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6 Key Elements of an Effective Talent Acquisition Strategy

Business and Financial Conference

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What is SHRM

SHRM is the globally recognized **HR professional society** that exists to develop and serve the HR professional, and **advance** and **lead** the HR profession.

- 300,000 Members in 165 Countries

- 575 Affiliate Chapters

- World's Largest HR Conference and Exhibition – Las Vegas, Nevada June 23 – 26, 2019

Experience Matters

Multiple Functional Areas

Worldwide Skills

**You Can Change a Company**

You Can Change a Life

Expertise comes from the jobs you do..

- **SHRM** (2 years)
  - Divisional Director, West - *State of California Field Service Leader*
- **eBay Inc**. (2.5 yrs.)
  - Senior Director HR Delivery Solutions, HRIS and Analytics
- **The Coca-Cola Company** (5 yrs.)
  - Senior Director Global HR Strategy and Transformation
  - Director Global HR Strategy, HRIS and Measurement
- **Motorola Inc**. (11 yrs.)
  - Director Global HR Strategy, Measurement and HRIS
  - Global Rewards Director

- **Motorola Inc**. (cont'd)
  - Chief of Staff to SVP of HR
  - Director of HR – Emerging Business and Joint Venture Brazil
  - Employee Relations Manager
  - Staffing Manager
- **Nissan Motor Corporation** (2 yrs.)
  - Regional HR Manager
- **General Dynamics Corporation** (9 yrs.)
  - Corporate Office Personnel Manager
  - Senior HR Representative
  - Senior Staffing Representative
  - Staffing Representative
  - Employee Suggestion Analyst

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Disruptors in the Marketplace
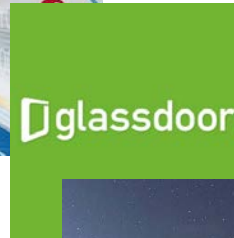
Disrupters

The Five Generation Workforce

Traditionalist
Pre-1946

Baby Boomer
1946-1964

Gen X
1965-1979

Gen Y
Millennials
1980-1999

Gen Z
2000-present

Top of Mind for Business Leaders

- 90% feel their core business is being threatened by new digital competitors that are challenging their products and services

- 70% believe that they don't have the right leadership, skills or operating models to adapt.

Harvard Business Review

LEADERSHIP TRANSITIONS

When Leaders Are Hired for Talent but Fired for Not Fitting In

by Tomas Chamorro-Premuzic and Clarke Murphy

JUNE 14, 2017

Importance of Talent Acquisition

Winning in today's competitive business world is largely dependent on having the right people to implement the organization's business strategy

Companies that implement effective talent acquisition strategies usually end up winning, while bad hires can cut deeply into company profits

Definition of Talent Acquisition

Talent Acquisition is the process of **attracting and recruiting the best talent** available to ensure your organization has the **right people**, with the **right skills**, who are in the **right job**, and are

working against the **right requirements**.

Source: SHRM Body of Competency and Knowledge (BOCK)

Perspective Video

https://www.youtube.com/watch?v=RVssSA0p6f4

Six Key Elements of an Effective Talent Acquisition Strategy

1) Conduct workforce planning

2) Build your employer brand

3) Source and recruit job candidates

4) Leverage recruiting technology

5) Develop an effective onboarding program

6) Utilize data analytics

1) Conduct Workforce Planning

Workforce planning is a basic step in developing an effective talent acquisition strategy

WP is the process an organization uses to analyze its workforce and determine the steps it must take to prepare for future staffing needs

1) Conduct Workforce Planning

The Workforce Planning Process

There is no standard WP model that can be used across all companies

Every strategic staffing decision should be consistent with and linked to your organizational mission and goals

WP must be integrated with your strategic business planning and budgetary processes

1) Conduct Workforce Planning

Workaday-HCI survey of 400 US professionals

WP is recognized as an essential priority, but it is difficult to implement effectively

69% considered WP essential, but only 44% are actively engaged with it

45% reported that their organization is unprepared to meet future talent needs

40% said that business leaders do not adequately promote WP

1) Conduct Workforce Planning

Key Workforce Planning Steps

1. ~~Demand~~
2. ~~Supply~~ Analysis
3. ~~Gap~~ Analysis
4. ~~Solution~~ Analysis

Do NOT Pass "Go" Unless You Fully Understand the Business Strategy

Source: "Practicing the Disciple of Workforce Planning,"
SHRM Toolkit

1) Conduct Workforce Planning

Six Key Elements of an Effective Talent Acquisition Strategy

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2) Build Your Employer Brand

Strong company branding is critical

If you don't tell your story, others will do it for you

Managing your brand and highlighting what makes you special across social media, Glassdoor and elsewhere is a basic requirement.

