

# MeritTrac Intelligence Group

## Searching hard on the softer side- Measuring Orientation through Assessments

A MeritTrac Thought Paper & Analytics Report



India's Largest Skills Assessment Company



## About Us

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### **MeritTrac™ is India's Largest Skills Assessment Company.**

MeritTrac designs and delivers assessments to evaluate abilities, skills and knowledge for both corporate & individual customers. Since its inception in 2000, MeritTrac has assessed over **3 Million candidates** for over **150 clients** across industry verticals like IT, BPO, BFSI, Engineering, FMCG, Healthcare, Retail, Manufacturing, Public Sector Units and Education among others.

**MeritTrac is neither a Placement/Recruitment firm nor a Training organization.** It is uniquely positioned to be an “Independent” assessment company that provides quantitative inputs on the talent pool and helps in measuring competencies for specific roles.

Our suite of scientifically designed assessments is used by corporate customers for pre-recruitment and employee assessments, and by individuals for measuring their skills for employability. MeritTrac's strong Test Development team has created a validated suite of tests in over **300 areas** spanning Communication Skills (English and other Indian Languages), General Abilities, Domains Skills (Technologies, Engineering, Accounting, etc.) and Behavioural Assessments. The team has been instrumental in generating over **100,000 questions** across all these test areas.

All the tests are delivered in both Online and Offline (paper-pencil) modes, under supervision. All online tests are delivered using **OnTrac** a proprietary web-based testing engine. Our Test Delivery team has administered tests in over **100 cities** in India.

We currently test over **125,000 candidates every month** across industry verticals and count among our clients some of the world's most admired & respected companies like ABB, Accenture, Aricent, Cholamandalam DBS, Cognizant, EDS-Mphasis, Google, HAL, HP, HSBC GLT, ICICI Bank, ICICI Prudential, ITC Foods, Microsoft, MindTree, NSE, SAP Labs, Satyam, TESCO, Wipro and Wockhardt.

**TracSkills**- our Individual Certification program for IT, BPO, Services and the MBA Talent Pools has assessed and provided structured feedback on industry-readiness to thousands of candidates across the country. TracSkills is endorsed by several companies across sectors and partners with academic institutions like Bharathiar University, Visvesvaraya Technological University, among others on employability enhancement initiatives.

**Pariksha**- our program for Education Assessments has successfully supported educational institutions like Manipal University in conducting large scale national level entrance examinations online, in a highly secure mode.

Headquartered in Bangalore, MeritTrac has 450+ fulltime employees and over 1000 certified test administrators operating out of offices in all the metros of India. MeritTrac also operates **21 state-of-the-art online testing centers** - “**MeritTrac Assessment Zones**” across **16 cities**, having **1300+ online terminals**.

MeritTrac is a winner of the **Red Herring Top 100 Asia award for 2007**. The award is recognition of the Top 100 Most Promising Private companies in Asia and is probably the first instance of an assessment company winning this award- a testament to the importance being placed on innovation in talent engagement practices globally. MeritTrac is a recipient of the **Deloitte Technology Fast 50 India** as well as the **Deloitte Technology Fast 500 Asia-Pacific** awards for 2007 as a fast growing company. MeritTrac is also a recipient of the **NASSCOM Innovation Award 2007** as the sole winner in the Input Innovation Category for its revolutionary **MAZ centers**.

MeritTrac assessments have also been delivered in countries like Brazil, China, Costa Rica, Mauritius & Philippines. MeritTrac is represented by business partners in the USA & the Philippines.

MeritTrac is an investee company of the Manipal Education Group (MEG).

## The Scenario

High growth rates, soaring prospects and intense action have become the hallmark of the Indian corporate scenario. Leading this thrust have been a plethora of industries from IT & ITES to rising sunshine sectors like Retail, BFSI, Healthcare, Education along with old doyens like Manufacturing and PSU's. Companies in these domains have come to define the new face of corporate India and will continue to guide the economic destiny of the country.

