

# Looking Beyond Reactive Fixes: How Do You Make Talent Acquisition Truly Better?

*Optimizing talent acquisition is not a simple task, but breaking down your assessment into five general areas—from EVP to strategy to structure, process/technology, and performance monitoring—will help you make sense of a complex improvement effort.*

By George Hoffmaster

Talent acquisition provides a foundation for all other talent management disciplines. If you don't have an efficient, effective methodology to acquire the right talent at the right time, in the right place, and at the right cost, the other disciplines will suffer. Optimize talent acquisition, and you'll pave the way for positive impact across talent management, from [workforce planning](#) to learning and development, succession planning and compensation—but what does optimization really mean?

There is a difference between applying nominal improvements to talent acquisition and truly optimizing the discipline to boost strategic impact. That difference lies in your approach to the *entire* discipline. By planning improvement based on a strategy that encompasses all aspects of talent acquisition, organizations can achieve significant results in terms of cost, efficiency, and business impact.

Optimization begins by asking questions and knowing how to look at the function as a whole. The entire talent acquisition function can be examined through five primary areas, including:

1. **Employment Value Proposition:** “Are we appealing to the expectations and values of the talent we have and that we desire?”
2. **Strategy:** “Are we employing talent acquisition strategies that support the overarching goals of the organization?”

3. **Operational Model:** “Is our service delivery methodology aligned to effectively meet the needs of our business?”

4. **Process & Technology:** “Are our processes and supportive technologies designed to maximize efficiency and productivity?”

5. **Performance Monitoring:** “Have we defined the hallmarks of success?”

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No two companies are exactly the same, but these five areas of strategic importance apply to every talent acquisition organization. By understanding what drives each of these areas, and how they impact the others, talent acquisition leaders can make the leap from applying tactical improvements to driving long-term strategic impact.

## A Closer Look at the Forces of Talent Acquisition Performance and Impact

Each of these five areas of performance present a common set of improvement challenges. The first challenge is to simply define what that area of performance means to the organization. Following that, companies must then understand what types of activity, conditions, and expectations to examine within each area. What follows is a closer look at each of these areas, with some ideas you may have considered before, and some you may have not.

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*Employment Value Proposition*

The Corporate Leadership Council describes employment value proposition as “The set of attributes that the labor market and employees perceive as the value they gain through employment in an organization.” An aligned EVP is important for a very simple reason: if a company does not reasonably meet the values and expectations of its employees and the talent it seeks, it is less desirable as a place to work. That may result in fewer quality candidates, a need to pay more to attract candidates, and possibly higher turnover for employees after they’re on board.

EVP should match the expectations of the targeted talent. An organization that has larger opportunity for career advancement but is lacking in work/life balance is attractive to one type of person. Another that is known as a “cool” place to work and focuses on innovation and risk-taking may not appeal to those who value stability, predictability and family orientation. These examples are large generalizations, but a sophisticated EVP analysis can reveal actionable and detailed insights. What can you do to improve your EVP? Here are the key points to address:

- Determine the attributes most preferred by your employee population. What are the attributes that my employees prefer and value the most?
- Understand how your employees perceive your company’s ability to deliver on the preferred attributes.
- Identify what your company offers that isn’t common in your industry. This becomes your competitive advantage to be highlighted in your employment-related marketing activity.
- Align programs such as benefits and perks to the EVP. Reallocate funds away from programs that are less relevant, and use them to bolster programs that better support the EVP.
- Employ a reputable recruitment communications firm or engage your internal marketing team to create a marketable brand using the quantifiable EVP as a foundation.
- Include EVP concepts in the evaluation of external candidates to ensure alignment of personal preferences with what your company offers.

*Talent Acquisition Strategy*

The starting point for a talent acquisition strategy is your company’s overarching business strategy. If your company’s goals include cutting costs, then your talent acquisition strategy should seek ways to cut agency spend, change or renegotiate terms with vendors, increase recruiter productivity, reduce attrition, or other apply other cost-saving strategies.