2) Build Your Employer Brand

Why is Your Employer Brand Important?

2015 LinkedIn research: 62% percent of professionals across 26 countries ranked employer brand as the deciding factor when applying for a job

Job candidates today research employers carefully and expect to be engaged by them in a relevant and transparent manner

2) Build Your Employer Brand

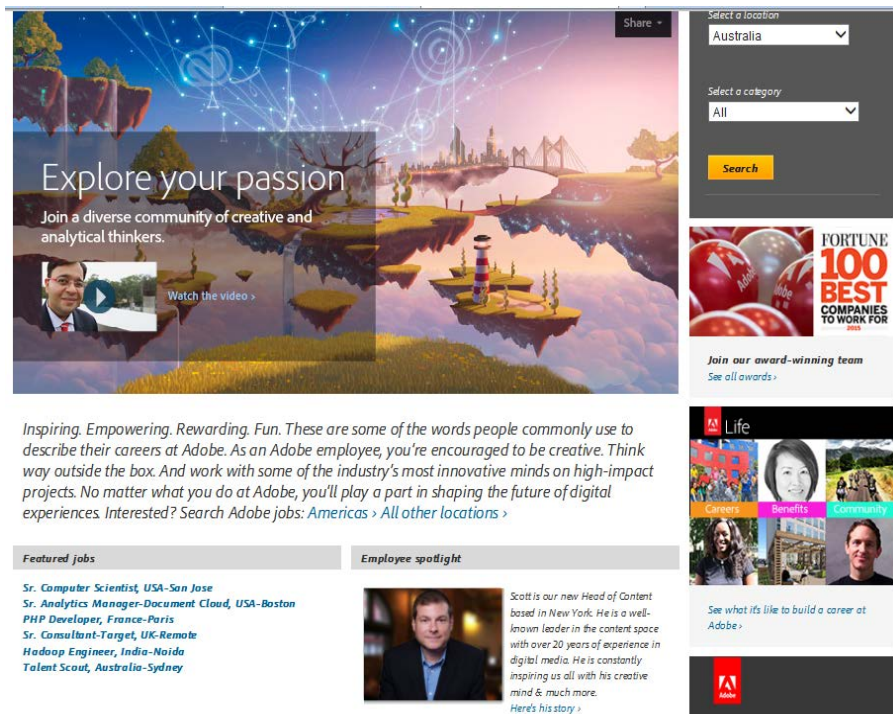**Key Components of Your Branding Strategy**

- Discover your unique identity/brand

- Design online/other content around this identity

- Create a fan base of employees

- Check out the competition

- Measure and track key performance indicators

- Focus on the potential applicant - BACK

Source: Pamela Babcock, "Keeping it Real: Getting Employer Branding Right, Oct. 15, 2015

2) Build Your Employer Brand

The Power of Your Careers Page – Adobe

Amazon Fulfillment Centers

2) Build Your Employer Brand

Online Application Issues:

- 50 percent of employers say the length of their job application process is a positive because it "weeds out" applicants.

- Yet 60 percent of job seekers quit in the middle of filling out online job applications because of their length or complexity.

- Recruiters can boost conversion rates by 300+ percent by reducing the length of the application process to five minutes or less.

- How? **Remove "nice to have" questions** that aren't required on first contact with candidates and limit the number of screens people have to navigate to balance what's convenient for recruiters with what's user-friendly for applicants.

    Sources: CareerBuilder & Appcast

HOT TIP: Simplify job applications.

Poor completion rates for online applications results in the loss of top talent, poor word-of-mouth from candidates frustrated with the process and higher costs associated with abandonment in cost-per-click recruiting models, especially among Millennials.

