Source:
Incandescent, Knack & The Rockefeller Foundation- Impact Hiring: How Data Will Transform Youth Employment

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Insight & Learning Question(s) Answered:
- How can we identify applicants who have the aptitude and motivation to develop the required skills and be successful in employment/entrepreneurship? How can we do this in a scalable way?
- How do we best link jobseekers and entrepreneurs to meaningful opportunities to increase their placement rate in jobs/entrepreneurial opportunities upon graduation?
- How can program designs leverage new innovation and opportunities enabled by the digital transformation? How can digital technologies be leveraged to expand program reach and accelerate the transition from skilling to sustained employment/entrepreneurship?
- How can we help our partners to bolster the value proposition they make to employers?

Insight Byte:

Context:
- Youth unemployment is an intractable problem, especially for the vulnerable segment of “opportunity youth” (i.e. young people between the ages of 16 and 24 who are neither in school nor work”)
- Existing problems to address this challenge are expensive and difficult to scale, underscoring the need for a radically different approach to effect change at the ecosystem level
- Advances in predictive talent analytics form an important element of a scalable solution. These technologies enable employers to identify promising talent from a larger pool than they might traditionally consider and to make hiring decisions based on data rather than intuition. Because predictive talent analytics enable two-sided matching of youth and opportunities based on potential, youth seeking jobs can identify the opportunities that best match their talents, while employers can identify jobseekers who are best suited to perform successfully in their specific open roles. This creates a more liquid, better-functioning talent market, which breaks down a number of the barriers that hold youth back today
- The Rockefeller Foundation and its grantee, Incandescent, partnered with Knack, a startup company that has developed mobile video game technology to measure talent markers and predict job performance potential, to conduct a pilot of game-based talent analytics with youth enrolled in programs at a number of community organizations. Six hundred “opportunity youth” participated in the pilot, allowing them to compare the full data set of their aptitudes revealed through gameplay with the corresponding data set for current jobholders at four companies

Findings:
- The results of the study are compelling:
  - Among the six hundred youth, 83% scored at or above the level of the company’s average performers for one or more jobs
  - This research breaks down prevalent (and costly) myths about opportunity youth:
1) A large number of “opportunity youth” off the radar of most employers demonstrate the quantifiable attributes predictive of success in high-quality entry-level jobs. Many of them outscore the individuals working in these jobs today.
   - This reality debunks a first commonly-held myth: that only a few “opportunity youth” have what it takes to outperform the more experienced and educated people companies are recruiting into high-quality entry-level roles.

2) “Opportunity youth” have a distribution of traits, abilities and aptitudes no different from that of the general population.
   - This debunks a second commonly-held myth: that the aptitudes of “opportunity youth” differ systematically and significantly from those of the broader population.

3) “Employability” isn’t an assessment that can be applied across the board to whole cohorts of youth. Different youth excel at the aptitudes that predict success in different roles, and most of the youth in their sample fit the success profile for at least one of the four target roles well.
   - This debunks a third commonly-held myth: that some youth are simply more employable than others, and have greater aptitude across the spectrum of entry-level roles.

4) While skills and knowledge gained in the classroom may be directly relevant for certain jobs, education is not a proxy for cognitive abilities relevant to job performance.
   - This debunks a fourth commonly-held myth: that education can be used as a proxy for a job candidate’s ability to perform.

5) “Opportunity youth” score as strongly on attributes associated with the potential to advance into higher-level roles as do other demographic groups. “Potential” is a useful notion only when it can be translated into specific attributes that can be measured; once this translation is made, youth are as likely to excel at those attributes as others.
   - This debunks a fifth commonly-held myth: that youth may be able to perform well in entry-level roles, but many do not have the aptitudes associated with advancement into higher-level roles.

6) Quantitative approaches to hiring can be designed that are fair, and blind to differences of gender and ethnicity. In the study, youth of all genders and ethnicities demonstrated at similar rates the aptitudes associated with high performance in four distinct entry-level roles.
   - This debunks a sixth commonly-held myth: that an objective, quantitative approach to hiring will disadvantage certain gender or ethnic groups. Rather, the true enemy is the bias that can easily creep into subjective hiring decisions.

**Actionable insights**

As so many fields have in recent years, entry-level hiring must also make the transition from relying on untested intuition to leveraging the power of data and evidence. This requires directing attention to each stage of the recruiting process and employee lifecycle, not unlike the rigorous focus on continuous improvement that has made functions like manufacturing, supply chain management and marketing so much more productive in recent years. Specifically, this includes:

- Making the best inferences from performance data of current employees back to the identification of talent requirements – which patterns of traits and abilities are most important in driving results on the job
- Identifying a wide array of talent pools from which to draw candidates, directly and/or through online and offline intermediaries
- Evaluating candidates in ways that deliver valid, unbiased signals regarding the markers most important for job performance
- Measuring performance on the job in a granular, repeatable, and systematic way – and leveraging this data to feed back into both job design and the predictive signals that drive the hiring process

**Taking Action: What can you do next with this knowledge?**

1) Actions for Global CC Team
   - There are more tools and better practices available today than ever before to identify human potential and to manage human capital. Often, the limiting factor is the institutional will for companies to make a
commitment to data-driven hiring, build the relevant accountabilities into their line management and HR organizations, and shift the day-to-day basis for decision-making from intuition to data. Help our partners understand the importance of talent analytics tools, so that they can subsequently bolster the value proposition they make to employers, who can tap into other (previously unexplored) talent pools

2) Actions for the S2S practitioner team
   o Learn how talent analytics tools can help employers to objectively assess attributes that drive good performance and help them access broader talent pools to find individuals with the most-valued attributes. This has the potential to bolster the employer value proposition by showing employers strengths that are often invisible to them
   o Also, make use of talent analytics tools to give beneficiaries an insight into the nature their own true potential and what undreamt-of opportunities that potential could allow them to access

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