



MeritTrac Research

**DISCOVERING TRENDS IN HIRING:
8 IMPORTANT WORKPLACE BEHAVIORS**

A Special Report on Banking



OVERVIEW

This paper describes the insights obtained by assessing behavior essential for workplace. The paper is distributed into three parts.

Part 1

“Assessing behavior for hiring is here to stay” – We discuss the emergence of behavior assessments, the need to assess behavior and provide data /references/ research studies to support our belief that behavior assessments forms the current trend in hiring.

Part 2

“Assessing the 8 important work place behaviors” – We discuss the 8 essential workplace behaviors – their basis and importance.

Part 3

“Present Study” – We discuss the study undertaken and the findings in detail.

- A) The data trends that have emerged across the demographics –
 - a) Age-Wise
 - b) Gender-Wise And
 - c) Tier-Wise
 - d) Gender Across Age

- B) Trends that emerged in hiring in the banking sector

Part 1: Assessing Behavior for Hiring is here to Stay

The emergence of behavioral assessment

Industrial-Organizational psychology is now nearing 100 years of existence, it is interesting to follow its evolution in response to changing work environments. A major catalyst to this evolution has been technological advances, trends in the modern workplace include increased globalization, virtual work, and technology-enabled platforms that drive recruitment, selection, and training. Employee development, happiness, health, and work–life balance now receive serious attention along with a marked emphasis on employee productivity. Psychometrics is gaining importance in the workplace setting to measure behavioral variables along with measuring skills, abilities and application of knowledge. Psychology based concepts are being applied starting from the act of job-seeking to actual hiring and recruitment at an organization. Employers are attracted to potential employees by certain skills and behavior and / or vision they display. Skills and behavior assessed through psychometric tools along with a measure on job performance give the employer a best fit / best suited profile than the one based on instinct or credentials provided by the candidate.

The need to assess behavior –

A recent survey* found that when it comes to companies making a wrong choice in hiring an employee, India figures among the top-four countries worldwide and the cost of one single bad recruitment could be over Rs. 20 lakh.

The repercussions of a wrong hire are many fold. Apart from financial repercussions of resources spent on such hires without expected results, such a candidate also causes an impact on the team’s morale and job perceptions. As per the global study*, hiring the wrong person can have serious implications for companies and more than half of employers in each of the ten largest world economies said a bad hire has negatively impacted their business. This was in terms of a significant loss in revenue or productivity or challenges with employee morale and client relations.

The current trends in assessing behavior –

The attitudinal deficits that doomed these failed hires included a lack of 'coachability', low levels of emotional intelligence, motivation and temperament.

