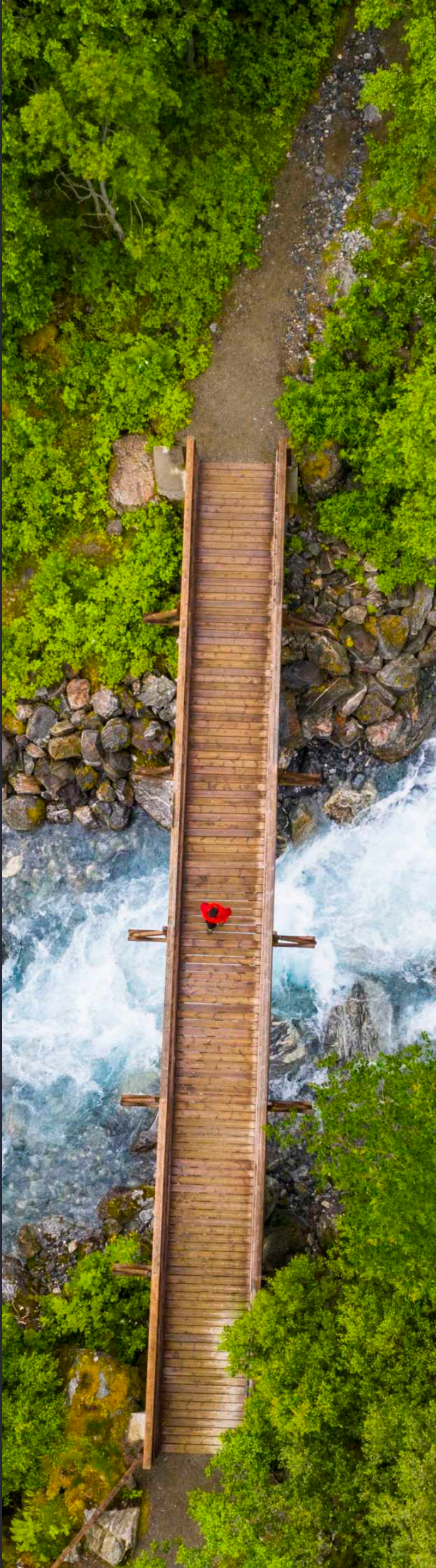
Source: Aon, 2019–2022

Accommodate Individual Differences

Organizations increasingly recognize the value that individual differences and diversity of thought bring to the workforce. An equitable assessment process reflects that some individuals need a level of support or adaptation that others do not. Time extension on assessments is one such adaptation.

The number of organizations allowing time extensions has increased 22 percent since 2019. Meanwhile, financial institutions and the public sector lead all sectors in using time adjustments. Northern Europe and Australia are leading regions providing this adaptation.





Take Action: How HR Can Improve the Participant Experience and Enable DEI&B

Make your participant experience as strong as possible and do not be afraid to measure it.

Points of distinction can be made the assessment journey design.

- Monitoring and improving participant experience is fundamental to HR practice.
- Measuring and tracking participant experience is no longer a nice to have. A great experience can be a differentiator in a tight talent market.
- Including gamified elements in the assessment engages test takers.
- Provide participants with feedback to demonstrate an appreciation for the time they invest in the process and to facilitate their self-development.

Give feedback with standardized, informative reports.

Feedback has always been considered a best practice but it has been rarely delivered for all participants. Now it is the time for action.

- Recognize the commitment from the participant to the organization and provide valuable insight regardless of whether or not they join the organization.
- Demonstrate commitment to personal development and talent mobility by sharing results and the interpretative report with participants.
- Embed a culture of 'feedback as standard' within the organization when assessment is used whether pre- or post-hire.

Select the right assessments by considering audience, sector, geography, device and individual differences.

- Customize and make the assessments relevant to the role and organization.
- Take note of the overall time to complete the tests — and the type of tests that can be used. Do any accommodations need to be made to be more inclusive?
- Offer assessments that can be completed on a mobile device to enable greater inclusion.

3

Assessing Future Workforce Skills at Scale



3 Assessing Future Workforce Skills

Market uncertainty, digitalization, climate change, supply chain disruption and the changing nature of the workforce has led organizations to rethink workforce skills.

The rate of change and amount of disruption means that what were thought to be future skills, are needed right now. The arrival of ChatGPT and similar innovations will continue to disrupt skills as we knew them.

These workforce skills are needed by the individuals to realize organizational strategy. They include the competencies, abilities and behaviors to build a more resilient and agile workforce and reach far beyond the technical.

With the right assessments, an organization can optimize its talent strategy and hire and develop those equipped to embrace change, adapt to the future and thrive in uncertainty.

Key Findings

Workforce resilience creates a sustainable future. It demands the understanding and support of individual resilience and the development of new skills.

- 1 Resilient Groups**
Senior managers and customer service staff are more resilient than other groups.
- 2 Resilient Age**
Resilience increases with age: Those over 60 years old are more resilient than those less than 20 years.
- 3 Inclusive Mindset Age**
Employees over 40 years old have a more inclusive mindset than those under 40 years.
- 4 Inclusive Mindset Sectors**
Our study shows that the highest level of inclusive mindset within the construction sector while hospitality has the lowest.
- 5 Sought-After Skills**
Four of the top five sought-after skills remain constant over the years, which include: communicates with impact, creates emotional attachment, drives results and takes initiative.

Assessing Future Organizational Readiness

Most people now work in a fully digitalized organization. Thriving in such an environment is not only about technical skill.

Working in the digital age requires the three core qualities of Aon's Digital Readiness Model:

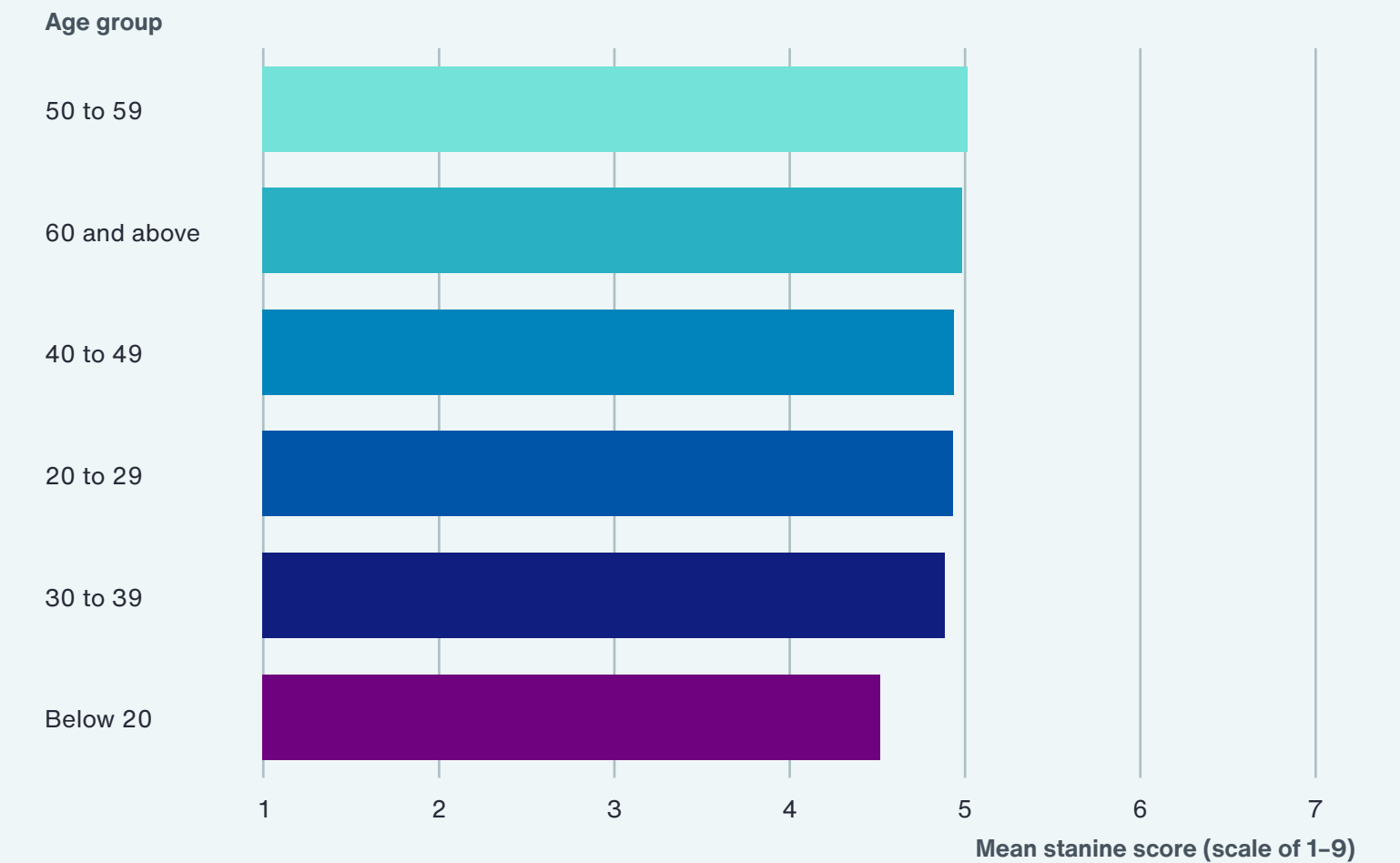
- **Agility** — the ability to flex and adapt to changing circumstances, roles and environments.
- **Learnability** — the recognition that new skills are to be acquired and developed to meet changing needs.
- **Curiosity** — the desire to explore opportunity and ask questions to move forward.

