

It's good to go global

By assessing candidates in a consistent way, global enterprises can improve their recruiting and hiring of people with the right skills, values, and behaviors—all around the world.



The global challenge.

Ask the CEO of a multinational technology firm based in Tokyo for the secret of her success and she'll probably say, "Recruiting the right people." Ask the owner of a chain of bakeries in Berlin and his answer will most likely be the same.

That's because recruiting the right people is crucial to both businesses. The difference is that the bakery chain need do this only in Germany, while the technology firm must do it in dozens of countries—each with its own unique culture, laws, economic situation, and education standards.

This complexity makes it harder for global enterprises to hire people with the skills, values, and behaviors they need. But by building quality assessments into their global recruitment process, they can identify those people regardless of country—and before competitors do. Because the new recruits are a good fit for the role and the culture, they're more likely to perform well. That's good news for organizations' bottom line.

Why go global?

The world is a different place than it was 50 years ago. Deregulation, the collapse of communism, and the easy movement of goods and capital have fueled global trade (Mussa 2000). And digitization and other technological advances have transformed business (Vickers et al. 2016).

These changes mean that organizations can operate almost anywhere they can find good markets. That brings many benefits, including the ability to explore new opportunities, achieve economies of scale, and benefit from cheaper labor and production. Global enterprises also may be finding their top leadership in distant markets (Lamarca and Eaton 2016). No wonder so many companies are grabbing these options with both hands.

But going global isn't just about where organizations operate. It's about how. As businesses expand overseas, many choose to centralize their core processes, such as human resources, finance, and sourcing. This allows them to create consistent approaches for necessities like recruitment, then oversee them from the center. And it means they can save money by buying goods and services centrally.

Assessment, too, may be a function to centralize, Korn Ferry Hay Group has found. If organizations decide to develop a global approach to recruitment, standardizing their assessment services won't just be more cost-effective, it will allow them to assess applicants in a consistent way, all around the world. This means companies can look for the same core skills and behaviors in every country, while adapting those assessments to suit local markets.

It also means that whatever roles they're recruiting for, and wherever those jobs are, they can identify and hire the people who are most likely to excel.

How global is global?

Most organizations start by looking at where assessments are working best, then export that model to other countries. They soon discover that they can't just copy and paste it. Why?

Leaders may wish to think about their companies' brands. Are they equally strong everywhere, or are they market leaders in some countries and barely known in others? Do people perceive the brand the same way everywhere, or do cultural and other influences make it cutting-edge in some markets and mainstream in others?

That's also the reality of global recruitment. Just as brands differ around the world, so do the people organizations attract, and the expectations those candidates bring with them. Companies also will deal with varying laws and languages.

A global applicant tracking system and assessment provider will help companies professionalize the way they assess people worldwide. But leaders need to work out how and where to adapt the process to reflect regional differences. Here are some common things to consider:

- **Customer experience.**

Organizations with a consistent global brand and values are likely to also want a standardized assessment process. That will allow them to recruit talent that can give a consistent experience to customers across different cultures. The companies can offer candidates a common experience as well. Even conglomerates, with diverse businesses and brands—or with offerings that differ across markets—can benefit from standardizing aspects of their assessment processes.

- **Language diversity.**

There are 23 officially recognized languages in the European Union alone. So it simply isn't feasible for organizations to create, translate, and validate customized assessments in every nation in which they operate. Global providers offer off-the-shelf assessments in multiple languages. These can be a more cost-effective option. But companies must choose which languages allow them to cast their widest possible net for talent.

- **Different expectations.**

Cultural and economic differences will mean that line managers, HR teams, and applicants have different expectations. In some countries, assessments aren't yet commonplace, so leaders in organizations may need to persuade both HR and line managers of the business case for using them.

Companies also need to take into account culturally accepted assessment processes. In France, handwriting assessments are the norm, while in China it's acceptable to use astrology. How might a global process account for these differences? And how can companies equip HR teams to deliver it?

Finally, different perceptions of companies' brands may affect the number and quality of applicants received in different countries. (See 7 steps to consistent assessment for how to deal with this.)