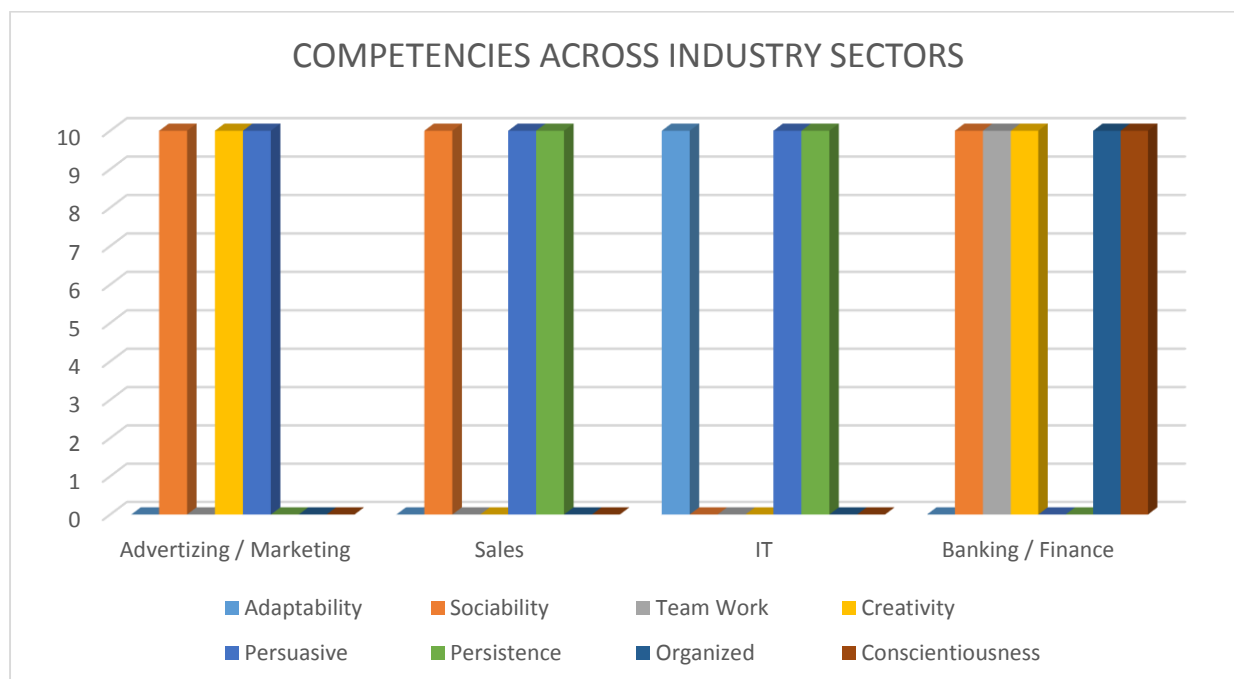
Companies spend millions of pounds / dollars a year on psychometric tests which measure personality types, learning styles and the personal preferences of their employees. In 2003, the estimated value of psychometric tests sold to UK organizations was more than £20 million and was used mostly in the public sector for selection in more than 70 of the FTSE (Financial Times and London Stock Exchange group) 100 companies¹ and in 2008 it rose up to 85% of the FTSE 100 companies². In the US the estimated value of psychometric tests sold for purposes of recruitment and development exceeded \$ US 100 million per year³.

In India, it is growing fast and used widely by multi-national companies that have adopted global practices to be on par with the emerging trends of the world. When researchers tracked 20,000 new hires, 46% of them failed within 18 months. But even more surprising than the failure rate, was that when new hires failed, 89% of the time it was for attitudinal reasons and only 11% of the time for a lack of skill.

User friendly computer based solutions have made psychometric assessments easy to administer, score and interpret results in proctored and non-proctored environments.

Part 2: Assessing the 8 Important Work Place Behaviors

Let us look at a few entry level job roles across Advertising, Marketing, Sales, IT, Banking etc., and the competencies required to perform these job roles well. Research studies have been conducted to zero-in on personality / behavior traits that define success in a given job role. Studies have found that a good performer needs to organize his/her work environments, dealing with complexity, planning and problem solving, even at entry level jobs.



– Job roles in this field require competencies such as effective communication (Media relations, marketing communication, positioning & branding) ⁴ which is beyond just writing and speaking. It is largely to do with being sociable. These job roles also involve product development for which one has to be creative. So, the **key competencies** for job roles in advertising can be said to be **Sociability, Creativity and Advertising & Marketing persuasive**.