The Digital Readiness Model measures and explores an individual's characteristics and their capability to embrace the change and challenge of the future organization.

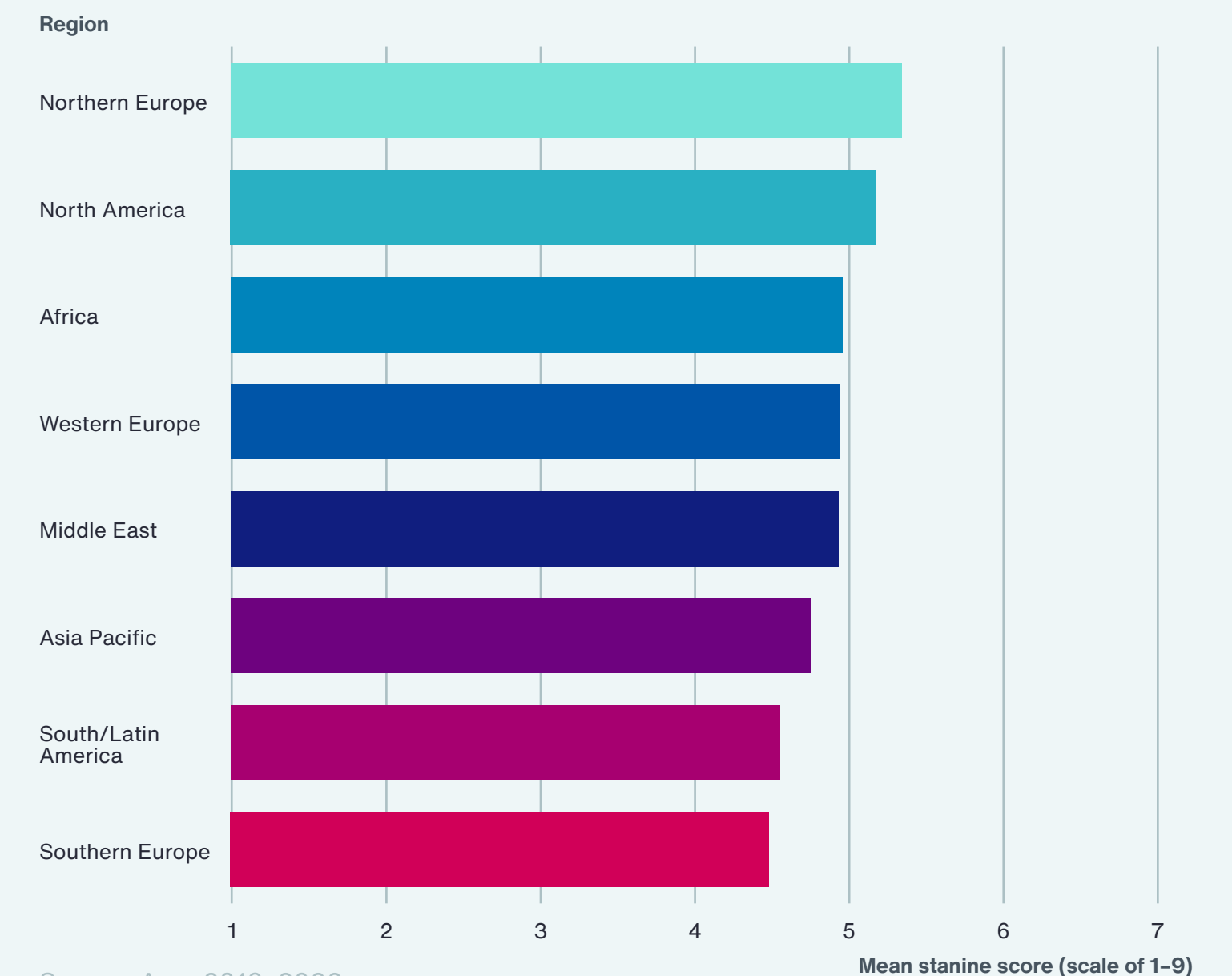
From our data, we see small age, sector and regional differences in the scores.

- Workers aged 50 years and above score higher on digital readiness than younger employees.
- Senior managers and those just beginning their careers (students/trainees and graduates) have higher than average digital readiness scores.
- Those working within ever-changing customer service and support roles have the highest scores of digital readiness of all job level groups.
- Retail and life sciences are the most digitally-ready sectors while insurance and sports are the least ready.
- There is minimal difference between males and females in their digital readiness scores.
- Northern Europe and North America both score higher than average digital readiness scores, with the UK and Greece reporting the highest scores on the assessment.

Digital Readiness — by Age



Digital Readiness — by Region

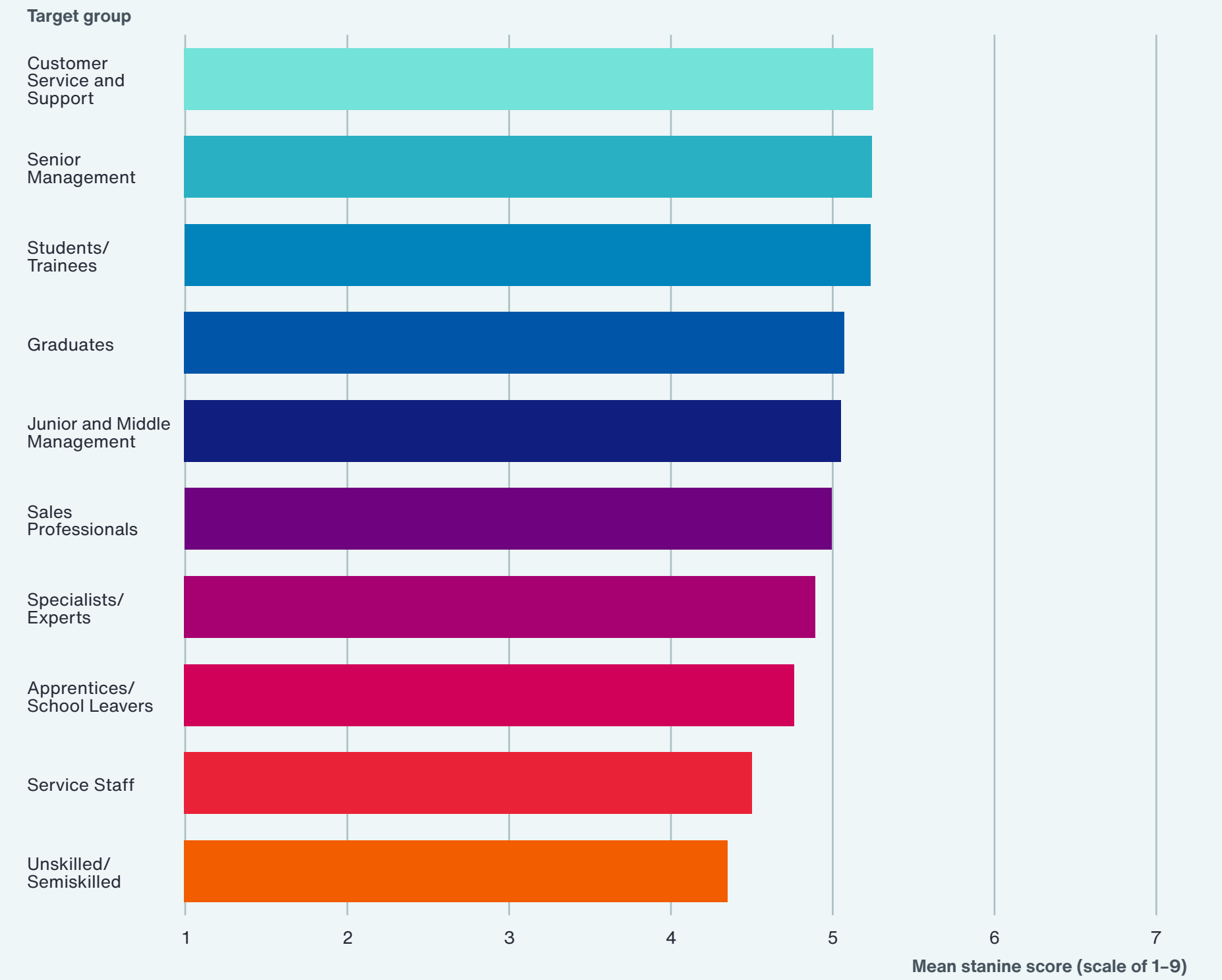


Source: Aon, 2019-2022

Digital Readiness — by Sector



Digital Readiness — by Target Group



Source: Aon, 2019–2022

3 Assessing Resilience

Workforce resilience is created where the environment at work is one in which people can better adapt to adverse situations, manage stress and retain motivation.