A critical factor in the rise of these industries has been the availability of talent in the country. It has become a glaring reality readily recognized by corporates that the quality of talent has a direct bearing on business performance. An increasingly demanding customer domestic as well as foreign, enhanced technology levels in conducting business and a competitive marketplace have made successful engagement with quality talent mandatory. The onus has squarely been on HR teams to develop strategies conducive to talent attraction, engagement and management. The challenge of talent acquisition has moved from being just an HR issue to becoming a business issue concerning corporate leaders across the industry.

The scenario in the Indian academic space has also had a direct bearing on the issues with talent acquisition. A large pool of graduates has been generally considered unemployable by the industry. It has been seen that a great number of graduates lack job-ready skills at the foundation as well as the functional levels. There is a general deficiency of skills like communication, analytical ability, sales and customer orientation. Academics have not been geared towards providing the student populace with requisite job-readiness.

Such a situation has been the factor in the challenges plaguing industries across the board especially the sunshine sectors. Recruitments need to be geared up to isolate quality talent and mammoth applications require massive co-ordination across cities and locations in reaching out to this talent.

In such a state, the role of assessments has become extremely critical in helping corporates engage with quality talent. Assessments are scientifically designed tests which help identify the best candidates. Assessments by independent companies have been rapidly gaining ground in the Indian corporate space. While they are extensively used in the IT/BPO space, companies in other industries have been increasingly adopting these instruments given the business mandate of quality recruitments. Arranged on a three tiered screening hierarchy, assessments are used to scrutinize basic foundation skills, technical/domain/functional skills at the next level and behavioral/personality skills at final level to identify best-fit. Assessment companies also help clients reach out to talent across regions and undertake delivery helping save the stretched bandwidths of recruiting teams and have come to provide a holistic solution to companies across the board in realizing their demand for talent.

Adoption of assessments has been rapid but their use has been mostly been as a stop-gap intervention rather than as a strategic solution. Communication, aptitude and analytical assessments along with technology/domain test suites are employed to identify best-fit candidates and recruit the best. This consists of the base tiers of the assessment hierarchy and excludes the final level which could prove more critical in issues of not just acquisition but also retention, management and growth of the talent.

## The future begins today...

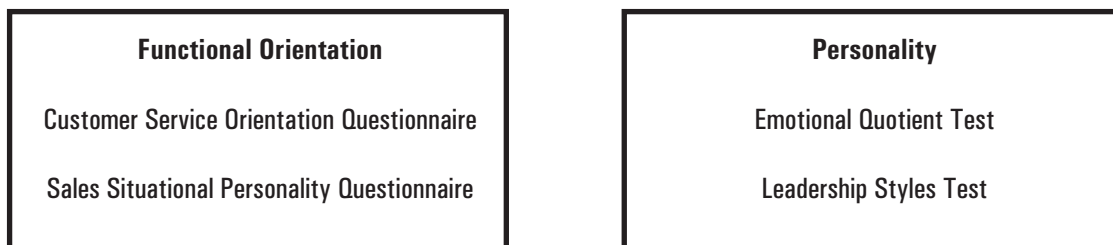
One of the primary HR concerns apart from talent acquisition has been in talent management. High attrition levels, productivity levels, job inclination, career growth are all issues which concern the HR community and also directly impact business in an increasingly people-intensive industry. The anxiety of business leaders on all these factors has been deep but one overall factor being discussed threadbare is nurturing leadership.

Rapid expansion requires a diversification in leadership and individual responsibility of not just processes, growth, results but also the business ethos. Individuals need to be identified to undertake such responsibility and be groomed and oriented to seamlessly grow into business leadership in the future. It is the responsibility of every company to plan for the future and this thought is being emphasized at business forum across the country. And while nurturing leadership is an imperative, the process starts with identifying potential & style of leadership at an early stage and assessments provide the strategic recourse to achieving this objective.

