

A group of four business professionals (three men and one woman) are gathered around a table, looking at a tablet. They are dressed in professional attire. The background is a bright, modern office setting.

Talent Relationship Management

The New Frontier: Moving Beyond 'Candidates' to 'Talent'

Sourcing quality talent in a timely manner remains one of the greatest challenges organisations face. In today's fast moving world where candidates have choices, new models of work are emerging and advances in mobile and social technology shape potential employees' expectations, sourcing the right talent is becoming harder – not easier. The skill shortage has been identified as a major challenge by 73% of CEOs,¹ and 58% of companies say a lack of quality candidates for key roles is the biggest challenge they currently face.²

What can organisations do to effectively address this? The answer is proactive Talent Relationship Management (TRM).

Talent acquisition has undergone a fundamental shift. As recently as 2014, 60% of companies recruited in a reactive manner – the search for talent was triggered by a new job requisition.³ But gone are the days of 'post and pray', where companies wait for potential employees to approach them. HR is moving away from reactive hiring to the proactive creation of talent pipelines. In fact, Best-in-Class companies are 55% more likely than their peers to proactively build talent pipelines regardless of current hiring needs.²

Many organisations have bought into the hype cycle of proactive sourcing and adopted Candidate Relationship Management (based on the fundamentals of Customer Relationship Management used in the sales cycle), with varying degrees of success to create and maintain a relationship with candidates. This is no longer enough as the savvy recruiter understands the focus is 'talent' rather than 'candidates'. TRM goes beyond just candidates to encompass contingent workers (external talent networks) and current employees (internal talent pools) in a holistic approach to identifying, engaging and building talent networks.

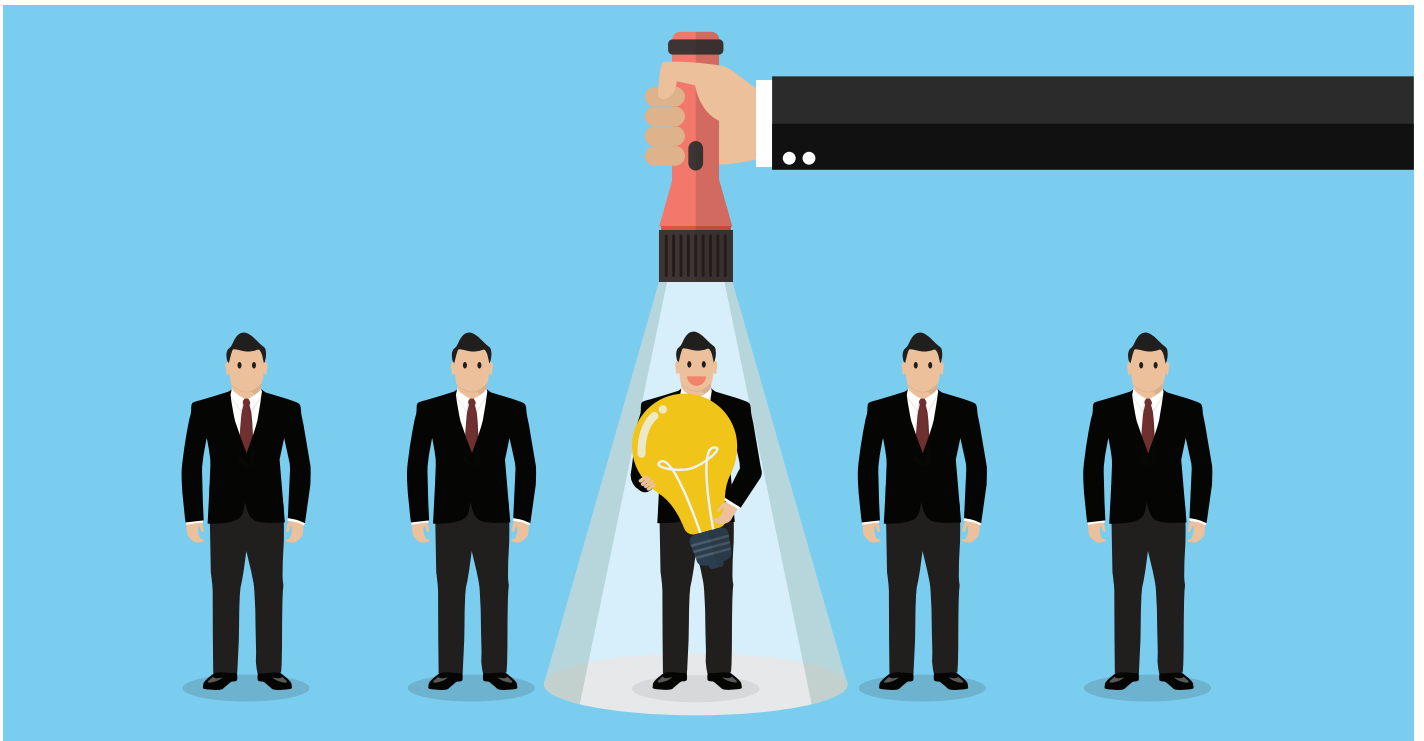


How to build a successful TRM strategy?

