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From analytics to action: how Shell digitized recruitment

Sue Lam and Ben Hawkes

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Abstract

Purpose – *The purpose of this paper is to share how Shell HR enabled technological change in their graduate hiring assessments.*

Design/methodology/approach – *Shell receives over 100,000 applications for their global graduate program each year for fewer than 1,000 technical and commercial positions. The foundation of the recruitment process is the assessments, providing data and insight on which to make selection decisions. The effectiveness of the assessments, along with attracting the best candidates, determines the quality of hire and long-term value to Shell. To stay competitive in the market with job seekers, Shell recruitment wanted to create a streamlined assessment approach that could be delivered through available technology. HR analytics and assessment specialists collaborated to review the current graduate assessments to enhance candidate assessment data, boost candidate experience, leverage technology and make structural changes that improve cost effectiveness, scalability and efficiency for variable hire demand levels. Focus groups, interviews, candidate experience surveys and assessment center data were examined.*

Findings – *The findings indicate that the assessment process was robust but could be streamlined, particularly by digitizing the process. For example, pre-recorded video interviewing could be utilized early in the assessment process.*

Originality/value – *This paper sheds light on the success factors of digitizing the recruitment assessment process. Information on bringing data analysis to recommendations and implementation is shared.*

Keywords *Change management, Recruitment, Talent, Analytics, Strategy, Human capital*

Paper type *Case study*

Introduction

Companies are increasingly facing a volatile business environment, and Shell is no different. For example, in the span of one year, the oil and gas industry saw historically high and low oil prices, leading to the need for a workforce that can adapt to ever-changing market conditions. Shell is an organization that grows their own talent; almost all top executives in the organization started at Shell early in their careers. Thus, to ensure a pipeline of successful yet agile leaders, Shell needs to hire top graduate talent. Historically, Shell has competed with other similar oil and gas companies for quality hires. Now, in addition to the traditional hiring pool, Shell competes with large global companies outside of its industry when recruiting, and having a robust assessment process that yields a good candidate experience is vital for attracting top talent and ensuring high-quality hires.

Shell has utilized structured assessments for their graduate recruitment for over 30 years, and they have been refreshed every three to five years to keep up with the market. Typically, these assessments have been conducted in person though in 2013, the graduate assessment process was partially digitized; it consisted of online assessments (i.e. behavioral, decision-making and problem solving tasks), a phone or face-to-face initial interview and an in-person assessment center that included an online simulation exercise, a written task, a group discussion, a case study and a reflection exercise.

The authors would like to thank Shell Recruitment and HR Analytics for their work on the project and for the support of Thomas Rasmussen (VP HR Data & Analytics) and Jeroen de Weerd (VP Recruitment).

Project goals

HR analytics and assessment specialists collaborated with recruitment on a project reviewing the recruitment methodology. The goals of the project were two-fold: the first goal was to examine the quality of the assessments. The second was to understand whether the assessments could be further digitized while maintaining the quality of hire. Several reasons were behind the goal of further digitization. Candidate feedback indicated that the hiring process was robust, but the time to offer was longer than expected; further digitization of the process could ensure better candidate experience. Additionally, Shell uses internal assessors from the business during the hiring process, and having the ability for assessors from multiple locations to assess candidates without traveling would lead to faster assessment times, lower travel costs and greater access to diverse assessors across the globe. Being able to conduct assessments on mobile devices was also a driver – research indicates that most people have access to mobile devices, but fewer people have access to a desktop computer and most digital growth is coming from global mobile device use (Zenith Media Consumption Forecasts, 2016). Enabling assessments to be mobile would allow more candidates from diverse backgrounds to apply. Another goal was to enhance the candidate experience by reducing the number and duration of online assessments to a minimum. Digitizing the assessment process could also help Shell differentiate itself from competitors in a conservative industry and allow for better employer branding. Finally, due to the business environment that Shell operates in, it is important for the process to be scalable depending on hiring needs.

Conducting the analytics and making recommendations

For HR analytics and assessment experts to investigate the assessment process, the specialists collated data from various secure sources. For example, Shell runs their online assessments through an external UK-based vendor that provides the data. Candidate experience data comes from a platform run by recruitment marketing, and recruitment's applicant tracking system provide additional candidate data. All of the data from these sources were gathered with graduate job performance data for analysis. The goal of the quantitative analysis was to find which exercises were most correlated with job performance. Focus groups were also conducted with recruitment and business assessors to identify content areas that overlapped and areas that were ripe for refresh or change. Data analysis was conducted at the group level to reveal trends. After the analysis, the results and recommendations were shared with recruitment.

Shell found that the assessments were associated with job performance, but they could be streamlined because of overlapping content in some exercises. Candidate experience data indicated that the time to receive an interview slot and an offer were long. Based on these findings, the analytics and assessment specialists recommended that new online assessments be utilized and for the assessment exercises to be updated. Additionally, as Shell recruitment wanted to further digitize the hiring process, analytics, assessment and recruitment specialists need to collaborate with each other to make digitization successful. For example, analytics and

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assessment specialists ensured that the digital assessments were just as rigorous as the assessments that were conducted face-to-face to ensure high quality of hire, and recruitment marketing ensured that the platforms used for assessment were branded appropriately to yield good candidate experience. Additionally, training was developed by assessment experts to help internal assessors understand their role in the assessment changes and how they would make robust decisions on a digital platform.

The final digitized assessment process included new online assessments, a pre-recorded video interview, and an online assessment center conducted with live business assessors. Candidates who received a job offer from Shell were invited to the Shell campus to learn more about Shell's culture and benefits.