Behavioral and Personality assessments could provide the guiding light to identifying personal orientation towards functions and intrinsic traits. Essential elements that orient a person towards success in a job-role and growing into managerial/leadership roles can be scientifically mapped using assessments. It is vital for such orientation to be mapped along with hard skills like abilities/domain knowledge to select right talent and strategically use the benefits of assessments. As discussed above a 360 degree map of a candidate's orientation towards a particular function could have a significant impact on productivity and career.

Personality Assessments in India have generally been based on psychometrics with world renowned tools deployed to map the entire personality and present a scientific picture- especially relevant for senior and stress-intensive roles. But the real need for companies has been at the entry level to map orientation and understand the inclination & potential of a person: skills hard to judge in interviews especially in bulk hiring scenarios. These tools are required to find personal inclination towards functions like customer service, sales (a must in customer facing roles in industries like Retail, BFSI etc) as also personal traits like leadership, EQ etc (relevant in every industry).

MeritTrac, India's Largest Skills Assessment Company recognizing this need undertook vital research in these areas and is ready to launch a complete suite of tests to evaluate such vital skills on a functionally relevant basis. MeritTrac's test suite comprises:



## Functional Orientation

### ***Customer Service Orientation Questionnaire:***

Customer Service Orientation implies a desire to provide satisfactory service to customers. This means focusing efforts on discovering customers' needs and providing the best possible solution in a friendly, courteous and timely manner. The test assesses three Customer Service Orientations:

- Personalized Service
- Persuasive Service
- Helpful Service

### ***Sales Situational Personality Questionnaire:***

The Sales Situational Personality Questionnaire is designed to assess an individual on six Personality Dimensions, having a high probability of success for the sale oriented environment. Situational Questions have been created to assess these six Personality Dimensions, namely:

- Sociability
- Motivation
- Integrity
- Being Organized at Work
- Flexibility
- Tolerance to Stress

The six Personality Dimensions were identified through an in-depth review of literature on personality factors, qualities and skills imperative for effective sales.

## Personality

### ***Emotional Quotient Questionnaire:***

The Emotional Quotient Questionnaire is designed to assess a test taker's ability to understand/recognize his own feelings and capabilities as well as those of others.

The Emotional Quotient Questionnaire measures four emotional competencies namely:

- **Self Control** Keeping disruptive emotions and impulses in check.
- **Self Confidence** A strong sense of one's self worth and capabilities.
- **Teamwork** Working with others towards shared goals. Creating group synergy in pursuing collective goals.
- **Empathy** Sensing others' feelings and perspectives and taking an active interest in their concerns.

The four competencies were identified through an in-depth review of literature on Emotional Competence Framework for understanding the Emotional Intelligence of people in organizations.

### ***Leadership Styles Questionnaire:***

The Leadership Styles Questionnaire is designed to identify the test taker's potential Leadership Styles from among five Leadership Styles that are combinations of the test takers degree of Task-preference and Person-preference.

The Leadership Styles Questionnaire is based on the following two Leadership Dimensions:

- **Concern for Task:** The degree to which the test taker has a desire to emphasize concrete objectives, organizational efficiency and high productivity when deciding how best to accomplish a task.
- **Concern for People:** The degree to which the test taker has a desire to consider the needs of team members, their interests, and areas of personal development.

The two Leadership Dimensions were identified through an in-depth review of literature on styles, activities and skills of effective leaders.

The leadership styles identified by the test are as follows:

- Employee Oriented
- Task Oriented
- Ineffective
- Middle-of-the-Road Leadership
- Team Leader

## Analysis of candidate performance on the Customer Service Orientation Questionnaire

To understand the orientation of candidates and measure the actual capability level in India towards Customer Service, MeritTrac analyzed the performance of candidates on the Customer Service Orientation Questionnaire across a varied client base. The findings are based on data gathered from tests administered on candidates for clients from sectors like Retail, Healthcare and BFSI.