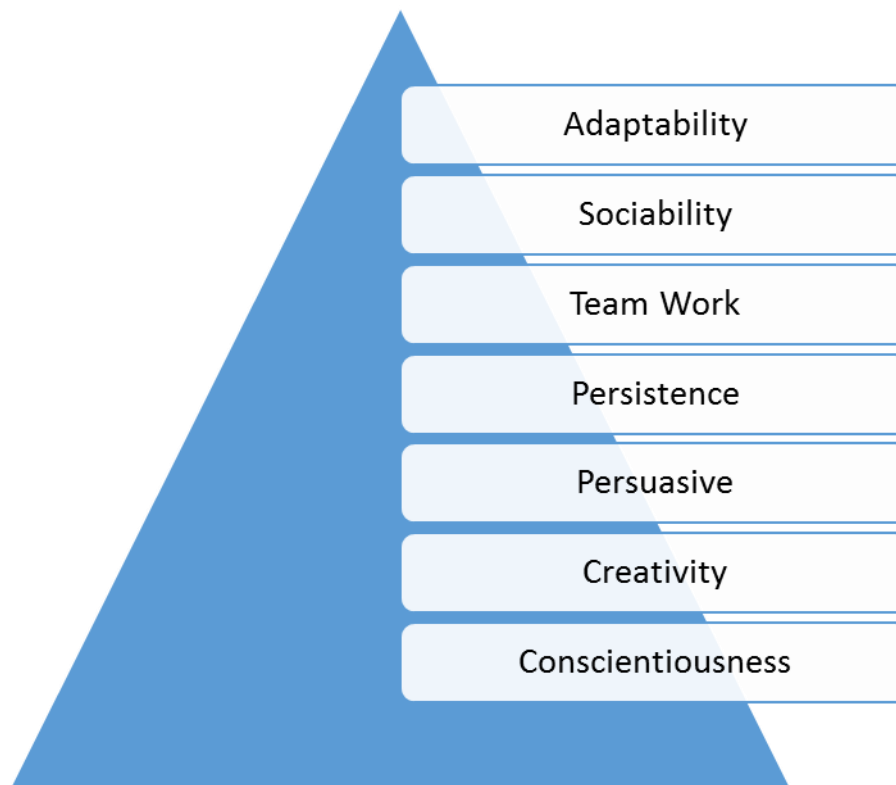
Sales – A host of competencies have been identified to succeed in the sales profession, such as relationship building, communication, consultative selling process and others ⁵. The underlying behaviors for all these competencies are **sociability, persuasiveness and persistence**. A sales professional then should possess these **key competencies** to succeed in their job role.

IT – Among other technical abilities, research has found that an IT professional has to be high on adaptability (constantly changing technologies and its demands), influencing and persuasive (assigning work and reviewing performances in flatter organizations that are characteristic of IT

industries ⁶). Hence the **key behavioral competencies** become **adaptability, being influencing (persistent) and persuasive.**

Banking – Research suggests that to succeed well in a job roles at banks one needs to have a good sense of time (to cater to customer demands within a given time), should be creative (for retail banking), good communication skills (for customer interactions and relationship building) a good team player, planning and conscientiousness (fraud detection and prevention) ⁷. The key competencies then can be said to be **sociability, team work, creativity, time management (Organized) and Conscientiousness.**

The key competencies of the job roles across these industry segments when summarized yielded the following list:



It is interesting to note that a remarkable series of research articles are documented about the characteristics of the types of people, their preferred activities, self- descriptions and competencies, which were summarized by Holland. Occupations / job roles represent a way of life, an environment rather than a set of isolated work functions or skills ⁸. Holland’s theory describes the nature or disposition of the individual worker. He used some basic personality-interest types and classifies the composition of the work environments in which those individuals function. This model of person-environment fit implies some change and adjustment in people and in the environments in which they work ⁹.

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Assessment of these 8 behaviors is found to be important at workplace, as they individually or in clusters, are essential for performance of any given job role, at the entry level.

It is important to assess these 8 behaviors as they are integral to perform well on entry level jobs across any function/ sector.

For example, a person with a behavior disposition for team work and sociability will most likely be high on collaboration required to work towards the end goal. Similarly a person who is found to be inclined towards creativity and persuasiveness will probably work towards new ideas and solutions while problem solving and so on.