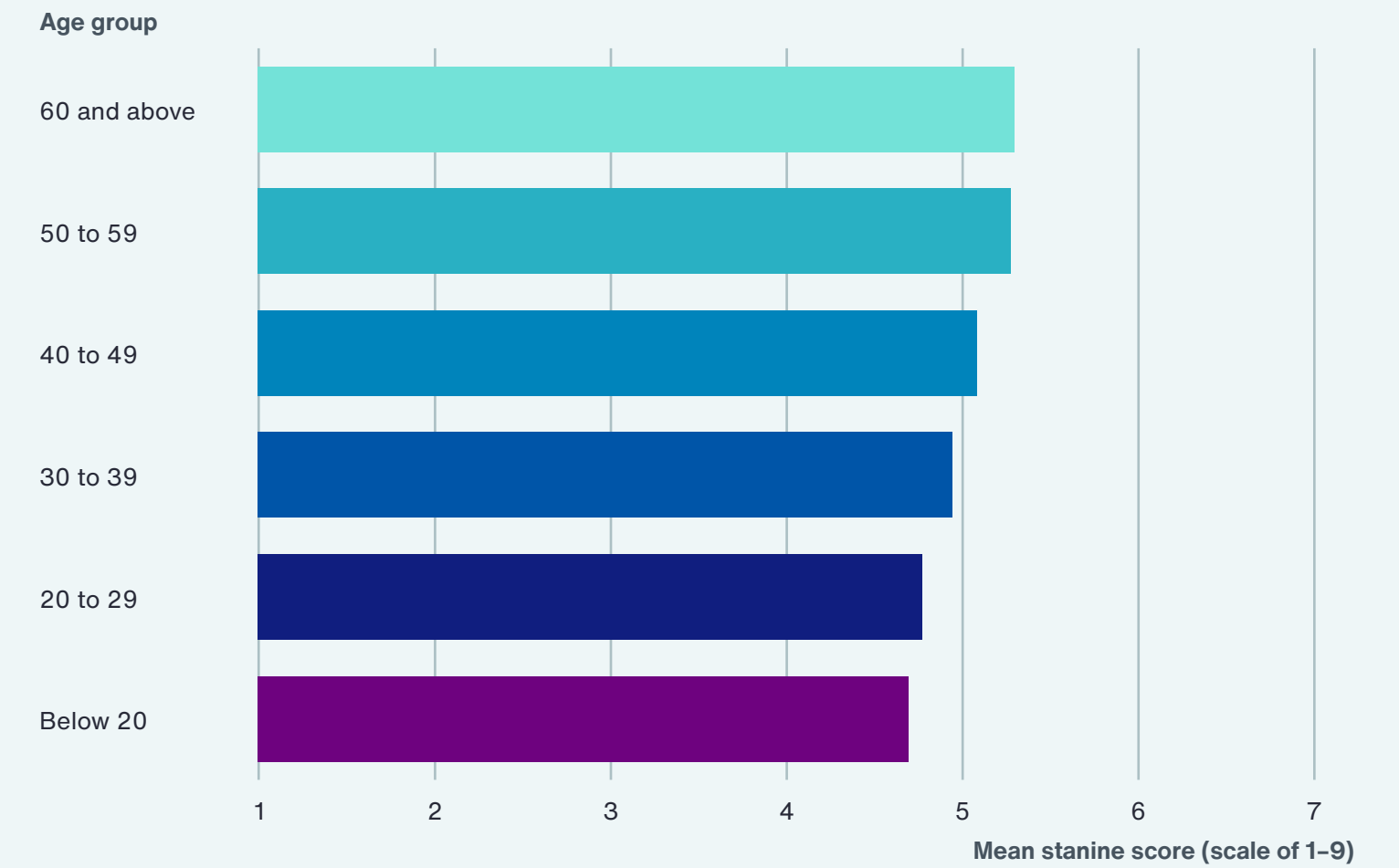
It is the ability to weather change (resilience) and bounce back following challenges (agility) and it is an essential component of employee wellbeing.

There are demographic and sector differences associated with measuring resilience.

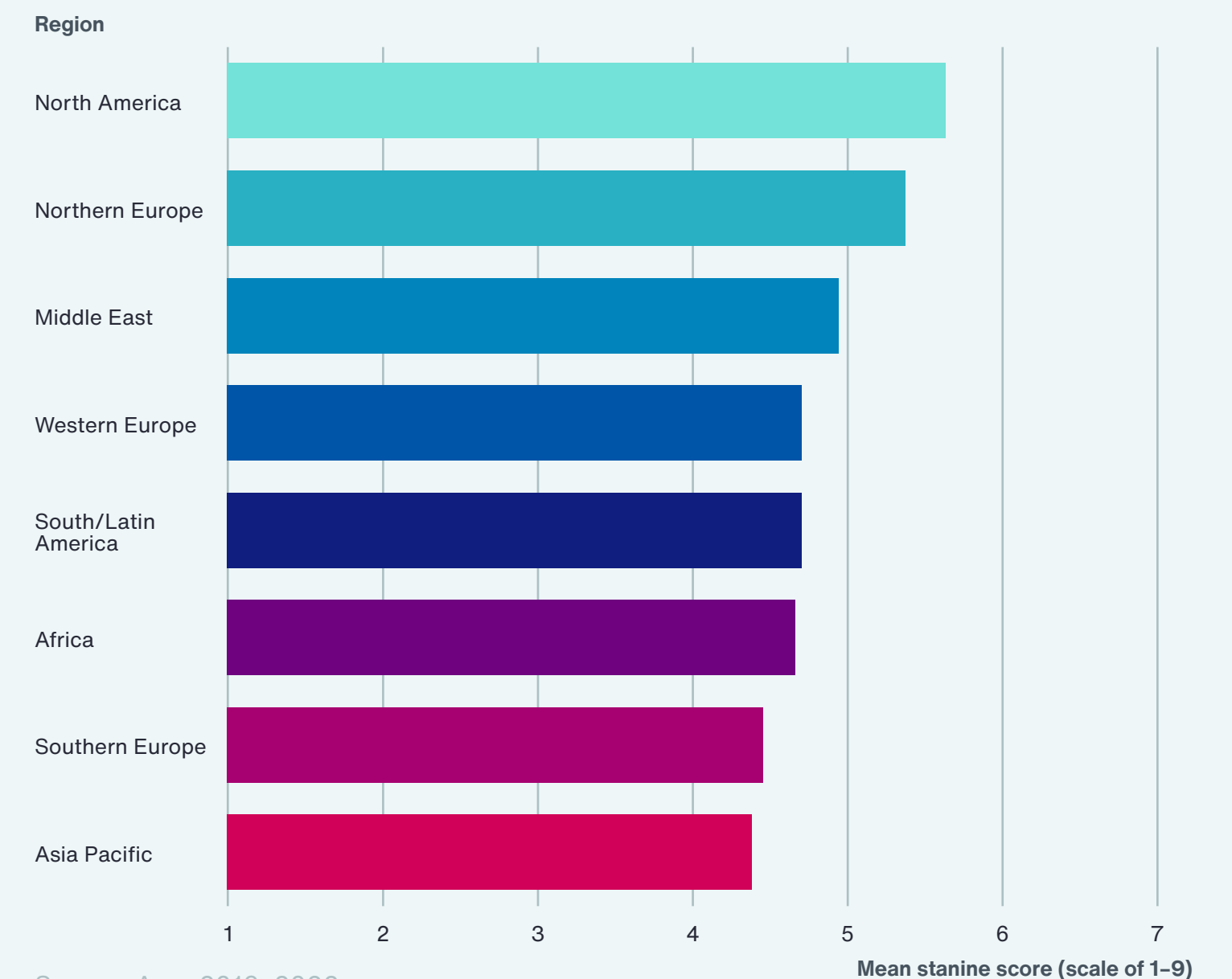
- Senior managers and customer service staff are the most resilient, with apprentices or school leavers the least. It suggests that those job roles have created an environment in which resilience is developed, with those less experienced in the workplace not yet achieving this.
- Resilience increases with people’s age. Those aged 60 years and above are the most resilient; the under 20 group is the least resilient.
- The transport, public, technology, life sciences and construction sectors all score above the average resilience score. Sports and hospitality sectors score the lowest on this scale.