Benefits from digitalization

Though the technology that Shell leveraged is similar to technology utilized by many other global organizations, the redesign of Shell's assessment process delivered benefits in the form of:

- A more efficient assessment process through optimized use of video interviewing technology;
- Improved candidate quality through the use of validated off-the-shelf personality and cognitive ability assessments. Based on the data analysis, previously used customized online assessments had statistical relationships with job performance; the goal of using off-the-shelf assessments was to capture the value of using assessments that could be rapidly changed by a vendor based on their ongoing research. For example, Shell benefited from larger and ever-changing item banks for the online assessments;
- Improved candidate experience via the delivery of a faster and more contemporary application to offer process, all accessible through tablets and mobile phones;
- A process that is flexible and scalable (to increase and decrease) in demand and location of roles;
- Cost reductions in the assessment process as well as assessor hours from the business; and
- The continued ability to still conduct soft skills assessments through structured interviews.

As with all digitalization, there are benefits and limitations to technology. For example, agreement between independent raters is higher when rating job candidates in pre-recorded interviews than when rating during face-to-face interviews. The rationale for this is that assessors can make more accurate judgments because of the ability to watch a candidate's response more than one time and make an objective rating (Van Iddekinge *et al.*, 2006). However, using a completely digitized process will not allow assessors to pick up on non-verbal body language or behaviors. Additionally, it does not allow for potential employees to understand whether they would be a cultural fit for the company. Thus, online technologies along with face-to-face human interaction will yield the best results for bringing in quality hires. Shell supplements the online assessment process with a face-to-face interaction with candidates who receive an offer. Candidates are able to meet other potential employees as well as leaders in Shell to better understand if the company is a fit for them.

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Key success factors

Given the scale and complexity of the project, there were several factors that led its success:

- *Senior stakeholder buy-in*: In Shell and other large global organizations, senior stakeholder buy-in is the main key to success. There is necessity for buy-in because senior leaders are the people who mobilize resources to ensure the success of a project. This project had the support of our vice presidents of HR Data and Analytics, Recruitment, as well as our HR executive vice presidents.
- *Collaboration*: An analytics project can have the most interesting and robust findings, but if the project team is not considered a partner by its customers, the recommendations will fall flat. To ensure that the project team was considered a partner, much time was spent building the relationship with their internal customers.
- *Clean data*: The integrity of analytics and the subsequent recommendations based off of the analytics hinges on how clean the data are. The project team derived data from its assessment vendor that hosts the online assessments; HR-related data came from Shell's internal system that is updated regularly by HR generalist colleagues, and recruitment-specific data came from the applicant tracking system. Formal processes are in place that dictates how data are entered and collected so that there is consistency across countries.
- *Translating analytics and technology into plain language*: If the business does not clearly understand what the analytics mean, they will not be able to share the key messages with stakeholders and get their buy-in. Simplifying statistics into plain language and deriving key messages to share with stakeholders was necessary for success.
- *Having fit-for-purpose technology*: Buying off-the-shelf technology has many perks because the tools have been vetted thoroughly and companies benefit from the continuous research and development. However, it is important to understand its shortcomings as well, because this can impact the design of your assessments. The project team worked with IT to ensure the assessments worked well on the new platforms.
- *Ensuring the technology does not change the assessment quality*: Research indicates that it is not the technology that causes bias against job candidates; it is the lack of structure, question content and rating scales. Thus, the assessments must still include a high level of structure even when utilizing technology (Van Iddekinge *et al.*, 2006). Assessment specialists developed and reviewed the exercises and piloted them prior to implementation. Additionally, a content validation conducted by an external party was conducted to ensure the exercises were measuring the areas necessary for job success.
- *Change management and internal communication*: Being patient with those impacted by technological changes is crucial to the success of a project, particularly in companies that are not accustomed to using certain technologies. With the growing change in the labor market, it was essential for Shell to try new technologies to reach more job candidates. However, these changes are more likely to impact internal employees than external candidates in the short term. For example, Shell recruitment staff knew what the previous process looked like and changing from that process to use new technologies required significant change management. Helping them to understand why there is a need to try

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something different and giving them time to adjust was key. The project team conducted several webcasts and held multiple meetings to share information and answer questions throughout the change process. Information was shared in a timely manner with leaders, and they were asked to cascade the information to their teams.

Conclusion

Though the content of hiring assessments generally has not changed over the years, the methods of assessment delivery have. Traditionally, they have been conducted in paper/pencil form and then partially streamlined to be conducted on the phone and in-person. Now, many companies conduct assessments on digital platforms online. With technological changes to job interviewing, companies are able to overcome some financial and time constraints while on their quest for finding top talent. Large global organizations are able to reach more candidates in geographically dispersed areas using technology. It remains to be seen whether hiring processes will continue to be more digitized, but the current trend for large organizations appears to be adoption of more technology rather than less.

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About the authors

Sue Lam is the HR Diagnostics Manager for Shell Oil Company. As part of a center of excellence in HR strategy, learning, and organizational effectiveness, she is responsible for developing and deploying employee surveys and leadership assessments, and providing consultation and subject matter expertise to the business. She holds a Bachelor's degree in psychology and history from UCLA, as well as a PhD in social/personality psychology and quantitative methods and a Master's degree in social ecology from UCI. She holds PHR and SHRM-CP certifications. Sue Lam is the corresponding author and can be contacted at: sue.lam@shell.com

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