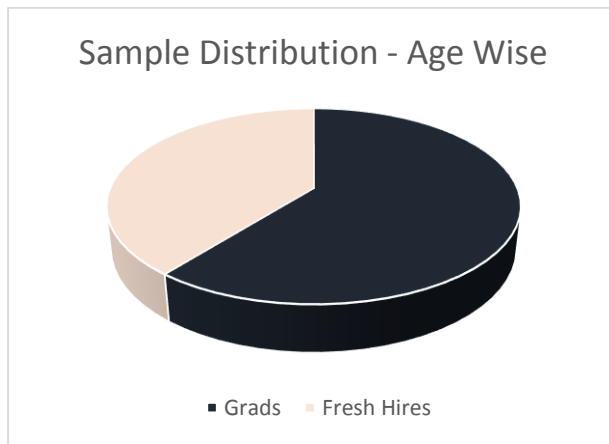
For higher functions, an employee has to work towards shared organizational culture and values dealing with initiating and adapting to change, problem solving, creating new solutions, communicating, and aligning people to shared goals. Specific traits such as compassion, conscientiousness and persuasive skills define the success of some job roles. Organizations also want to identify employees with low risk taking behavior, high commitment to organization and perceived job fit to help reduce attrition.

Part 3: PRESENT STUDY

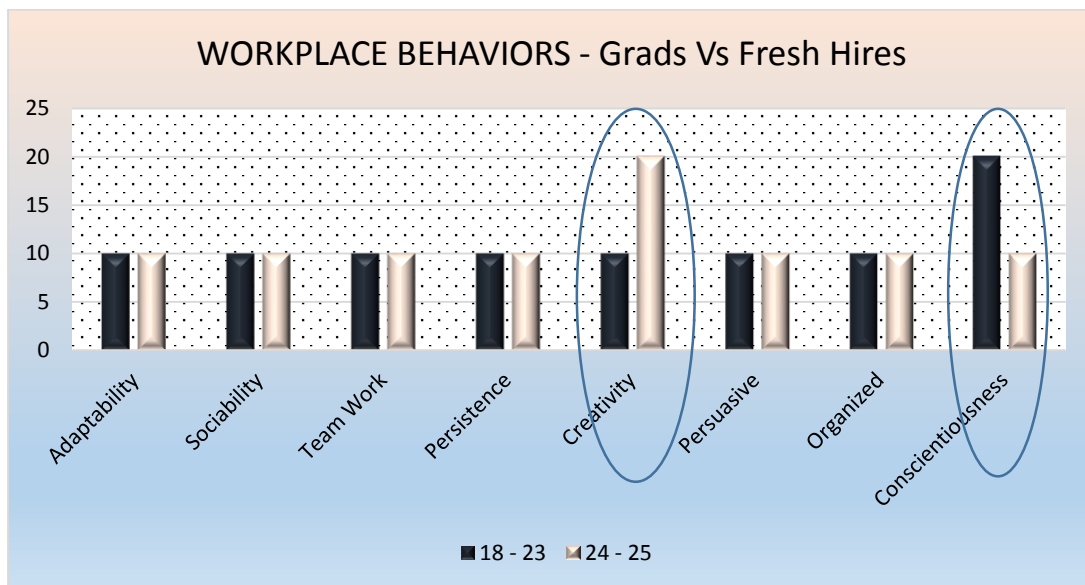
The present study is based on data from entry level hiring drives across India. A total population of over 25,000 graduates completed the behavioral assessment measuring 8 critical workplace behavior competencies. The results were analyzed to observe the emerging trends in the data across age, gender and tiers and to understand the impact of assessing behavior while hiring.

EMERGING TRENDS ACROSS DEMOGRAPHICS

- a) **Is there a vast difference in the behavior traits between graduates (student population) and fresh hires?**



The data subjected to the behavioral assessment lay in the age group of 18 – 25. They were grouped into two basis their occupation i.e., student population Vs working population. Group 1 consisted mainly of student population (in the age range of 18 – 23) and Group 2 mainly consisting of fresher graduates in the workplace (in the age range of 24 -25).



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A 't' test was done to find if any significant differences existed between these two groups.

Findings 1: In this study it was seen that the older age group was more creative than the younger group.