Workforce resilience is critical for all organizations. Aon’s measure of resilience enables organizations to benchmark and track progress in building this and, with only 50 percent of organizations reporting that their workforce resilience is either excellent or very good, this is a challenge facing many.²

Resilience — by Age



Resilience — by Region

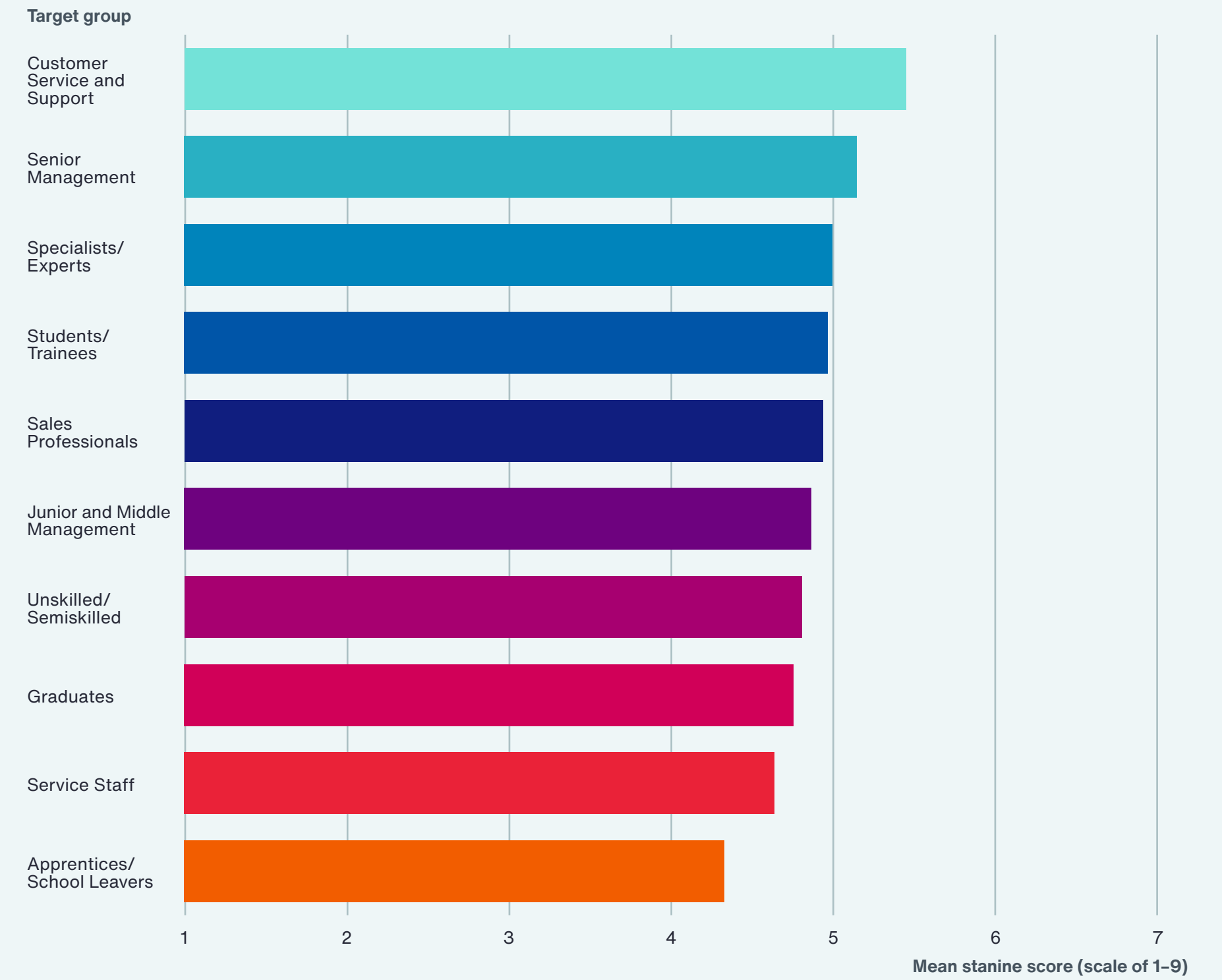


Source: Aon, 2019–2022

Resilience — by Sector



Resilience — by Target Group



Source: Aon, 2019–2022

Assessing an Inclusive Mindset

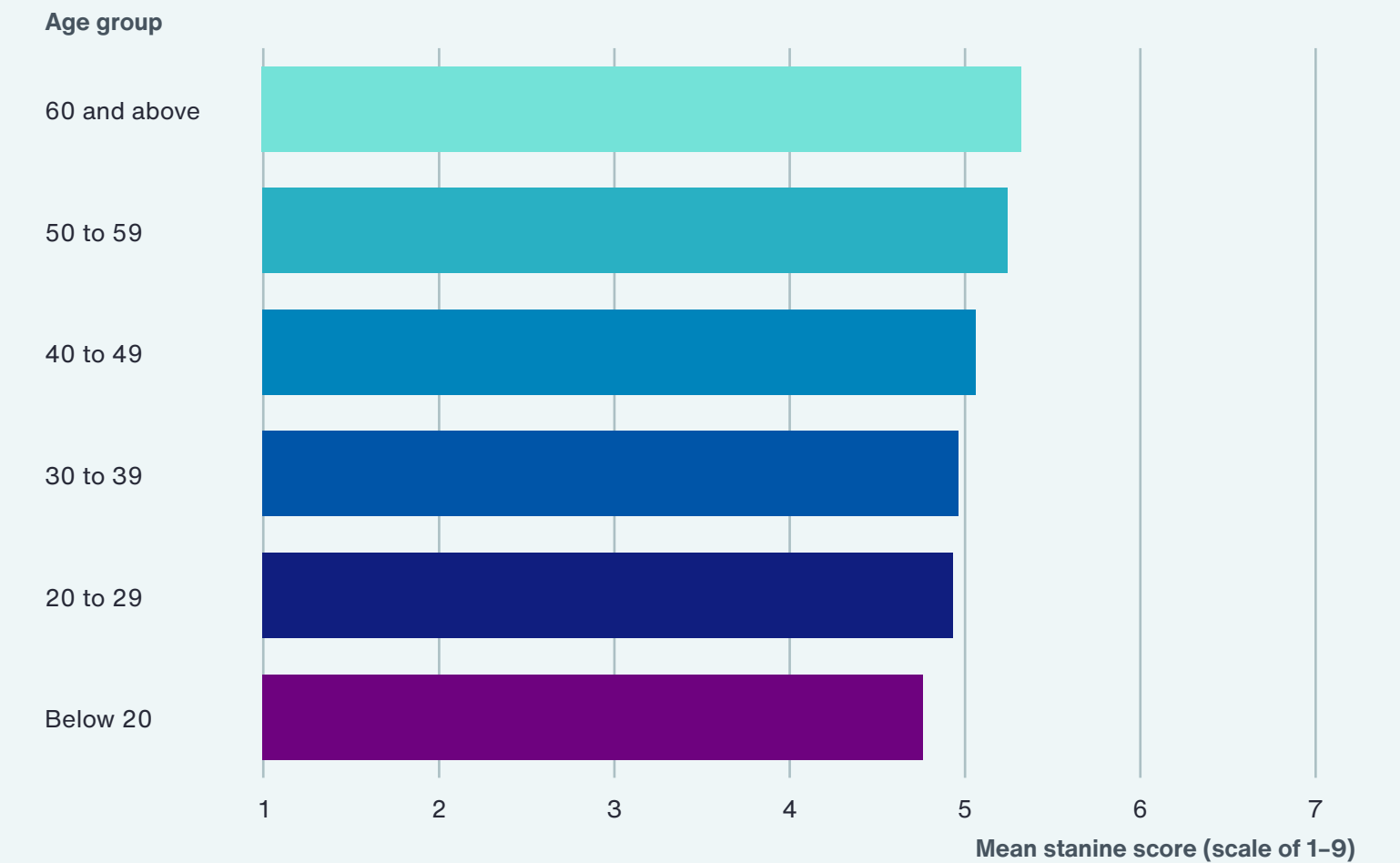
Adopting an inclusive mindset supports the wellbeing of all employees. It builds and maintains understanding, caring relationships and values and respects different perspectives.