On top of that, each country has different laws relating to employment, discrimination, and data protection. (See the box Local requirements for tips on how to handle this tricky area.)

Candidates and assessments.

In mature markets, it's common for organizations to use online assessments as a way of identifying the right people. But familiarity brings its own challenges. If all organizations follow this online practice, how can companies stand out? The key is to ensure that their assessments are what psychologists call "socially valid." That means they are (see Figure 1):

- **Informative:** Candidates think the information they receive is useful and job-related.
- **Participatory:** They feel they can get involved, including by challenging their results.
- **Transparent:** They feel the selection methods are clear and honest.
- **Responsive:** They get useful and timely information from companies, whether or not they get the job.

If organizations' assessments perform well in these four areas, they help them build their employer brand, attract more and better candidates, and ultimately become a more successful business.

Figure 1

"Socially valid" assessments.

1	Informative Candidates think the information they receive is useful and job related.
2	Participatory They feel they can get involved, including challenging their results.
3	Transparent They consider selection methods clear and honest.
4	Responsive They get useful and timely information from companies, whether they get the job.

Local requirements.

Employment laws exist to ensure that organizations don't discriminate for reasons such as race, sex, religion, color, or country of origin.

Countries also have local laws that may require compliance. The United States is particularly challenging, with some of the strictest regulations. The onus falls on companies to show that the assessments they are using are valid, job-related, and fair.

Given all of the complexities, these tips cannot serve as a fully comprehensive guide to the law. The tips are intended to advise about best practices across locations globally. However, the firm does not profess to provide legal advice or to replace the specific advice that may be available from legally trained professionals operating within an organization's own locality. Companies should be in close contact with their own legal departments for specific legal guidance.

These 10 tips will help organizations have a successful global assessment process:

1. As far as possible, manage selection processes centrally.
2. Recruit widely.
3. Carry out a thorough job analysis of all roles to ensure that it is clear what "good" looks like in each. Then use assessments that measure these factors. (See 7 steps to creating a globally consistent assessment process.)
4. Use assessment products supported by research.
5. Test for "adverse impact," where a recruitment process negatively affects some groups more than others, and document these findings. In the United States, for example, organizations can be wary of assessments that measure cognitive ability. Even though such assessments might help predict performance, they also may have an adverse impact.
6. If there is an adverse impact, show the link to the role and document the results. Or consider replacing cognitive ability assessments with situational judgment tests.
7. Use research to determine criteria for accepting or rejecting candidates and document the results.
8. If using assessments to promote from within, it's important to show that decisions are based on fair and objective processes—not on who spends the most time on the golf course with their manager.
9. Mentor, prepare, and promote internal candidates from all groups.
10. Get buy-in for the selection process from current employees and, if appropriate, employee groups such as unions.

7 steps to consistent assessment.

1. Make the business case internally.

To create a globally standardized assessment process, companies need to explain to senior executives, local country managers, and HR teams why it matters and the business benefits it will bring. Leaders also need to consult with and get local legal teams on their side. Start by highlighting the main benefit: the positive impact on the bottom line of being able to identify and hire the best person for the job, all around the world. Then share information about the money organizations can save and the simplicity of working with a single provider.

Identifying the best people means agreeing on a consistent set of standards—in other words, the cutoffs to be used for each kind of assessment. Don't allow local HR teams to lower these metrics to fill roles. Applying too low a cut point now can make it harder to justify a higher, more appropriate standard later. Most importantly, leaders must know, based on data, exactly what the roles require in terms of ability and behaviors. They should set cut points accordingly—and stick to them.

2. Review existing practices.

Now look at the status quo: the assessments currently in use and where they are used, together with any supporting processes, such as applicant tracking systems. Could the assessment be extended elsewhere, or the successful practices replicated across different countries? Is there consistency in the company's expectations from staff in certain roles across different countries, such as frontline employees or graduates? Could the organization benefit by creating broad global standards around assessments for local HR teams to follow?

3. Analyze target roles.

In any job analysis, leaders must understand what “good” looks like. When people perform well in a role, what are they doing and how are they behaving? Which competencies and behaviors will they need to excel at in the future?