The Customer Service Orientation Questionnaire (CSOQ) measures candidate quotient towards this skill based on his inclinations (Low, Medium or High) towards three parameters viz Personalized Service, Persuasive Service and Helpful Service.

### Test Validity

Essentially, the validity of a test is concerned with the intended purpose of the test, and how well it achieves this. To demonstrate that the Customer Service Orientation Questionnaire actually assesses personality traits essential for Personalized, Persuasive and Helpful services, scores on the Test were correlated with similar personality constructs, measured via other instruments.

To provide emergence of convergent validity, the test was compared to two tests of normal personality- the 16 Personality Factor Questionnaire and the Motivational Analysis of Organizational Behavior. The 16PF measures 16 primary Personality Factors and the MAO-B assesses 6 Motives important for organizational success.

The Validity analysis showed that scores on the Personalized Service Orientation were significantly correlated with the Factors of Warmth and Liveliness, Scores on the Persuasive and Helpful Service Orientations were significantly correlated with the Motives of Influence and Extension all confirming to the aptness of the assessment in testing what it is supposed to test.

The three parameters are based on scientifically recognized constructs and articulated in these definitions.

**Personalized Service-** Personalized Service measures an individual's desire to communicate and develop a rapport in personal interactions with others. An individual who receives a high Personalized Service rating typically prefers:

- Taking an interest in people
- Listening Attentively
- Remaining Patient
- Socializing and seeking closeness to people

*Why Personalized Service?* Personalized Service is required to make a favorable impression, discover, understand the customer's needs and build rapport with the customer.

**Persuasive Service-** Persuasive Service measures an individual's desire to convince others of a certain product or idea and effectively handle objections. An individual who receives a high score on Persuasive Service typically prefers:

- Convincing others of a certain viewpoint in order to gain co-operation and agreement for particular plans, ideas or products
- Acknowledging objections but offsets these against specific benefits
- Highlighting overriding advantages of product/service/solution
- Negotiating in order to reach a compromise in case of a disagreement

*Why Persuasive Service?* Welcoming objections and questions indicates that the customer has some interest in the product. Persuasive Service would be required to convince the customer to commit to some desired course of action, in order to move the sales forward.

**Helpful Service-** Helpful Service orientation measures an individual's desire to respond to others needs by taking proactive steps to assist him. Such an individual would be naturally helpful towards customers, and has a desire to assist others. A candidate who receives a high score on Helpful Service typically prefers:

- Going out of his way to satisfy others
- Deriving satisfaction out of helping others
- Offering extra help to customers

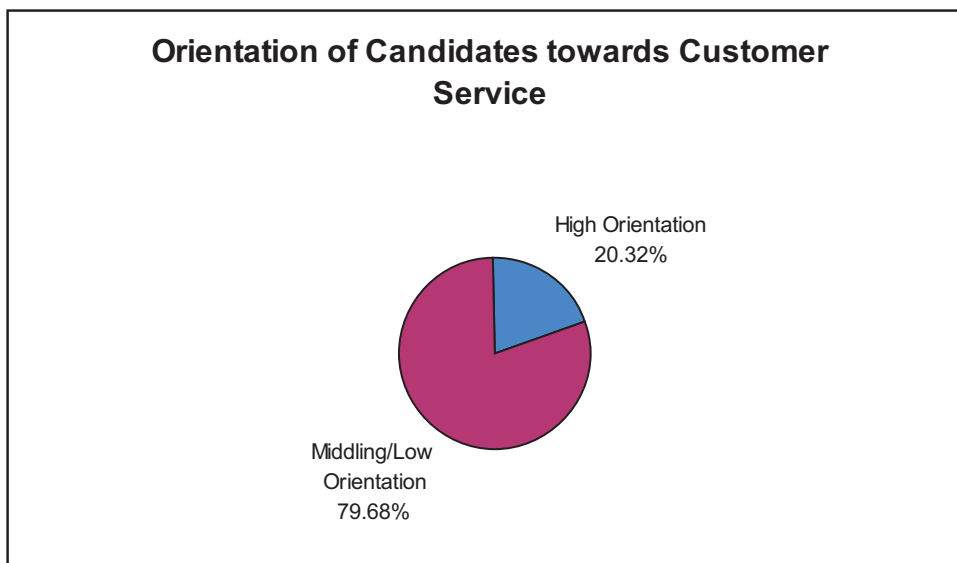
*Why Helpful Service?* Helpful Service would be required to ensure that customers are fully satisfied, and build trust so as to retain customers.

