

# Spotting talent for the future at EDP



EDP is a global energy company and one of the world's most sustainable corporations. EDP is the largest Portuguese group, one of the largest companies in the Iberian market, active in 14 countries and 4 continents with 11 million customers and a team of over 12,000 employees of 32 nationalities. To maintain its position as a leading organisation, its accelerated development program for its graduates is key – and selecting these participants crucial.

## The challenge: finding the leaders of the future

Ms Marisia Giorgi, Corporate HR Deputy Director at EDP, explains, "Our goal is to become the number one organisation within the utilities sector at a world level. But our vision is not limited to financial results: we also want to be recognised internationally for our responsible social corporate practices. We are committed to sustainable development and creating value for our shareholders and for society in general. We have a global business so we need global people."

The core-training program for recent graduates at EDP aims to accelerate the international development of this talent pool to get them up to speed quickly and to integrate them fully with the EDP culture and strategic purpose. Ms Giorgi continues, "We need to foster mobility, attract the best young people to work with us and promote the networking between the business units. We want global people who have an open mind-set and the flexibility to deal with these challenges in our company. Our young talent joins us and are supported on our program for at least 20 months, being trained across different areas with cycles of job rotation in different business units – and of course our challenge is to find the best applicants for this program."

With such heavy investment in the program, itself appointing the right people to the program is crucial. At a basic level, they all need to hold both Master's and Honours degrees from a top university awarded within the last two years in a range of subjects such as management or science. They also need to be fluent in English, have high analytical skills, strong strategic vision, high levels of customer and goal orientation, be a team player and to have an innovative mind-set.

Each step in the selection process to select the 25 program participants needs to be valid – and provide a check or a gateway to progressing on to the next stage.

## The solution: a battery of assessments and immediate candidate feedback

Being seen as innovative is important to EDP as an employer and, whilst online testing is quite common in Portugal, video interviews are not, and so it took the opportunity to pioneer this and obtain the efficiency gains from combining online psychometric testing and video interviewing. It also sought to introduce immediate feedback to candidates on their performance. Ms Giorgi comments, "It was important to us to be able to give feedback of the results of the tests immediately. These applicants are also our customers and so it became an issue not just of fairness but of employer and consumer brand. With cut-e, we developed the process so that as a candidate completes a test, he or she is able to see the score immediately. Feedback and offering feedback is really well regarded by our candidates – and we are told this time and again. Furthermore, it has helped reduce the number of people coming back to us for further comment or explanation if they have been rejected."

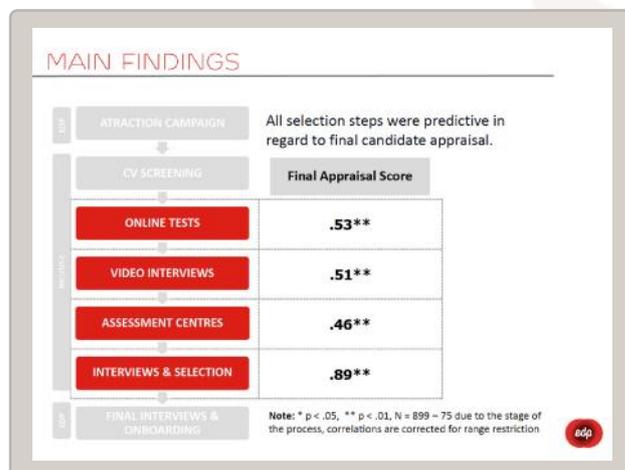
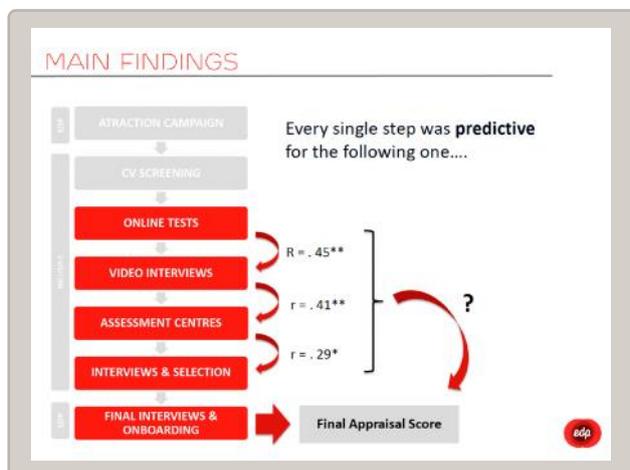
Attracting talent was via campus, advertising and using global digital platforms such as LinkedIn in combination with more local platforms. This resulted in 4,000 applications from 34 nationalities with over 3,100 of these applications meeting the minimum criteria to go forward. Ms Giorgi comments, "We're looking for a real blend of person: not an 'engineer' or a 'finance person' but someone who combines a number of areas and brings a range of competencies. We want to be challenged and we want people who can embrace challenge."

In the first step, applicants are assessed on their analytical and core English language skills providing 'cut-off' scores for EDP. That is, if an applicant does not score at the appropriate level, he or she does not progress. Other areas also assessed at this time using the cut-e personality questionnaire shapes and integrity assessment squares. This information is then used at a later stage: innovation, goal orientation, teamwork, vision, and strategy.

After the initial assessment, the pool of suitable applicants is reduced to 900 with numerical reasoning, verbal reasoning, and logic being assessed. The total time for assessment is 1.5 hours – but candidates are asked to complete the tests over a period of a week.

Nearly 450 candidates progress onto the video interview stage. Here, four standard questions are asked of the candidates and they record and return their replies to EDP. "These interviews work really well for us. Not only do they enable to demonstrate the quality of shortlisted candidates to the recruiting managers but also we can assess motivation, innovation and goal orientation from the competency-based questions we ask. From an efficiency perspective, these interviews save us time, perhaps 50% in the lead time to get to interview."

Based on the video interviews, EDP then invites over 150 of these candidates to its assessment centre. So, despite not having met these people face-to-face, they are invited to three days of assessment. This is a real shift in approach for many organisations – but with the comprehensive ability and personality data gathered prior to meeting, EDP already has a very good idea of the candidate profiles. From here, 100 candidates undergo a competency-based interview to select 25 for the graduate program and a further 50 for its management trainee program.



Screenshots or diagram

## The results: streamlining the recruitment process and supporting the brand

Predictive validity is important to EDP and it was able to analyse the data at each stage of the process and demonstrate that, at each process gateway, the results did indicate success at the next stage.

Ms Giorgi comments, "We are a small team managing all the applicants without the support of an Applicant Tracking System and yet we have been able to successfully identify and predict the best talent for our program. Without the use of the cut-e assessments, it would have been an impossible task to filter applications, focus on those who have the skills we require and provide us with the detailed competency information when we need it."

Going forward, Ms Giorgi expects the careers portal to be looked at further and to plan a validation study against actual, on-the-job performance data.

### Main findings from the project for EDP

- Psychometric online assessments combined with asynchronous video interviewing assures a highly valid selection
- Results are consistent with earlier findings, highlighting the predictive power of the combination tests and structured interview procedures
- Each procedure assesses different ability and competency dimensions, resulting in higher quality insights
- Compared to the other steps (video-interview, on-site assessment) the tests and questionnaires are the instruments that best predict all following steps
- Improving the application form of the career page;
- A more demanding cut-off in the earliest stage of the project might improve our hiring rate by 16% if we:
  - set the cut-off score for the English and the numerical ability tests at 5 or higher
  - set the cut-off score for the verbal and logical ability tests at 4 or higher
  - set that at least one of the scores needs to be above average (6 or higher).

For any further information please don't hesitate to contact us!

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