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2) Build Your Employer Brand

Leverage Social Media to Build your Brand

Employer Branding International 18-country survey:
The top channel (76%) used by companies for
employer branding was social media

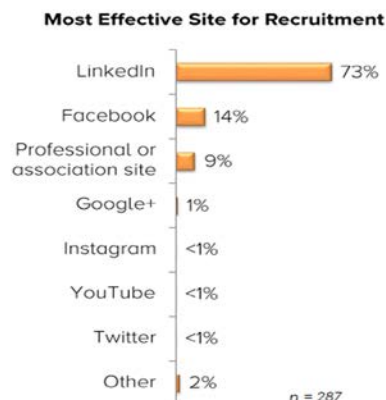Top North American brand initiatives are:
--Social Media 58%
--Career Site Development 56%
--Recruitment Advertising/Marketing 52%

2) Build Your Employer Brand

Social Media Research from SHRM:

- Recruiting via social media is well past the tipping point, with 84% of organizations currently using it and 9% planning to use it.

- The top reason organizations use social media for recruitment? Recruiting passive job candidates, 82% said.

- 36% of organizations have disqualified a job candidate in the past year because of concerning information found on a public social media profile or through an online search. But 39% allow candidates to explain information of concern before making a decision on hiring.

Social Media Sites Used for Recruitment	2011	2013	2015
LinkedIn	95%	94%	96%
Facebook	58%	54%	66%
Twitter	42%	39%	53%
Professional or association social networking site (other than SHRM Connect)	23%	29%	35%
Google+	*	8%	12%
YouTube	*	8%	11%
Instagram	*	*	7%
SHRM Connect	6%	5%	4%
Pinterest	*	4%	3%
Vine	*	*	1%
Other	6%	2%	5%

Most Effective Site for Recruitment

Site	
LinkedIn	73%
Facebook	14%
Professional or association site	9%
Google+	1%
Instagram	<1%
YouTube	<1%
Twitter	<1%
Other	2%

n = 287

HOT TIP: Build strong talent networks.

Learn to develop relationships with potential new hires long before relevant job openings are posted. One approach is to create "communities of engagement" through social media where candidates can learn about your work environment and interact with current employees.

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3) Recruiting Job Candidates

<u>Recruiting internally vs. externally</u>

Internal sourcing has cost and other advantages over external sourcing

Average cost to replace an employee is at least 150% of the employee's base salary, according to the Bliss-Gately "Cost-to-Replace Tool"

3) Recruiting Job Candidates

Employee referrals a top source for best candidates

Jobvite 2015 survey of 1,400 US recruiters

78% list referrals as most effective source for targeting and hiring high-quality candidates

Other effective sources include social networks (56%), intern programs (55%), direct applications (46%), and external recruiters (38%)

Traditional online job boards are down from 57% in 2009 to 37% in 2015

HOT TIP: Maximize employee referrals.

Referrals are still the primary source of new hires. So why are most incentive payments so low? Some companies are turning every one of their employees into recruiters.

3) Recruiting Job Candidates

Succession Planning & Internal Sourcing

Succession Planning facilitates internal sourcing by identifying and preparing suitable employees to fill key positions when current employees leave

The Succession Planning process includes a review of key leadership and business-critical roles and identifies incumbents to move into these roles

2015 XpertHR survey: 40% of organizations do not have a formal succession planning process in place

HOT TIP: Build your own most critical hard to find talent.

Career and leadership development programs can provide enriching opportunities to improve skills and knowledge

3) Recruiting Job Candidates

Three Types of External Job Seekers

<u>**Active job seekers**</u>: Actively looking for information about job openings

<u>**Semi-passive job seekers**</u>: Interested in a new position but only occasionally look actively for one

<u>**Passive job seekers**</u>: Currently employed and not actively seeking another job, but could be tempted by the right opportunity

3) Recruiting Job Candidates

Common Methods of External Recruiting

Online recruiting

Employee referrals

Job postings

Media advertising

Organization's Careers Web page

Search firms

Job boards

Social media

Networking sites

Web crawlers

Intern programs

Raiding Competitors

Job fairs

Internet mining

College recruiting

Former employees

Boolean searches

3) Recruiting Job Candidates

High Demand for a Handful of Critical Roles

A Large Number of Job Postings Are for Just 21 Roles
Breakdown of All S&P 100 Job Postings in 2015 by Role

40% of S&P 100 job postings in 2015 were for **21 roles.**

60% were for a further **899 roles.**

- A handful of roles are in high demand.
- Many roles require in-demand skills such as data analysis, advanced coding, and solution selling.

n = 1,677,994 job postings.
Source: CEB analysis.