Our Interpretation: The reason for this can be attributed to the fact that the older minds (fresher graduates at workplace) have more exposure to the shifts in thoughts, have more opportunities to brain storm with experienced people, are more aware of current trends and thoughts and so probably can be more inclined towards wanting to be creative. In other words, people with work experience are more inclined to follow invent / indulge in new ideas / theories more often than the student population.

Recommendations*: Job roles that are part of product development (software, hardware, FMCG), designing – architecture (construction / product), fashion (apparel, jewelry), advertising, marketing etc., involve problem solving, thinking-out-the-box, conceptualizing new concepts / ideas and require individuals high on creative thinking. Hiring individuals with some work experience would be suitable rather than hiring from the student population.

*The recommendations made are purely based on the results of this study based on the specific behavior assessment. The findings should not be generalized.

Findings 2: In this study, it was seen that the younger group were more inclined to be conscientious when compared to the older group.

Our Interpretation: This can be considered proof for the changes in thought process / working styles that happen as individuals come to realize that all situations are not completely white or black, but major parts of our dealings are often grey areas.

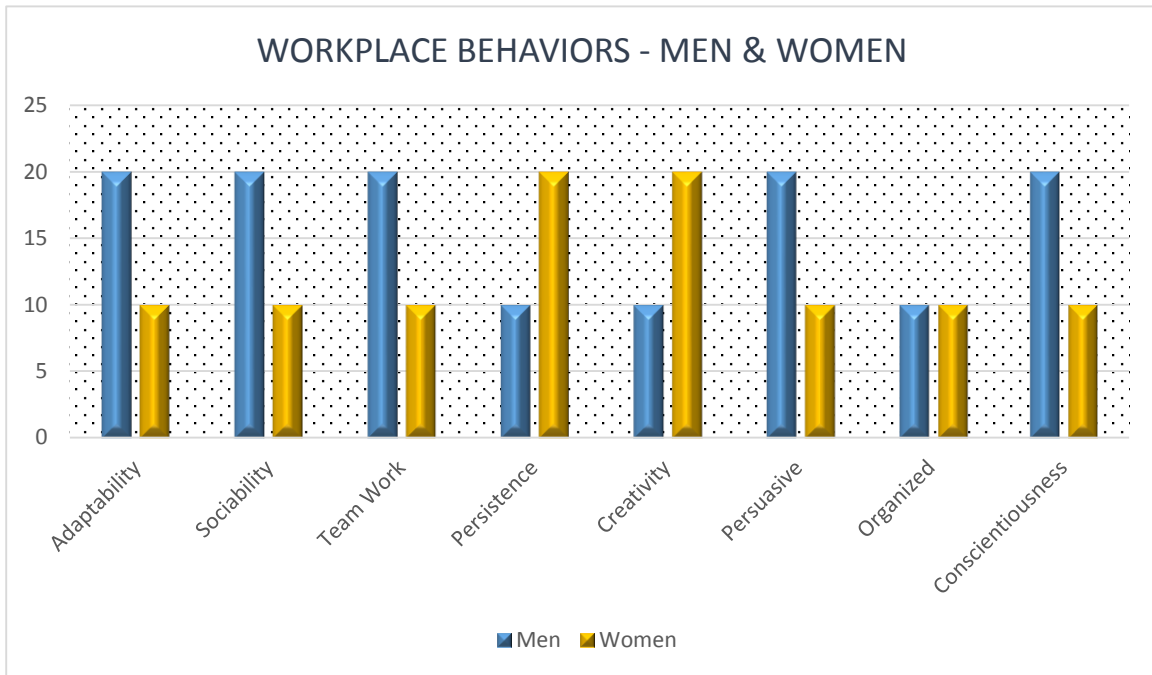
Both groups seem to possess all other behavior traits such as Adaptability, Sociability, Team Work, Persistence and Persuasiveness without any significant difference among them.