When acceptance is high and inclusivity is demonstrated, individuals have a sense of alignment with the organization and a sense of belonging.

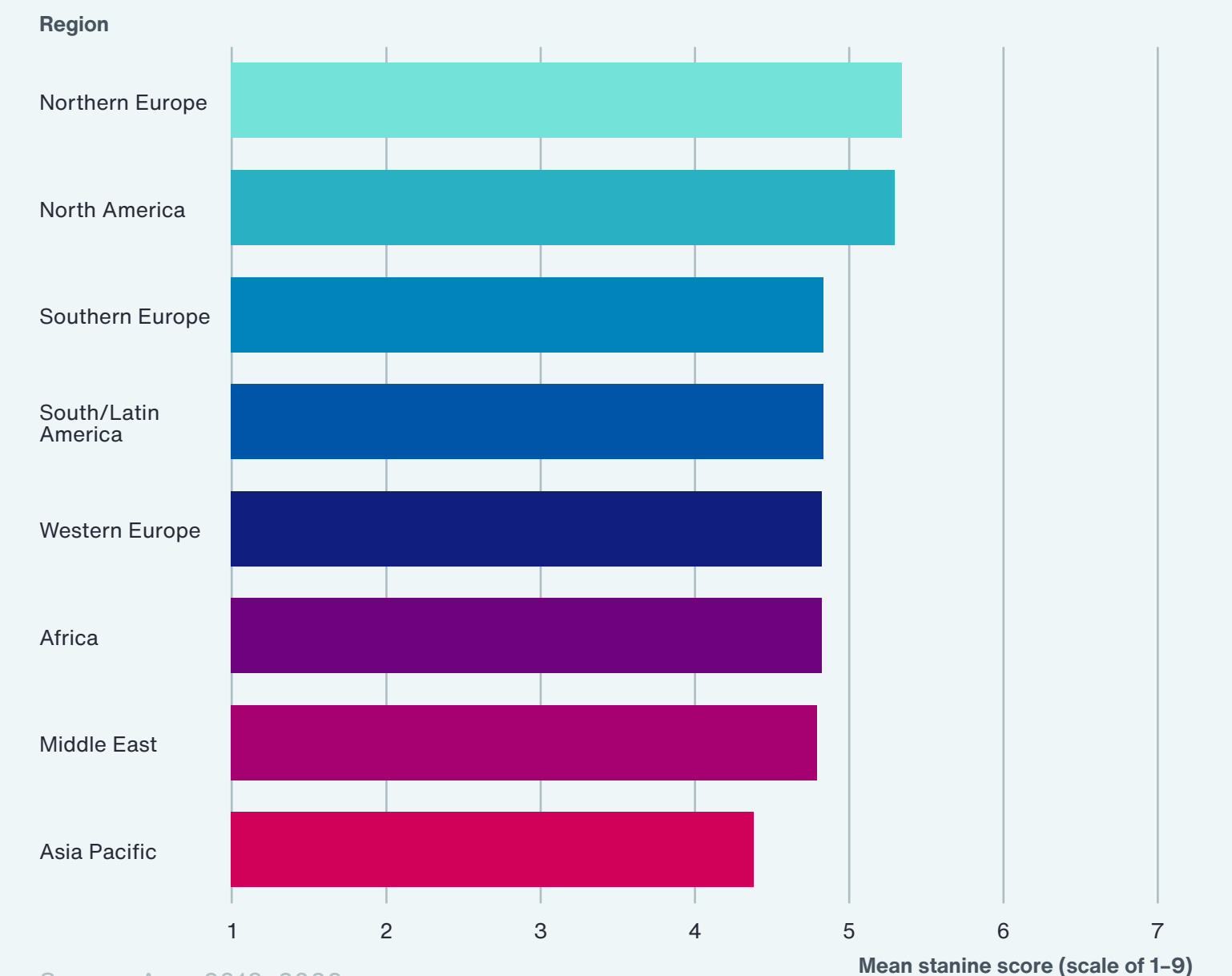
Aon's assessments measure the inclusive mindset and differences between groups can be observed.

- Older workers score higher than average on adopting an inclusive mindset. All age groups over 40 years score higher than those under 40.
- Senior managers, specialists and customer service staff all score above average.
- The construction sector scores the highest as having the most inclusive mindset and hospitality the lowest.
- Other sectors also score higher than average, including public sector, transportation, retail, life sciences, healthcare, manufacturing and food and agribusiness.
- Northern Europe and North America score the highest on the assessment of inclusive mindset. Globally, Australia and Sweden are the two top scoring countries for inclusive mindset.

Inclusive Mindset — by Age



Inclusive Mindset — by Region

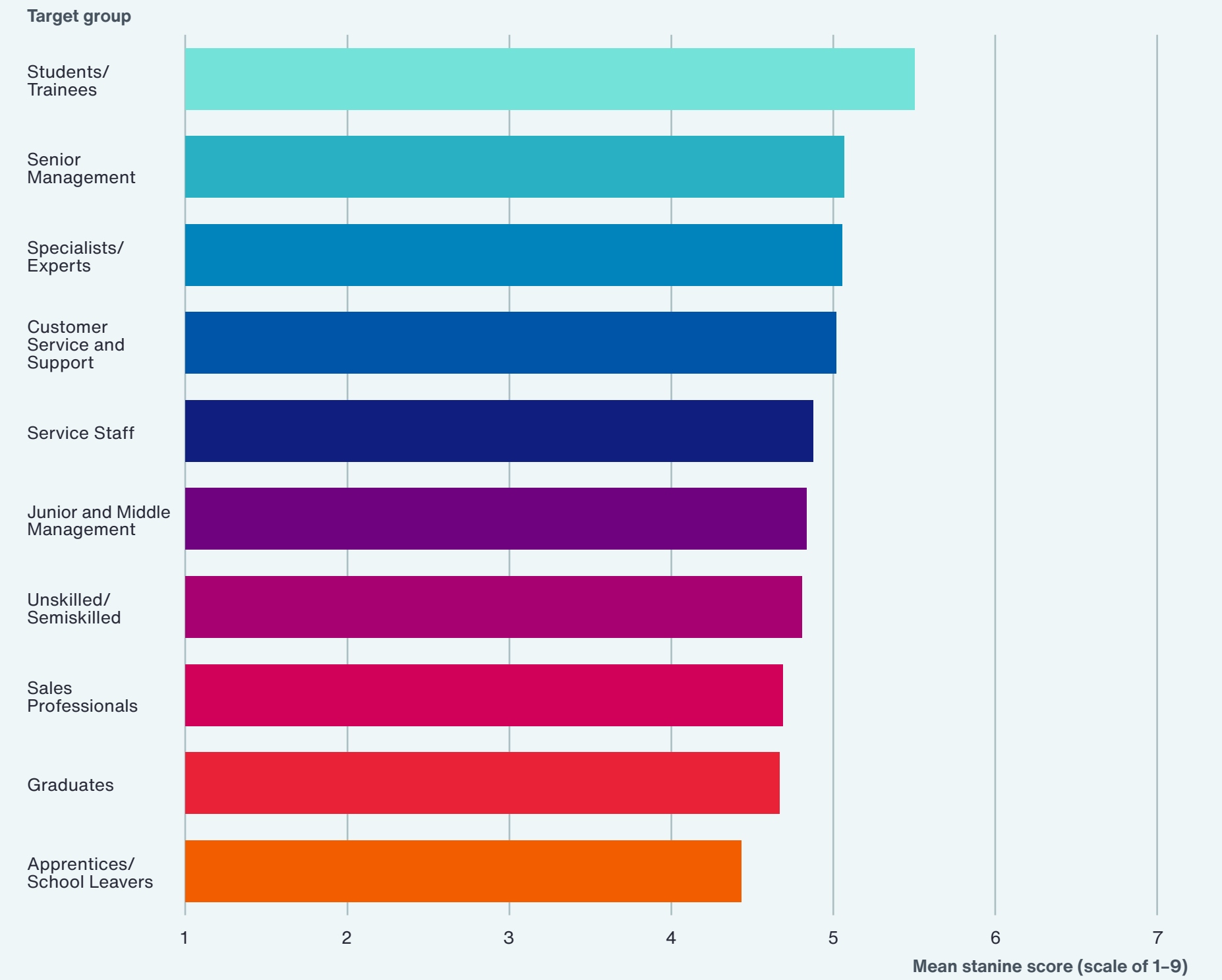


Source: Aon, 2019–2022

Inclusive Mindset — by Sector



Inclusive Mindset — by Target Group



Source: Aon, 2019–2022

The Continued Importance of Soft Skills

Essential workforce skills are changing. What worked in the past is unlikely to take an organization forward now. Yet when looking at soft skills, organizations are continuing to value the same skills as before.