3) Recruiting Job Candidates

External Recruiting: Attracting & Sourcing

Attracting candidates:
- Company Careers page
- Employee referrals
- Jobs postings
- Social media advertising
- Traditional media advertising

Sourcing/targeting candidates:
- Social media searches
- Internet mining/Boolean searches
- Algorithms
- Job boards
- Resume databases
- Networking sites

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4) Leverage Recruiting Technology

Mobile recruiting is growing

<u>SHRM Survey on Use of Social Media for Talent Acquisition</u>

Most common mobile recruiting steps organizations have taken are:

1) Optimizing their careers websites (39%)
2) Optimizing Job postings (36%)
3) Optimizing application processes for mobile users (36%)

86% of active candidates use their smartphones to begin a job search

<u>Kelton Global-Jibe 2014 survey:</u>

4) Leverage Recruiting Technology

Components You Should Require:

▶ Maintains your company branding

▶ Provides full tracking and reporting

▶ Offers easy-to-read job descriptions

▶ Allows bookmarking and an easy ability to sign up and apply to jobs

▶ Integrated with Facebook, LinkedIn and other SM for fast account creation & log in

HOT TIP: Think mobile first.

Once you're offering candidates a clean, simple, well-branded mobile presence, you can focus on ways to grab their attention and differentiate your job opportunities.

4) Leverage Recruiting Technology

Applicant Tracking Systems are improving

1. More intuitive user interfaces and improved integration capability

2. Improved candidate experiences

3. Savvy social recruiting and integrated assessment

4. Robust analytics

5. Increased automation and configurable work flow

4) Leverage Recruiting Technology

<u>Algorithms can ease the recruiter's job</u>
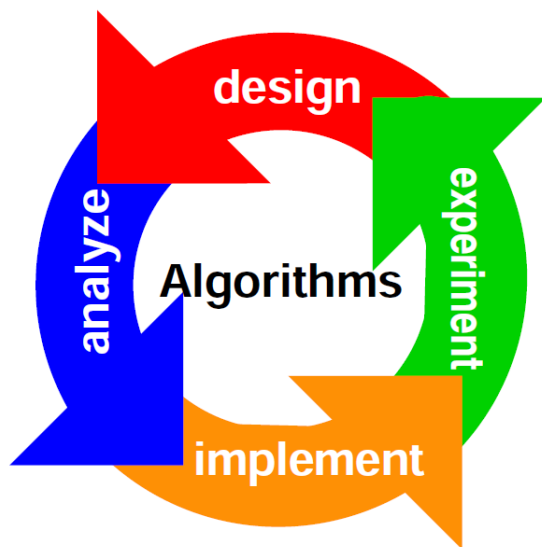
Computer algorithms can take massive amounts of data generated before, during and after the recruiting process and turn it into actionable information

The goal is to predict whether a person will be right for the job, the team and the company

<u>Harvard Business Review analysis of 17 studies of applicant evaluations</u>: A simple algorithm outperformed human decisions by 25%

4) Leverage Recruiting Technology

Talent Mining/Boolean Searches

Talent mining is the science of sorting through large amounts of human capital data on the internet and multiple sites.

Talent mining is commonly performed automatically through Boolean search strings to retrieve data that a recruiter can use for talent identification/acquisition.

A Boolean search allows users to combine keywords such as AND, NOT, and OR to produce more relevant results.

HOT TIP: Video can replace in-person interviews.

The time needed to fly candidates to a national or regional office can delay extending an offer, which may cost you the candidate. As a result, more companies are relying on video for final interviews before extending an offer.