Recommendation*: Workplace ethics / integrity is very important and is well defined by organizations. Possessing such traits translates into the success of an individual at work. In this study it is seen that the student population is inclined to be conscientious and this hiring from this population will strengthen the organization in terms of integrity.

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b) Are some behaviors predominantly found in men and women?

Of the test takers who undertook this behavioral assessment, 58 % were women and 42 % men. The data was analyzed to find out if there were differences in the behavioral traits of men and women. The data was subjected to a ‘t’ test. It was found that there were significant differences across 7 behavior traits –



Findings 1: In this study it was seen that men be more adaptable, sociable, persuasive, conscientious and good team workers when compared to women. Women were likely to be more creative and persistent when compared to men, in this population. Men and women seemed to be equally inclined to be organized.

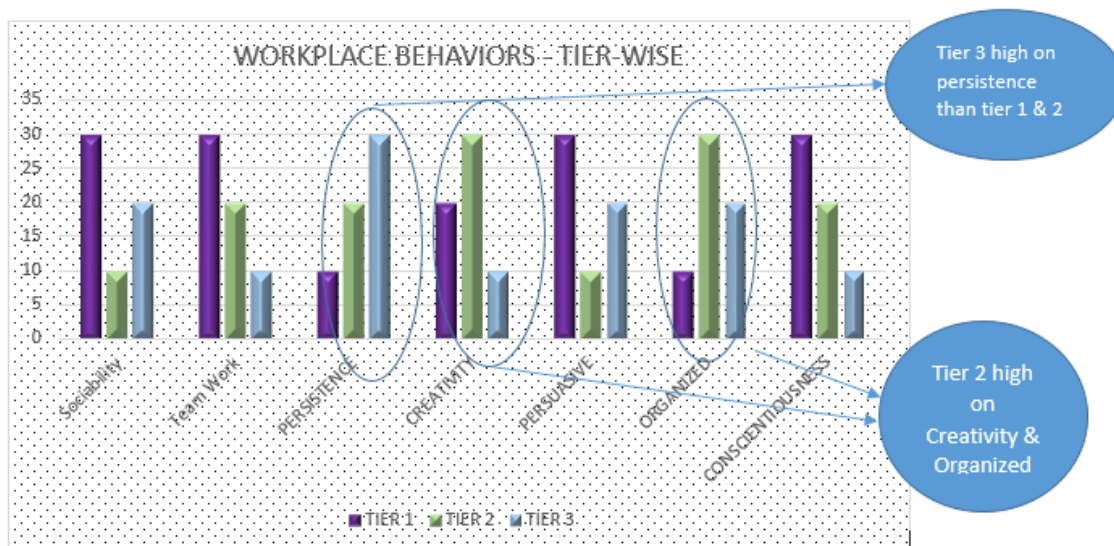
Recommendations*: Job roles requiring working under changing conditions (transferable jobs), customer interactions and similar functions are predominantly being performed by men. Such job roles require people who are adaptable, sociable, persuasive and conscientious, this study shows that men are high on these specific behavior traits.

Job roles such as teaching, designing, and advertising are seen to be performed largely by women. Such job roles require creativity, persistence and being organized as behavior traits. This study shows that women possess these traits and will succeed in these job roles.

*The recommendations made are purely based on the results of this study based on the specific behavior assessment. The findings should not be generalized.

c) TIER – WISE

The 25,000 test takers belonged to 20 cities/towns which were categorized into three tiers – Tier 1 (consisted of 7 metros and cities), Tier 2 (consisted of smaller cities) and Tier 3 (6 towns). The behavioral traits had to be analyzed to find out if any differences existed between the individuals belonging to the different tiers.



Findings 1: In this study, it was seen that Individuals belonging to tier 1 were likely to be more sociable, persuasive, conscientious and good team workers when compared to tier 2 & 3.

Our Interpretation: This could be because individuals from tier 1 are largely from metros and cities which probably lead to the belief that they have more exposure to people and therefore are more sociable and are able to work in teams. They are also probably more aware of rules and the need to adhere to them and thus come across as higher on conscientiousness than individuals from other tiers.