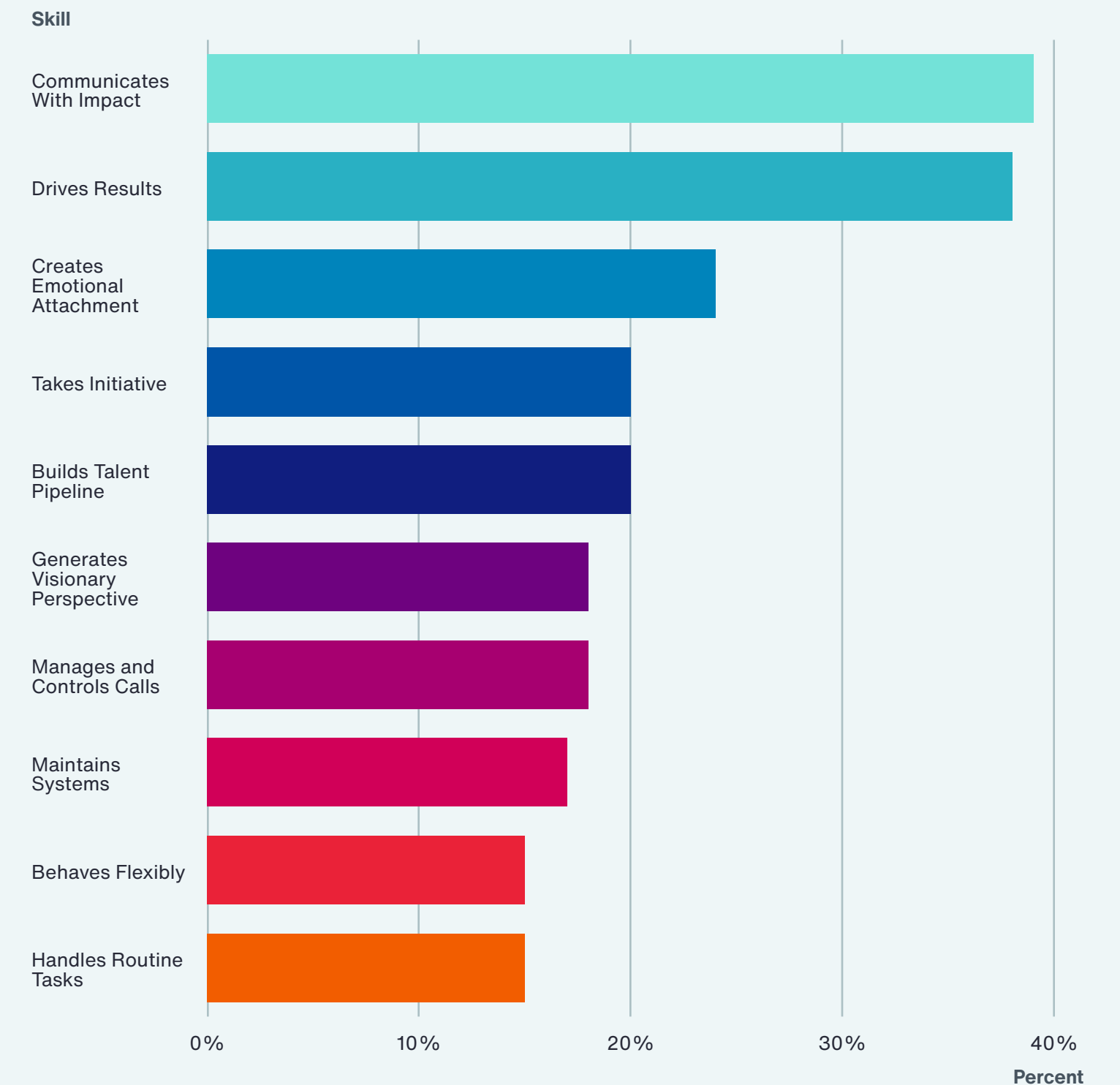
With constantly changing work demands from work and disruption from technology leading to job role changes, it is important to keep abreast of workforce skills and what is needed going forward. As a starting point, HR leaders need to understand the current skills profile of their workforce and how this connects to firm-wide definitions of roles and jobs.

Previous research by Aon³ highlighted that 77 percent of organizations are addressing their future skills gap.

Yet analysis of assessment data shows little change in the most sought-after soft skills over the past three years. Four out of the top five most-needed skills for each year have remained stable.



Soft Skills Organizations are Looking For



Source: Aon, 2019–2022

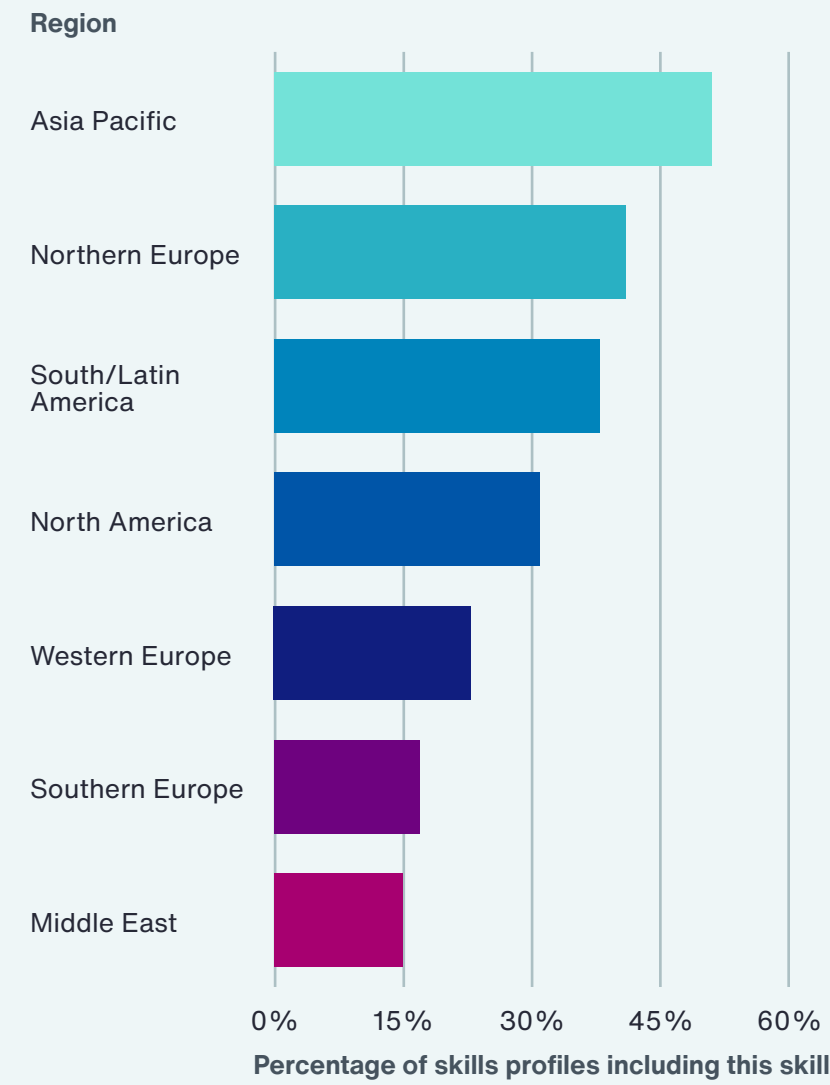
However, in response to the changing world over the past three years, there has been a new sought after skill each year. In 2020, the need to *attend to critical detail* was crucial during the onset of the pandemic. The following year, organizations sought those capable of generating a *more visionary perspective*. In 2022, with hiring challenges reaching across many sectors and a disrupted talent market, the focus turned to retention and succession planning, valuing the ability to *build talent pipeline*.