If the company’s goals are to bring in fresh ideas, your strategy should seek ways to mitigate the brain-drain of retiring employees, bolster on-campus recruitment, and begin networking within the world of that new talent. If your goals are to add a new product line, your talent acquisition strategy should include a workforce plan that draws from competitive intelligence related to talent availability. It should develop sourcing capabilities in functional areas that align with the new product, and it should pipeline candidates to reduce the time to hire. These are practical examples of what it means to align talent acquisition strategy to corporate strategy. Looking beyond the connection to business goals, there are a number of areas that drive success for the talent acquisition strategy. They include:

- **Workforce planning:** How mature is your workforce planning capability? One company may refer to a spreadsheet of current headcount as “workforce planning.” Another may have an advanced planning capability with automated integration of employee data, supporting software, scenario modeling, and institutionalized processes. Understanding where you stand in the workforce planning maturity spectrum can help you set expectations, gain support, and advance your capability. With advanced workforce planning, companies can give talent acquisition the critical ability to take action early on upcoming talent needs.
- **Sourcing:** Are your candidate generation strategies current and relevant? Are you optimizing internal activities, including succession planning, internal transfers, and promotions and rotational programs? Have you developed a social media strategy? Do you have a program manager to oversee your employee referral program? Are your university relations efforts robust enough to meet the new graduate hiring needs?

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- **Vendor Management:** Ensure that the third-party vendors you employ are performing to their contractual obligations. Have a dedicated vendor manager in your talent acquisition staff to oversee these relationships. There are several types of vendors involved in talent acquisition. One example is the background checking and drug screening vendor. Many companies complain that the turnaround time to complete pre-employment checks delays the hiring process. Is it time to put an RFP together to change vendors? Another example is the reference check provider. Traditional reference checks are time consuming and often don't yield valuable results. You might consider an online reference checking vendor to accelerate the process and increase the value of the content.
- Has the operational model remained stagnant despite multiple organizational or technology changes?
- Have you considered a center of excellence strategy for sourcing, [diversity](#), or other initiatives?
- What political, cultural, or financial constraints need to be understood in order to construct the appropriate service delivery model?
- Have you prioritized functional areas that are key to the success of the business, and have you dedicated the appropriate resources to those functions?
- Have you explored the potential for outsourcing pieces of talent acquisition?

Of course, search agencies can be a significant part of talent acquisition. Many organizations leave the employment of search agencies to the discretion of hiring managers, especially when the budget to pay for these services lies in the field, not with HR. Even if this is the case, leverage volume against price and have a preferred short list of firms with documented performance contracts. Also, guidelines around when an agency can be engaged will reduce their usage and, in turn, reduce costs for your company.

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Once the most effective operational model has been determined, it is then possible to construct an appropriate organizational structure. Who will manage each of the major components of the hiring life-cycle (client facing activity, administrative functions, sourcing, programs, tech support, and reporting)? How many of each of these roles will you need? What will be the managerial hierarchy of the organization? Benchmark data should be used to guide decisions here.

- **Budget Allocation:** Is your company spending talent acquisition funds wisely? It may be time to re-evaluate your spend. For example, one area to examine is source of hire. This should be tracked to validate that funds spent on candidate generation are allocated to the right buckets and at the right proportions. If you are spending 25% of your total budget on university relations to yield 10% of your hires, it is time to reallocate.

#### *Operational Model and Organizational Structure*

The operational model discussion touches on the perennial question of centralization versus decentralization. For most organizations, it is no longer an either/or discussion so much as a question of balance. What degree of centralization vs. decentralization is best? The answers hinge on a number of related questions:

#### *Process and Technology*

In developing a business process, uniformity breeds quality and efficiency. If you've ever placed a special order at a fast-food restaurant, such as a burger with no pickles and extra cheese, you've probably noticed that it takes longer to be served and it's more likely to be wrong. That's because you've taken the production worker out of the uniform process at which he or she is proficient. The same theory applies to talent acquisition. When the recruiter is forced to manage disparate processes, performance suffers. A consistent process allows recruiters to improve efficiency and quality. Employ the following steps to standardize talent acquisition processes:

- Review your company's governing policies such as internal mobility, [employee referral](#) programs, and

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agency management guidelines. Refine these and make them transparent to the organization, especially talent acquisition staff.

