Using Assessment Centres to identify and develop talent.

A Deloitte perspective
Deloitte Assessment Centres

Agenda

- History of Assessment Centres at Deloitte
- How ADC’s are used within Deloitte
- Assessment and Development Centre methodology
- General themes
- Challenges
- Link with the Talent Management strategy
How are Assessment and Development Centres (ADC’s) used

• Deloitte has been using ADC’s for over 15 years

• Over the last year there has been a definite shift in that ADC’s are now being used more effectively in identifying and developing our talent through more strategic leadership pipelining

• The leadership pipeline serves as critical input into the Deloitte Talent Management strategy
History of Assessment Centres at Deloitte

Four main functions:

- Leadership Assessment and Development Centre (LADC) : Partner Potential
- Manager Assessment and Development Centre (MADC) : Management Development
- Experienced hires psychometric testing : professional employees
- Talent Management
Location of Assessment Centres within the Firm

Group Human Resources and Development

Human Resource Management

Learning

Talent Management

Assessment and Development Centre

- LADC
- MADC
- Psychometric testing
Assessment and Development Centres.

Methodology
Manager Assessment and Development Centre (MADC) methodology

- Primarily a development centre
- Combines technical as well as behavioural competencies
- Designed to identify potential to effectively perform at a senior manager level
- Accommodates six candidates at a time
- Four assessors (two technical and two behavioural)
- Personality (OPQ) and cognitive assessments (CPP), written exercise, leaderless group exercise, role play and presentation
- Designed to measure 12 competencies and each competency is measured in two exercises
Manager Assessment and Development Centre (MADC) methodology

- A five point rating scale is used

- Verbal and written feedback is given to the candidates with their development facilitator

- Verbal and written psychometric feedback is given to the candidate after the main feedback

- The development facilitator and candidate then complete an individual development plan

- Trend summaries are sent to the business unit
Manager Assessment and Development Centre (MADC) methodology

<table>
<thead>
<tr>
<th>Day 1:</th>
<th>Day 3:</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Candidate orientation</td>
<td>• Assessor report writing</td>
</tr>
<tr>
<td>• Assessor pre brief</td>
<td></td>
</tr>
<tr>
<td>• Paper and presentation</td>
<td></td>
</tr>
<tr>
<td>• Written exercise</td>
<td></td>
</tr>
<tr>
<td>• Group exercise and group</td>
<td></td>
</tr>
<tr>
<td>presentation</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Day 2:</th>
<th>Day 4:</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Role plays</td>
<td>• Assessor report writing</td>
</tr>
<tr>
<td>• Assessor report writing</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Day 5:</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Feedback to candidate and</td>
</tr>
<tr>
<td>development facilitator</td>
</tr>
</tbody>
</table>
Leadership Assessment and Development Centre (LADC) methodology

- MADC is the precursor to the LADC

- LADC is designed to provide the firm with an objective assessment of Partnership Potential

- Provides guidance regarding strengths and development areas towards admission to Partnership

- Candidates are nominated by three or more partners in order to attend the LADC, approved by the Business Unit Leader
How are Assessment and Development Centres (ADC’s) used
Leadership Assessment and Development Centre (LADC) methodology

• Assessment Modules:
  – The Practice Office Nomination (PON)
  – Self Presentation Skills (SPS)
  – Applied Leadership Skills (ALS)
  – Criteria Based Interview (CBI)
  – Psychological Assessment (PA)
  – Executive Interview (EI)
Leadership Assessment and Development Centre (LADC) methodology

- 6 Assessors and a Chairperson (Psychologist) on any one LADC Panel
- All assessors assess the SPS together
- The ALS and the CBI have two assessors and one facilitator each, and the Psychological Assessment has one assessor
- Assessors must have had 3 years' tenure as a Partner before they may volunteer
- A record of assessors' performance on the LADC is maintained and a core pool of outstanding skills has been established and is growing
Leadership Assessment and Development Centre (LADC) methodology

- Feedback takes place within two weeks of the LADC
- The whole feedback session normally takes 4 hours
- Selected members of the Panel (including the Chairperson) give feedback to the Business Unit Leader and the Nominating Partner, then to the candidate
- The psychologist gives feedback to the candidate privately
Leadership Assessment and Development Centre (LADC) methodology

**LADC Ratings:**
- P1: Unique potential
- P2: Immediate potential
- P3: Medium term potential
- P4: Longer term potential
- L: Limited potential
- TS: Too soon to tell
- PS: Specialist leadership potential
- CAD: Career Associate Director
- CSM: Career Senior Manager
- PQ: Leadership potential in question
- NC: No consensus
General themes and challenges.
Leadership Assessment and Development Centre (LADC) ratings
Assessment and Development Centre challenges

- MADC results are used to determine promotability rather than actual job performance
- Assessor scarcity
- Assessor inexperience
- Rater bias, e.g. prior knowledge
- Competencies measured are inconsistent with performance management criteria used across the business units
- Lack of follow through into Individual Development Plans (IDP’s)
- LADC is used for performance management, i.e. using the LADC to give the candidate “bad news”
- Limited overlap between the LADC and MADC process
Limited overlap between the LADC and MADC process

Greater overlap between MADC and LADC

Limited overlap between MADC and LADC
How ADC’s link with Talent Management.
Link with Talent Management

- The Talent board has been created to strategically manage talent across the firm. The board consists of a talent leader, Exco and other key stakeholders (HR Director, Talent Leader).

- It is chaired by the Chief Operating Officer.
Talent Board

**Purpose** is to steer the identification, acceleration, development and retention of the Firm’s talent whilst driving our transformation objectives.

Meetings are held quarterly - we review the talent pool in each Business Unit. Service Line Leaders report back on the strength of their talent pool.

**We ask ourselves these specific questions:**

- What are the talent issues in your service line?
- What are you doing about them?
- Where are you strong?
- Where are you vulnerable?
Link with Talent Management

- 2010 strategy: “Magnet for Talent”
- Identification tool for talent
- Deepens the knowledge base of our talent
- ADC’s serve as a framework for an individual’s career progression
Focus of the Talent Board

- Ensure that key talent remains “institutionalised” in our culture
- Identify successors for critical positions and provide them with all they need to get there
- More actively manage and nurture those in our talent pool
- Ensure they are connected to the right mentors
- Identify key positions and ensure we are not left with a “capability gap”
Link with Talent Management

• First point of focus should be to carefully direct talent through the MADC

• Then focused development and mentoring can take place in preparation for the next step - the LADC. Some of the most fruitful learning and development often occurs after the LADC process, prior to admittance to Partnership

• It is at this point that a focused development plan and a structured mentoring relationship becomes all the more crucial
Link with Talent Management

- Succession planning (LADC input)

- Direct hires at a senior level

- Input into Talent Review

- The objective is to get the different enablers of our talent pipeline - MADC, LADC and focused development to work in synch