2020	Trending sought-after skill Attends to Critical Detail
2021	Trending sought-after skill Generates Visionary Perspective
2022	Trending sought-after skill Builds Talent Pipeline

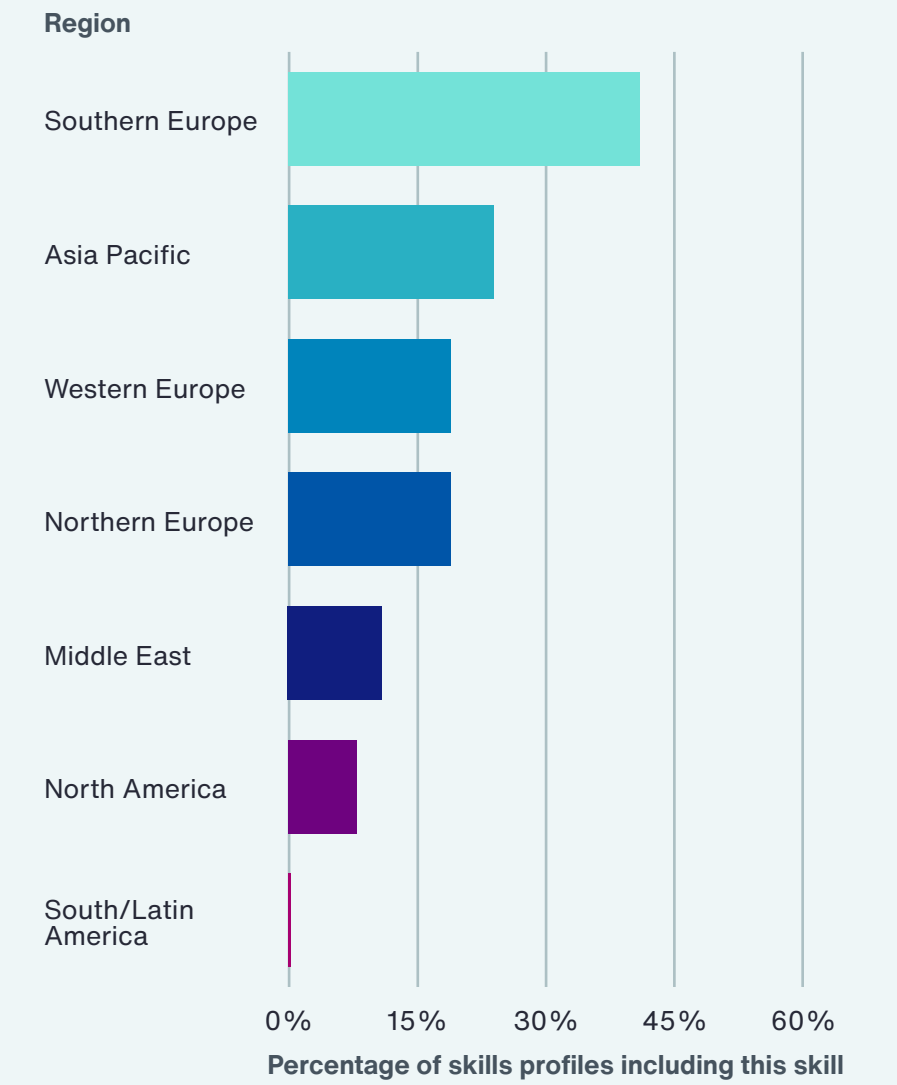
Regionally, there are differences in the focus of soft skills:

- Fifty-one percent of the skills profiles⁴ for organizations across Asia Pacific are seeking out those who communicate with impact. This is less of a priority in the Middle East with 15 percent of skills profiles focused on this skill.
- Southern Europe leads the drive for those capable of generating a visionary perspective with 41 percent of skills profiles citing this. Only 8 percent of North American skills profiles focus on this.
- However, skills profiles in North America are focused on building the talent pipeline more than any other region (38 percent).
- Asia Pacific also leads the way in looking for those who can take the initiative (29 percent).