- Collect and standardize all talent acquisition tools and templates. These include all candidate communications, applications, candidate screening forms, interview and evaluation forms, offer forms and related material.
- Construct service-level agreements. Secure executive sponsorship. Outline expected timelines for each phase of the hiring process, and make the terms and conditions transparent to the organization, especially talent acquisition staff.
- Rewrite standardized process maps. Consider a tiered approach to this standardization. Put titles of similar complexity into groups and construct a standard methodology for the hiring cycle of each. As complexity increases, the steps of each successive hiring process should build on the process immediately prior. Eliminate bottlenecks and minimize handoffs.
- Aggregate the governing policies, tools and templates, service level agreements, and process maps into a “Talent Acquisition Playbook.” Use this playbook as a foundation for recruiter and hiring manager training.

After optimizing the process, you will likely need to revisit the configuration of your supportive technology. To deliver real value, recruitment operations must be supported by an applicant tracking system that fully reflects new processes. Beyond the alignment of technology and process, companies should also look at criteria specific to the technology itself. These include:

- Adoption and usage: Is the system being used by all parties? Is data being captured comprehensively for reporting purposes?
- Integration: Does your system “talk” with other systems affected by talent acquisition, or is there redun-

dant, manual data entry? Are requisition templates auto-populated from a data warehouse that contains job codes, job descriptions, and managerial hierarchies? Are assessment and interview tools available through your ATS?

- System administration: Is there a designated, single point-of-contact for addressing functional and technical issues? Who is the contact point for managers if they have system issues? Who has the ability to accomplish minor configuration changes?

#### *Performance Monitoring*

The cliché is true: You can’t improve what you can’t measure. After spending time, money, and resources to optimize talent acquisition, you will certainly want the tools to measure your success. The following steps are key to establishing an appropriate performance measurement process:

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- Align to corporate objectives: Be sure that you know what you are working to achieve. This will help ensure that you measure against relevant business needs and that your results will hold value for business leaders.
- Establish Key Performance Indicators: Based on your business goals, determine what performance indicators are appropriate for your operations. These should include both business-facing KPIs that directly impact the bottom line and operational metrics that apply to your talent acquisition group.
- Baseline performance: Once KPIs have been established, use current and historic data to understand performance relative to the go-forward KPIs.
- Construct a scorecard or dashboard: Establish the appropriate reports within your talent acquisition technology systems to populate an easy-to-understand performance dashboard.

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- Examine benchmarks: What does “good” look like? Don’t assume that there are obvious answers. Investigate benchmarks, both inside and beyond your specific industry.
- Establish frequency of measurement and the audience for your dashboard: Which KPIs can be affected in a week, a month, a quarter, or a year? Establishing the right frequency for reporting is critical to reflecting the right trending information. Also, determine which groups of people will see what dashboards.
- Define success: Using the combination of baseline data and the benchmarks you’ve secured, establish “stretch” but realistic goals for talent acquisition. Raise the bar as you reach milestones.
- Plan to evolve your monitoring effort: Once established, performance monitoring strategy and metrics should be viewed as a starting point for measuring success. Over time, you will learn to transform your metrics into analytics. This is done when you are able

to show a cause-and-effect data relationship. For example, establish your cost of vacancy and show how a reduction in time-to-hire will reduce overall costs to the business.

#### *Creating and Measuring Value to the Business*

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Optimizing talent acquisition is not a simple task, but breaking down your assessment into these five general areas—from EVP to performance monitoring—will help you make sense of a complex improvement effort. By understanding the questions to ask and the places to examine across the entire function, you can establish a strategy that will deliver continuous improvement in talent quality, recruiting process efficiency, recruiter productivity and reduction in cost.

Like any improvement effort, talent acquisition optimization is a continuous process, but if executed with a holistic and strategic mindset, it is a process that will deliver real value to the business, both today and in the future.



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