Recommendations*: Job roles requiring working under changing conditions (ex: transferable jobs) customer interactions and similar functions predominantly people who are adaptable, sociable, persuasive and conscientious, this study shows that individuals belonging to tier 1 are more suited for such jobs when compared to tier 2 & 3.

Findings 2: In this study it was seen that Individuals belonging to tier 2 were more likely to be creative and organized when compared to tier 1 & 3.

Our Interpretation: This could probably be because they have just enough awareness of the current trends, which differentiates them from individuals belonging to tier 3, however, they are fairly fresh

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in thoughts / ideas uncorrupted by over – exposure to processes and methods, which differentiates them from individuals belonging to tier 1.

Recommendations*: Job roles that are part of product development (software, hardware, FMCG), designing – architecture (construction / product), fashion (apparel, jewelry), advertising, marketing etc., involve problem solving, thinking-out-the-box, conceptualizing new concepts / ideas and require individuals high on creative thinking. Hiring individuals from smaller cities and towns would be suitable rather than hiring from major cities and very small towns.

Findings: In this study it is seen that individuals belonging to **tier 3 were likely to be persistent when compared to tier 1 & 2.**

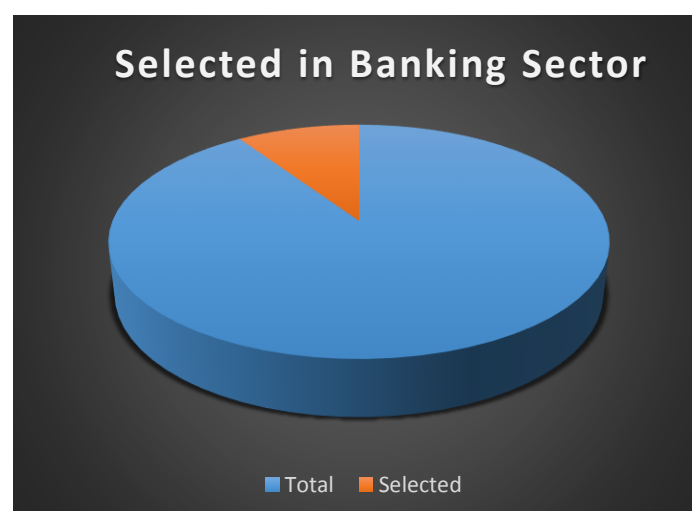
Our Interpretation: The need to be persistent is higher in tier 3 probably owing to the fact that there is a dearth for opportunities in smaller cities and towns and hence the need for the individual to be very determined in efforts to reach his / her goals.

Recommendations*: Job roles requiring sales acumen require individuals high on persistence too be able to sell their products. From this study, it is seen that individuals from tier 3 are more persistent than those from tier 1 & 2.

*The recommendations made are purely based on the results of this study based on the specific behavior assessment. The findings should not be generalized.