Even if organizations already have a set of global competencies, they need to know exactly what they want from recruits for them to perform well and reflect the companies' global brand. This will help companies run a targeted attraction campaign and a focused assessment process. In the job analysis, companies need to ensure that they use a representative sample of respondents and keep a detailed account of steps undertaken to uncover key skills needed for given roles.

4. Choose the right partners.

Choose a global applicant tracking system and a global assessment provider. The right partners will not only be able to work with companies effectively, they also will advise and guide them through all aspects of the process and challenge their clients if they think they're missing anything. They also can help manage the expectations of stakeholders and the business.

When tapping external expertise, consider, too, whether a new partner can validate its assessments, as, for example, Korn Ferry Hay Group has with recent, rigorous research on the Korn Ferry Four Dimensional Executive Assessment (Jones and Lewis 2016).

5. Choose the right assessments.

Companies need to take the advice of their assessment partners about the combination of assessments they need to attract and recruit the right people.

The options include ability tests, personality questionnaires, situational judgment tests, and individual motivation questionnaires. And in markets where companies struggle to attract good people (or where they attract lots of good people and need to narrow the field), organizations might consider a realistic job preview. This takes potential applicants through situations they might encounter in the role, to help them decide if the job is right for them before they even apply.

Whichever assessments are chosen, organizations need to ensure that they take into account the cultural context of different countries; that they're objective, fair, and job-related; and that they integrate with existing applicant tracking systems.

And companies must always aim to give candidates a positive experience.

6. Train local hiring managers.

Once local HR teams have bought in to this new global approach, organizations need to train them to administer the assessments, understand the results, and carry out interviews.

The assessment provider may be able to help with the first two elements, but the third is up to the organizations. As well as training their hiring managers in equal opportunity and diversity, they may want to offer interview skills training—or use an assessment that recommends specific questions for each candidate, based on her test responses. This helps to ensure that the interviews are as consistent and effective as the assessments.

7. Measure success.

Reviewing the assessment process gives organizations valuable data to show that their investments are paying off. It also gives them and their stakeholders confidence that they are selecting the best people in a way that's candidate-friendly, objective, fair, rigorous, and consistent.

To measure success, look at how new recruits in different countries are performing. Are they doing as well as expected? Does their performance reflect the potential they showed in their assessment? And what about retention rates? If people are leaving, find out why. Were the role requirements clear to them, or did they join with false expectations?

Gathering this data will help organizations improve their global process so they achieve their core aim: helping them gain a competitive advantage through their people.

Conclusion

Companies increasingly want to understand how they can identify candidates around the globe who will be successful in their roles.

But global recruitment and assessment is still a work in progress. And global rarely means “everywhere, now.”

So whether organizations are just thinking about rolling out a global process or want to do it more widely—or better—the key is to be pragmatic and patient, and to take things one step at a time.

References

Jones J., and James Lewis. 2016. “Fit Matters.” Korn Ferry: Los Angeles.

Lamarca, G., and Dave Eaton. 2016. “What Color Is Your Passport?” Korn Ferry: Los Angeles.

Mussa, M. 2000. “Factors Driving Global Economic Integration.” International Monetary Fund: Washington, D.C.

Vickers, F., Kai Hammerich, Dana Landis, Dave Zes, Julio Moreno, and Bárbara Ramos. 2016. “Leaders for a Digital Transformation.” Korn Ferry: Los Angeles.

Author



James Bywater

Director, Product and Innovation

About Korn Ferry

Korn Ferry is the preeminent global people and organisational advisory firm. We help leaders, organisations and societies succeed by releasing the full power and potential of people. Our nearly 7,000 colleagues deliver services through our Executive Search, Hay Group and Futurestep divisions. Visit kornferry.com for more information.

About The Korn Ferry Institute

The Korn Ferry Institute, our research and analytics arm, was established to share intelligence and expert points of view on talent and leadership. Through studies, books, and a quarterly magazine, *Briefings*, we aim to increase understanding of how strategic talent decisions contribute to competitive advantage, growth, and success.