TRM encompasses recruitment marketing, proactive sourcing, social media campaigns, talent pools and pipelines, internal and external talent networks, all underpinned by data and analytics. The emphasis has shifted to finding suitable talent before it is required (both internal and external), and then nurturing it. The goal is to increase pipelines of qualified talent and work them through the funnel so that time to hire is instant (or as close to instant as humanly possible!).

But how can an organisation build a successful TRM strategy? Three simple steps:

1. Find the talent;
2. Engage the talent;
3. Acquire the talent.



Step 1. Find the talent - recruitment marketing, employer branding, and proactive sourcing

The talent is out there – the question is how do you find it? Recent research has found 90% of professionals globally are interested in hearing about new job opportunities and 64% of today’s candidates are passive.⁴

Market to talent

Modern talent acquisition professionals are borrowing a leaf from the marketing handbook to attract and engage potential candidates – they are moving up the funnel into proactively managing the positioning and branding of the company. Organisations are recognising the importance of recruitment marketing which leverages and integrates consistent messaging across the employer brand, company career site, job-boards, social media campaigns, employee referrals and email marketing campaigns. Recruiters must reach and engage potential candidates, give them the ability and desire to ‘opt-in’ and become part of the talent network.

Build the Employer Brand

Every interaction with customers, candidates and employees is an opportunity to build the employer brand and engage potential talent. Organisations are cultivating their employer brand, ensuring the Employee Value Proposition (EVP) is aligned with culture of the organisation. Social media means any disconnect between what employers are trying to ‘sell’ and the reality of working in an organisation is quickly uncovered. Having a strong employer brand attracts talent to the company and taps into passive and active job seekers. In fact, organisations that invest in employer branding strategies are three-times more likely to make a quality hire.⁵ That’s why over 60% of organisations say strengthening their employer brand is a top priority.⁶

The career site is very important – it may be the first interaction a candidate has with the employer brand – the company website is where 59% of job seekers go to find out more about a company before they apply.⁴ Provide the ability for them to opt-in through signing up for job alerts, posting open positions to social media and referring a friend. These avenues are currently underutilised – our research found only 40% of Australian career sites, 26% of U.S. Universities and 6% of Southeast Asia’s largest companies provide the ability to subscribe to email alerts.^{7,8,9} Employee referrals are also an incredibly powerful way to reach potential talent. In fact, it’s the number one cited source, with 51% of companies saying their highest quality-hires come via employee referrals.¹⁰



Get proactive

Proactive sourcing happens across multiple channels – in addition to the career website and employee referral, think social media. Social hiring is a very effective attraction mechanism and has moved from a ‘nice to have’ to a ‘have to have’. Increasingly, candidates are turning to social media with 79% using it in their job search activities.¹¹ In contrast, organisations have been slower on the uptake. Our research has found that only 49% of Australia’s largest companies⁷ and 40% of US Universities⁹ allow candidates to share a job on social media. Adoption is even lower in Hong Kong (6%) and Southeast Asia (10%).^{12,8} Social media provides free access to millions of candidates. Astute recruiters are going beyond Facebook, LinkedIn and Twitter to Instagram, Pinterest and Snapchat in a bid to link to all demographics. The latest TRM tools will parse profiles from social media sites straight into the candidate database. They should also connect seamlessly with your recruitment management system and job boards.

Step 2. Engage the talent – build robust talent pipelines

Now that you’ve found the talent the next step is build your talent pool, create different talent pipelines, and start moving potential candidates down the funnel.

How do you nurture and engage potential candidates and move them down the funnel into qualified candidates? Organisations need to manage the entire talent database by creating pipelines that target critical talent needs or areas of skill shortages. Pipelines and talent pools should have both ready-to-mobilise internal candidates and external candidates. Remember that statistic – 90% of professionals are interested in hearing about job opportunities and that 64% of candidates are passive.⁴ That means organisations are currently sitting on a potential goldmine of talent. But how many organisations can accurately map where that talent sits? Understanding future workforce needs and visibility into current capability gaps enables companies to build pipelines of talent to meet organisational needs. This is an area many organisations do poorly – only 43% of companies have established talent pools to meet the future needs of the company.¹³