TRENDS THAT EMERGED IN HIRING IN THE BANKING SECTOR

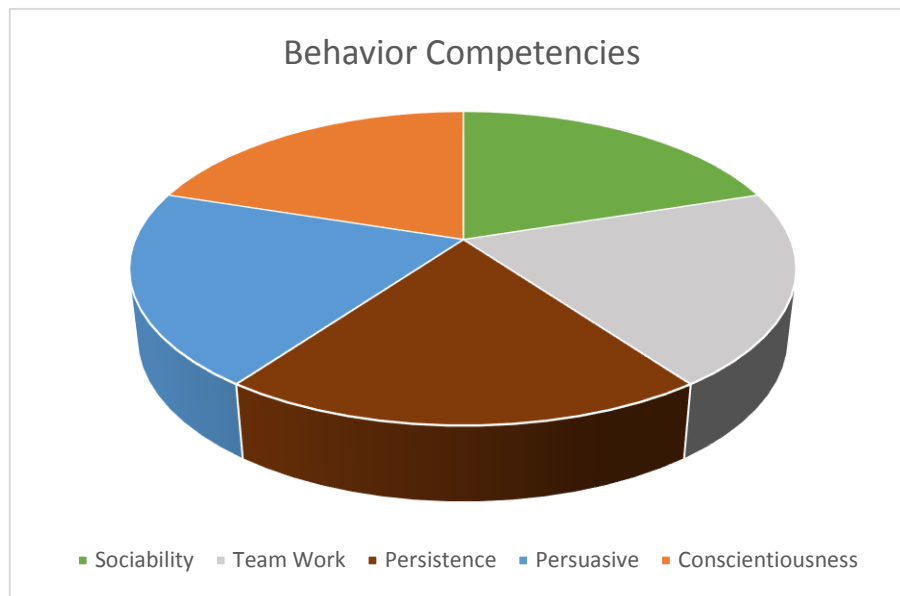
Of the 25,000 data points that were tested for various industry sectors in 20 cities across India, a population of approximately 2500 were selected for further processes in the banking sector. The further hiring processes was largely based on the behavior assessments which measured the 8 workplace behavior competencies in combination with cognitive tests.



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When we analyzed this data specific to the banking sector, we encountered some interesting findings. The workplace behaviors that are predominant in this population (Sociability, Team Work, Persistence, Persuasive, and Conscientiousness) is very similar to the ones that were identified by our earlier research across industry sectors (Sociability, Team Work, and Conscientiousness). These findings highlight the importance of assessing behavior competencies to find the right job fit.

Competencies that emerged when data from the banking sector was analyzed:



This reiterates the point that organizations should consider the profiles based on behavior assessments that provide insight into the candidate and are not driven by academic results. It is important to note that in these recruitment drives behavior assessment results were largely used as inputs rather than decision making tools. The use of behavior assessments was a common practice for hiring senior and leadership job roles, but now using them for the entry level jobs marks the beginning of the change that will be seen in hiring.

Conclusions

- The 8 workplace behaviors by themselves or in combination with one or more are found to be essential for any given entry level job role across any sector.
- The assessment of these behavior traits by employers will get them candidates with the behavioral disposition for the roles in their organizations.
- This special report on the banking sector has proven the fact that assessing the behavior traits at the workplace will ensure the right job fit for the entry level position.

Other Conclusions

- Hiring individuals with some work experience would be suitable for creative jobs.
- Student population is likely to be conscientious when compared to people with experience.
- Organizations will do well to hire for job roles requiring working under changing conditions (transferable jobs), customer interactions and similar functions.
- Women were seen to perform well on job roles that require creativity, persistence and being organized (Teaching, advertising, designing, architecture, etc.,)
- Tier 1 is best suited for job roles requiring to work under changing conditions (ex: transferable jobs) customer interactions and similar functions.
- Tier 2 are probably more creative and organized when compared to tier 1 & 3.
- Tier 3 is seen to be more persistent when compared to tier 1 & 2.

MeritTrac Solutions

MeritTrac offers a wide range of products, across sectors such as IT, ITES, BFSI, Pharma, Manufacturing & Engineering and for job roles – fresher hires, laterals and managerial roles. It helps you find the right job fit for the given role.

- For managers and managers of managers, MeritTrac offers Management Success Profile that assesses candidates on the essential competencies required to successfully perform managerial roles.
- For ITES sectors, MeritTrac has a suite of tests – simulation and MCQ which are targeted to assess the customer service orientation and sales acumen.
- For fresher hires across sectors, MeritTrac has a host of assessments which assess the essential workplace behaviors and thinking styles to provide the best job fitment.
- For organizations moving towards creating an agile workforce, MeritTrac assess learnability and customer centricity.
- MeritTrac also provides solutions for educational institutions with assessments that help their student population to understand career interests and help enhance their employability.

MeritTrac also tests cognitive abilities along with communication – Written, spoken and listening skills.

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