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5) Effective Onboarding Program

Onboarding is a key to retention

Onboarding is a systematic and comprehensive program to integrate a new employee within a company and its culture

It gives the new employee the tools and information to become a productive member of the team

Onboarding should be a strategic process that lasts at least one year to ensure high retention

5) Effective Onboarding Program

Effective onboarding brings big benefits

Aberdeen Group study:

86% of respondents felt that a new hire's decision to stay with a company long-term is made within the first six months of employment

66% of companies with onboarding programs claimed a higher rate of successful assimilation of new hires into company culture

62% percent had higher time-to-productivity ratios, and 54% percent reported higher employee engagement

5) Effective Onboarding Program

Start Early and Assign a Mentor

Aberdeen survey: 83% of highest performing organizations began onboarding prior to the new hire's first day on the job.

The end of the first year is when traditional onboarding transitions from on-the-job training to continuous development.

HOT TIP: Tech is great, but the personal touch is still required.

While technology rules recruitment, courting top talent once they're identified requires a personalized message – as well as a promise that their career will flourish after they've joined your team.

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"Data analytics can improve the **effectiveness** of a company's talent acquisition function, determine job **competencies** for each role and measure candidates' potential performance **before making a job offer**.

Ultimately, recruiting and hiring data can be **correlated with business outcomes**, such as increased revenue, which positions talent acquisition as a strategic function in the business."

Ji-A Min
Head Data scientist
Ideal Candidate

6) Utilize Data Analytics

Deloitte Talent Analytics report:

75% of HR executives say that using analytics is an important driver of organizational success

Close to 40% say they don't have the resources to perform analytics, and 56% rate their own skills in workforce analytics as poor

6) Utilize Data Analytics

Recognize the difference between metrics and analytics:

- HR metrics are operational measures, addressing the efficiency and effectiveness of an organization's HR practices – "what's going on"

- Talent analytics focus on decision points that guide investment decisions which impact the workforce – "what to do about it"

Case Study:

- Metrics show that college recruiting efforts focused on elite schools attracts new hires at a higher cost-per-hire than average

- Analytics show that recruiting at elite colleges produces a lower retention rate and fewer employees who earn a 4 or 5 ranking after five years with the company than new recruits from state universities

6) Utilize Data Analytics

The Holy Grail: How to measure quality of hire?
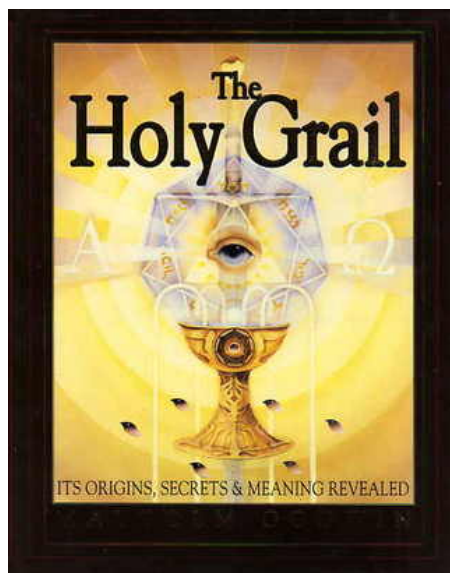
Figuring out how to define the critical Quality-of-Hire measurement is a major challenge for most organizations

There is no one-size-fits-all metric for Quality-of-Hire because it depends on your business priorities

Common Quality-of-Hire metrics include turnover rates, job performance, employee engagement and cultural fit

HOT TIP: Learn and embrace predictive analytics.

The role of HR metrics has grown dramatically. While you may not need to hire a full-time data analyst, you (or your vendors) should have the ability to measure the effectiveness of all aspects of your recruiting efforts.

Example Video

Zappos!

https://www.youtube.com/watch?v=9C36EYM-mWQ

SHRM-SHRM Foundation Support Resources

SHRM Talent Acquisition Newsletter

SHRM Seminar both Virtual and Live, "Creating a Talent Acquisition Strategy"

SHRM website: Talent Management section, SHRM LINE Employment Report and research surveys, Feature articles, HR Magazine

SHRM Foundation Executive Practice Guidelines, Research Reports, Executive Briefings

SHRM Conference

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