Engage and build internal talent pipelines

The internal talent pool should always be the starting point when looking to fill a role. As well as the obvious time and cost savings, it also increases internal engagement. The majority (85%) of senior leaders recognise that employee engagement is a priority for their company.¹⁴ Career growth opportunities and the ability to do interesting and meaningful work foster engagement. Opportunities for career growth is the second most cited consideration candidates take into account before accepting a job offer¹¹ and 46% of Millennials left their last job due to lack of career growth.¹¹ Models of work are shifting and career growth is no longer viewed as linear, upward movement. Experiences are becoming more important with career growth occurring via non-linear moves, short-term projects and job rotation. TRM creates visibility into pipelines, talent pools and bench strength and provides the ability to bring together high functioning teams in an agile manner, supplementing with contingent workers as the need arises. It’s a shift from searching for a needle in a haystack to pinpointing the talent. Establish the framework and the ability to execute on this strategy – it improves engagement, fosters innovation and leads to competitive advantage.



Build external talent networks

Engage your talent networks through email marketing, invitations to apply for jobs, keep-warm calls and message cycles. As well as automated messaging, include a ‘high-touch’ approach such as face-to-face time with managers or organisational ambassadors. TRM is about engaging talent – connecting at a level that resonates. This should be viewed as an opportunity to test potential candidates’ interest and weed out those that aren’t a fit for your organisation – from both a skill and cultural fit perspective. Why is this important? Because there’s a skills shortage and candidates have choices. The highest priority for two-thirds of all candidates is to understand the culture and values of potential employers.⁴ They want a transparent, honest and authentic insight into what it’s like to work for your company. Ensuring candidates are culturally aligned decreases turnover. The key here is ‘targeted’ communication based on candidates’ preferences and the pools they’ve been assigned to. It ensures candidates receive information that is relevant – nobody wants to be spammed. It also means qualified candidates don’t miss a job opportunity – and more importantly – your company doesn’t miss the chance to acquire the desired talent.

Step 3. Acquire the talent – how analytics can help

There is an ongoing competition for talent and the skills shortage challenge is not forecast to abate anytime soon. In fact, 92% of organisations expect the competition for talent to increase this year.¹⁵ Recent research indicates that 79% of organisations are focusing their efforts toward building and promoting their own talent from within, and nearly half (48%) are increasing their recruitment from the external labour pool.¹⁵ Having a database full of skilled, culturally aligned and engaged candidates at your fingertips is an extremely powerful competitive advantage. TRM creates the ability to search for and quickly assign potential candidates against open positions; it means dealing with fewer applicants to get to the quality candidates needed; it accelerates succession to interview and ultimately leads to higher acceptance rates.

Proactive sourcing of passive candidates through data-driven analysis based on established role profiles, is just the first step. Robust data analytics is required to truly capitalise on the value of TRM tools. To track the effectiveness of talent pipelines requires an understanding of what happens at each point in the funnel: How effective are the sourcing strategies? What are the email campaigns’ success rates? How many leads converted to qualified candidates? How many became successful hires? What is the bench strength of the qualified candidates against the future needs of the company? Are the quality-hires coming from internal or external talent pools? The importance of the last question is sometimes overlooked – there is a temptation to think of TRM and recruitment as a standalone function rather than as part of the larger integrated talent management piece. The reality is 40% of companies say their highest quality-hires are internal candidates.¹⁰ Yet only 41% of organisations have well established processes for moving talent between roles, and just 37% understand current skill gaps.¹³ How is your organisation placed to understand its current and future skill gaps? How prepared is your organisation to quickly place the talent it needs to deliver on current and future organisational goals? A holistic view of internal and external talent is imperative.



Finally – does it make a difference?

Let’s go back to the initial challenge – sourcing quality talent in a timely manner. In theory, identifying, engaging and nurturing candidates should lead to faster placement of talent than the ‘post and pray’ approach. But does it? Most certainly! Our research found that recruiters who use proactive sourcing and TRM tools have a higher candidate conversion rate. In fact, they made over three-times as many offers and the offer acceptance rate was 93%¹⁶ compared to the market average of 89%.¹⁷

It also cuts down the number of applications a recruiter needs to review, as genuine, skilled candidates, who are culturally aligned, have already been identified. Our research found recruiters reviewed less than one-third of qualified TRM candidates, compared to candidates sourced through more traditional avenues.¹⁶ This also means a reduction in the volume of applicants that are unsuccessful. This is a win-win for both candidates and companies – no one likes hearing ‘no’ and companies don’t like saying it. Especially in an environment where every interaction with applicants can impact your Employer Brand. For internal candidates, it opens up career paths and ensures the best and brightest remain with the organisation rather than looking elsewhere. The outcome: a talent acquisition cycle which is streamlined and condensed (and boosts engagement).

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Ready to learn how PageUp can help you transform proactive sourcing at your organisation, through Talent Relationship Management?

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