Trends



Steven Hunt

Principal director of business execution practices, SuccessFactors

Do you wait for a vacancy to be filled? Or recruit proactively to stay ahead of demand?

Getting ahead of the staffing game

o you practise reactive or proactive recruiting? Do you respond to line manager requests to hire candidates to fill open positions or try to maintain access to a steady supply of high-performing talent that can be drawn on when needed?

Companies that favour a reactive approach tend to emphasise reducing the time to hire, while proactive recruiting concentrates on minimising the time to start.

If your company strategy depends on staffing hard-to-fill jobs with high-performing talent, then it is best to adopt a proactive stance and focus on reducing time to start and minimising the risk of not having access to the necessary talent when you need it.

The only way to shift effectively from reactive to proactive recruiting is to be serious about workforce planning and anticipate the company's future staffing needs. At the least, it involves the following:

- Agree on likely business growth scenarios three or more years into the future (labour market trends unfold over years, not quarters).
- Determine what sort of talent will be required to support different hiring scenarios.

 Analyse the kind of jobs required to support business strategies and determine what skills and experiences candidates will need to perform them.
- Analyse the skills and experiences of your workforce and forecast the likelihood of losing employees with certain skill sets due to turnover, retirement, or internal promotion.
- Calculate the gaps between the employees you currently have and the ones you are likely to need over the next several years, using a mix of external hiring, internal employee development, succession planning, and the use of contingent workers.

Time-to-hire is one of the most frequently used metrics for evaluating recruiting

66

Some organisations start measuring time-to-hire with the initial approval of a requisition, others don't start until a requisition has been assigned to a recruiter or posted to a career site

performance and refers to the total time required to staff an open position. It is primarily a measure of staffing speed and not necessarily associated with candidate quality.

Some organisations start measuring time-to-hire with the initial approval of a requisition, others do not start until a requisition has been assigned to a recruiter or posted to a career site. Another critical difference is whether to stop measuring when an offer is secured from an approved candidate, or to include the time from acceptance of the offer to starting the job. These metrics are more appropriately referred to as 'time-to-fill' and 'time-to-start'.

There may be situations where a company intentionally increases time-to-fill while simultaneously taking steps to decrease time-to-start. This may appear contradictory, but makes sense when they are analysed independently instead of being lumped together as time-to-hire.

Star candidates

I once wrote about a company that analysed the impact technology had on its ability to hire candidates with certain rare qualifications. These star candidates generated extraordinary levels of revenue for the company. This study showed a situation where it was advantageous for the company to increase the time-to-fill.

Star candidates are by definition rare and applications from them are relatively infrequent. If a company focuses on minimising time-to-fill, it is more likely to hire a non-star candidate simply because it cannot wait long enough for an exceptional applicant. The length of time a company is prepared to wait will vary, but in the case I wrote about, the company determined that by building in an extra five days wait before filling positions it could receive an additional £200,000 a year by hiring better candidates. Of course, these gains have to be offset against the cost of leaving positions unfilled.

Over-hiring

In a different example, a retail organisation made a commitment to keep its store manager jobs '100% staffed' at all times. This meant having no open management positions in field operations by reducing time-to-start to less than a day.

To achieve this, the company decoupled the process used for hiring new store managers from that used to place newly hired managers in specific positions.

It then intentionally 'over-hired', so that within a given region there were always slightly more store managers than positions. After initial on-boarding, newly hired store managers were provided with additional in-store training until a vacancy occurred in their region. They were then transferred into the vacant position immediately to minimise any discontinuity.

Although recruiters had to keep the pipeline filled with good candidates and minimise time-to-fill, they were no longer under the gun to staff a specific position in a specific store as fast as possible.

Recruiters were able to hire in a more systematic and measured fashion, focusing on candidate quality instead of constantly responding to the 'hiring crisis of the moment'.

Decoupling the concept of time-to-fill from time-to-start represents a bold and innovative approach. But these examples also illustrate what can happen when staffing leaders take the time to critically analyse staffing metrics and processes.

powerpoints

- Organisations go through phases from reactively 'filling positions' to proactively 'maintaining a steady supply of high performing talent'.
- The first phase is to establish efficient methods for filling open positions. These allow companies to create and track job requisitions effectively and efficiently process candidates as they move through the hiring process. Then the focus moves to creating internal and external pools of candidates to fill future positions.
- Having achieved a general sense of the amount of talent available to fill different types of job, you must then focus on defining the gap between the talent you have and the talent you will need in the future. This is where workforce planning becomes critical.

• HAVE YOU RESEARCHED ANY TRENDS RECENTLY? IF SO, PLEASE CONTACT THE EDITOR deedee.doke@centaur.co.uk

20 April 11 Recruiter 23