A candidate showing high inclination on atleast two of the three parameters and medium inclination on one parameter can be deemed as the ideal with requisite orientation towards the customer. Candidates showing low inclination in even one of the three parameters are generally deemed unfit with the rest (medium on two and strong on one and medium inclination on all parameters) being considered borderline cases.

The analysis done on a total sample size of 507 datapoints projected an alarming dearth of candidates with ideal Customer Service Orientation. As customer service becomes the cornerstone of repeat business and loyalty, these figures point to the usage of extreme discretion in selection of candidates for customer service roles by companies.

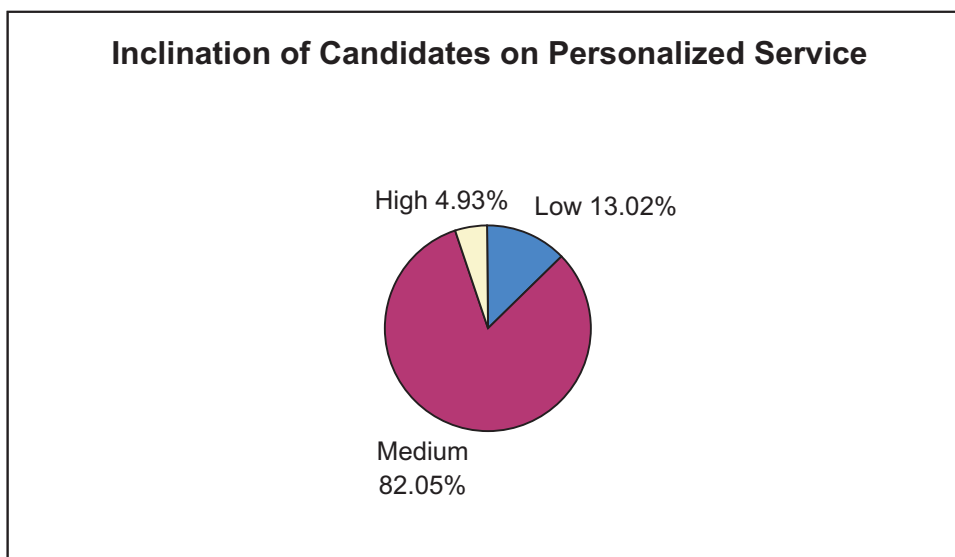
Some key findings from the analysis are given below:

***Overall Candidate Orientation towards Customer Service***

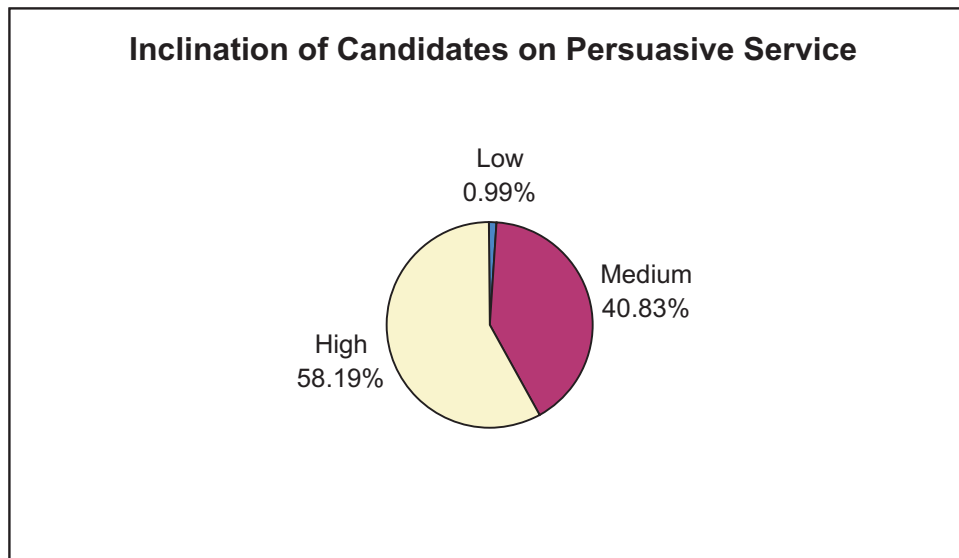


The Analysis clearly points out that only 1/5th of the candidates assessed showed high inclination towards customer service with the rest showing either low or medium inclination. A parameter-wise analysis throws up interesting results as well with candidate performance fluctuating across the parameters.

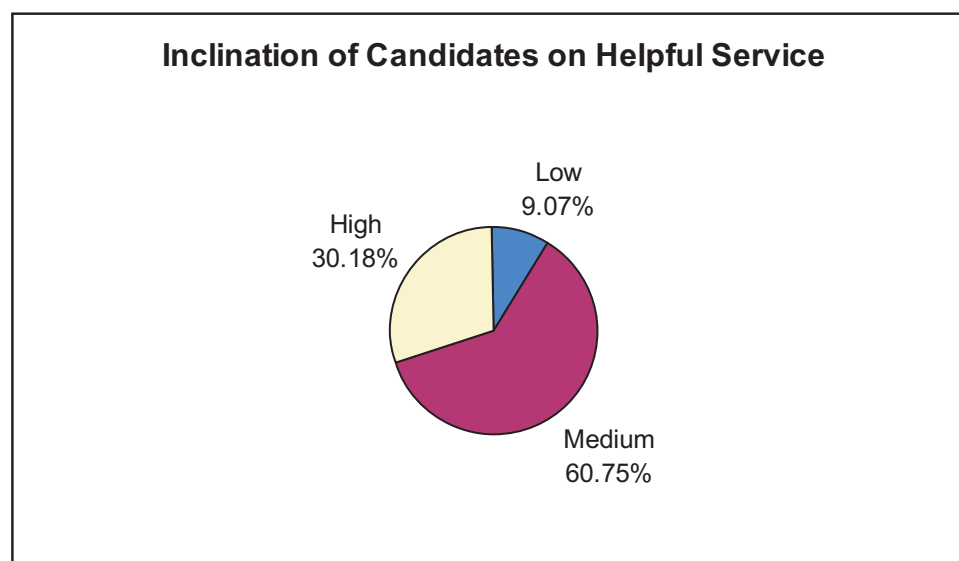
***Candidate performance on the parameter of Personalized Service:***



***Candidate performance on the parameter of Persuasive Service***



***Candidate performance on the parameter of Helpful Service***



As can be seen from the analysis presented above:

- Candidates seem to be a lot more highly inclined towards Persuasive Service and least highly inclined towards Personalized Service showing an sense of detached professionalism.
- Percentage of candidates showing low inclination on each of the parameters is a smaller number with more number of candidates falling in the middling category with a borderline scope for decision making lending more credence to objective skill identification.
- Helpful Service is the only parameter with a fairly equitable distribution between high, medium and low inclination candidates showing they are more adaptive towards responding than going that extra mile to build a rapport- an essential for repeat purchase and loyalty.

As the study indicates, there is a considerable skills gap in candidate orientation essential for functioning in customer facing roles- a rising chunk in hiring across sectors. The identification of ideal candidates and recognition of specific gaps is essential for all recruitment and training purposes. Orientation tests provide the scientific choice in objective candidate selection for critical business functions.



## Disclaimer

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