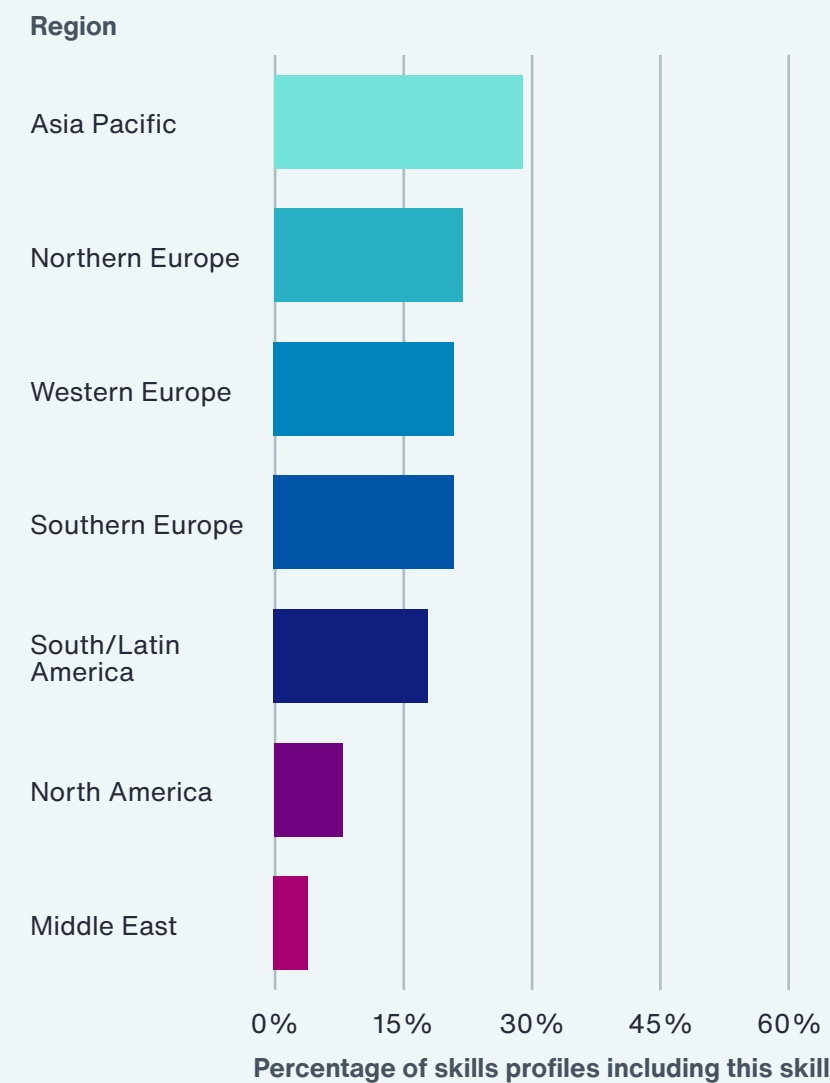
Skill: Communicates with Impact



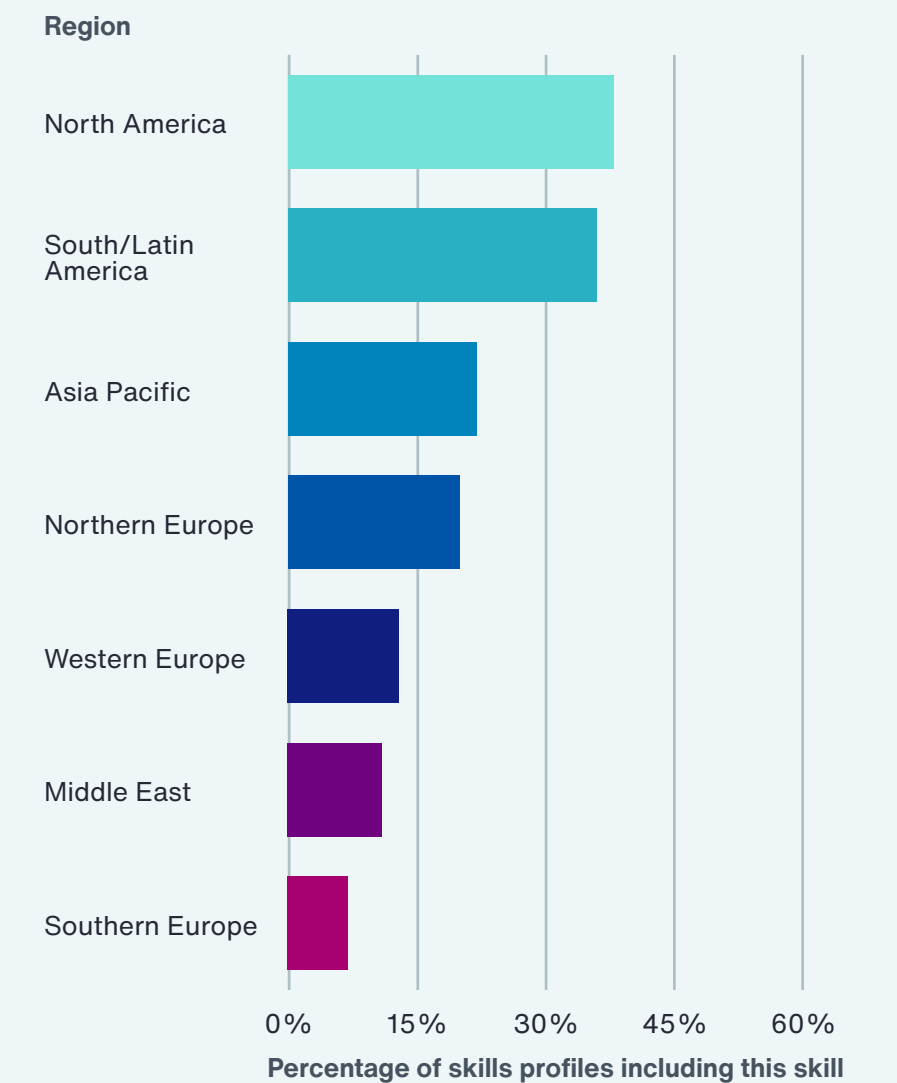
Skill: Generates Visionary Perspective



Skill: Takes Initiative



Skill: Builds Talent Pipeline



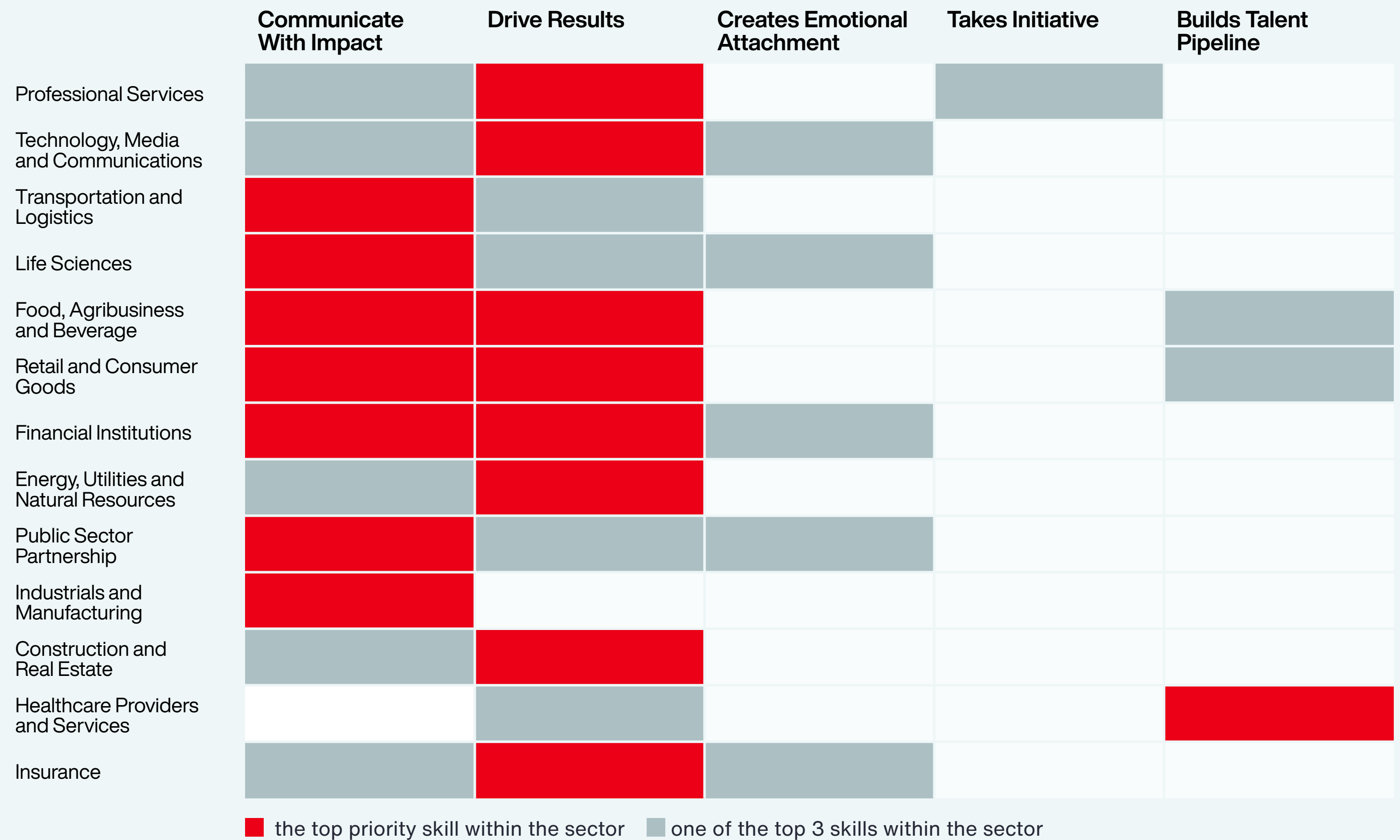
Source: Aon, 2019–2022

⁴ Skills profiles are the rating of which skills are critical or important for a job. These are used to evaluate talent assessment results fairly.

There are, as expected, sector differences:

- All sectors except manufacturing include driving results as one of the top five most sought-after skills.
- All but the healthcare sector include ability to communicate with impact as one of their top five required soft skills.
- The healthcare, food, agribusiness and beverage and retail and consumer goods sectors include the need for building a talent pipeline as a top five most needed skill. This is no doubt a reaction to the pandemic and the strain on these sectors.
- For the transportation, life science, food, retail, finance, public and manufacturing sectors, communicating with impact is their top priority.
- Driving results is the top priority skill for those in the professional services, technology, food, retail, finance, energy, construction and insurance sectors.
- Only the professional services sector place those who take the initiative within their top five key skills needed.

Sought After Skills by Sector



Take Action: How HR Can Use Talent Assessment to Close the Future Skills Gap

Assess readiness, resilience and inclusive mindset.

Talent assessment supports HR in these hard-to-pin-down workforce skills.

Benefits include:

- ✓ The accurate measurement of how an individual (or team or business unit) embraces change, is flexible and is ready to up-skill and re-skill.
- ✓ High scorers can be spotted and moved to positions of influence.
- ✓ Participants recognize a forward-looking organization when used as part of pre-hire selection.
- ✓ Helps the current workforce understand what skills are needed.
- ✓ Shows an organization's commitment to DEI&B strategies to current and potential employees.
- ✓ Helps organizations understand how current workforce stacks up against the soft skills needed, identify skills gaps and plan how these might be filled.

4

Taking Action



4

Taking Action

We see that HR leaders are faced with three opportunities for action:

- Build the talent strategy to take the organization forward and establish an employee value proposition (EVP) that attracts, wins and retains talent.
- Create a more diverse, equitable and inclusive organization in which individuals are recognized and accommodated and a sense of community and belonging is fostered.
- Create a resilient workforce — a workforce that is empowered to take control of their working life.

Taking action on these opportunities requires talent data and talent assessments deliver this data.



Regardless of how embedded your use of assessment is right now, you can take immediate action with assessments that will inform how you manage these challenges.

Aon's expertise and experience of understanding assessment trends and the implications for specific organizations will change talent strategies.

If your firm needs to rethink its assessment practice, then now is the time to start the conversation with Aon. Together we will analyze where you are, what you need to do and the next steps to take.

Immediate Action With Assessments That Will Help You Manage Challenges

1 Empower People

Calculate Participant NPS and explore better use of assessment technologies and adaptations available to provide a more individualistic experience that adds real value to the individual. Work towards empowering people to take ownership of their career and make better career decisions.

2 Advance Workforce

Advance a fairer, more inclusive workforce and offer equal opportunities to all.

3 Benchmark Skill Sets

Benchmark current skill sets across the organization and across industries — and track progress.

4 Measure Soft Skills

Measure intangible skills needed for the organization, including agility, curiosity, inclusivity, learnability and resilience.

5 Use Talent Data

Make greater use of the talent data you have to understand organizational trends.

6 Extend Talent Assessment

Extend your use of talent assessment beyond the hiring stages to demonstrate investment in your people. This empowers your employees to make career choices, while providing you with the information needed to make critical talent decisions.



About the Data

This report includes data from 48 million participants accessing Aon's assessment platforms from 2019 to 2022.

It summarizes insights from more than 5,500 clients across 32 countries, operating in 16 different sectors.

The data is collected from Aon's three platforms: GATE, mapTQ and CoCubes. Some results draw from only one or two of the data sources. Not all data available has completed demographic and biographic data (e.g., sector, age, gender, target group, NPS) and therefore may be excluded from some analyses.

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About Aon

Aon plc (NYSE: AON) exists to shape decisions for the better — to protect and enrich the lives of people around the world. Our colleagues provide our clients in over 120 countries and sovereignties with advice and solutions that give them the clarity and confidence to make better decisions to protect and grow their business.

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