

Time for Talent Acquisition to Grow Up

Competitive times call for talent acquisition with strategic clout.

Today's Environment

In the highly competitive realm of talent acquisition (TA), leaders must meet evolving organizational needs while filling immediate demands. The challenge is perennial: being responsive to the moment while keeping the long-term horizon in mind.

In a Point B survey of 27 organizations across a mix of industries, we found that most have a solid TA foundation that allows them to be operational—i.e., find candidates and fill positions. But they often miss opportunities to develop or deliver longer-term, strategic value for their organizations.

Point B's Perspective

Point B works with our clients to evaluate the maturity of their TA efforts and maximize return on their TA investments. Here are some highlights of the key findings we gleaned from our survey of professionals on the front lines of talent acquisition—together with our recommendations for developing a more mature TA organization.

Organizational Influence is Mixed

Organizational influence looks at TA's value as a strategic business driver in achieving current and future business goals.

In our survey, two-thirds of respondents told us that their TA function is viewed as transactional rather than strategic.

We advise our clients not to wait for their organizations to recognize TA's inherent strategic value. Moving the needle on organizational influence is a journey that a TA leader must initiate:

- **Demand** the information you need to successfully meet your customer's objectives.
- **Develop** the training, tools and trends to share with your organization.
- **Demonstrate** an understanding of how TA results affect broader organizational goals.

The Power of Process

An organization's TA function is most effective when it employs a core set of repeatable processes as a foundation for excellence.

While most survey respondents say their processes meet their organizations' needs, only two-thirds have processes for interview feedback and requisition intake.

To ensure that your processes serve you—not the other way around—consider these factors:

- Do customers outside TA understand the processes relevant to them?
- Do you and your customers follow your processes consistently, or do you often need to make exceptions?
- Is there clarity around handoffs and interactions with other functions?

Talent acquisition grows up

Sourcing: A Major Pain Point

Sourcing defines an organization's ability to proactively build a talent pipeline to meet evolving demands. It's typically one of the largest pain points for TA, largely because available resources don't meet demand. This is especially true in markets where the competition for talent is high.

In our survey, less than half of the respondents have a sourcing plan and basic resources to apply toward it. Thirty percent have no plan at all, and only 11 percent said they have a plan with sufficient resources. Nearly all use a variety of sourcing techniques. The most common are online job postings, employee referral programs, internal recruiters, career website, social media, and agencies.

Sourcing investments pay off in relationships and results. Half of the respondents mentioned sourcing as the key area to which they would apply additional resources.

If you need to do more sourcing with less, consider these ideas from our survey respondents:

- **Do more to reward your employees for referrals.** Breathe new life into your employee referral program through giveaways, higher referral bonuses, or a short-term campaign.
- **Get social.** Engage marketing to give your job postings air time on existing social media outlets.
- **Actively manage agencies.** Don't leave agency management to your hiring managers. Invest in developing an agency contract and manage it to optimize performance and cost.

Metrics & Reporting: Visibility and Value

Successful TA functions track metrics and know how to use them to gain visibility, link efforts to outcomes, understand trends, and identify opportunities for improvement.

Most respondents regularly produce basic metrics, including the number of open requisitions and time-to-fill. But only a third measure quality of hire and cost per hire—two metrics that impact the bottom line. Over one-third of respondents believe their metrics are insufficient to meet their organization's goals.

Are your metrics doing their job? This is a crucial question for every TA leader. Effective metrics:

- Are based on accurate data.
- Can be trended over time.
- Report on both activities (e.g., number of open and filled requisitions) and outcomes (e.g., cost per hire).
- Can be easily understood by your leaders and customers.
- Provide the data to evaluate your TA organization.

The Bottom Line

There are times when it's critical to take talent acquisition to a new level of maturity: a shift in organizational direction, a demand for greater scalability or efficiency, or the need to recruit on a global scale. But anytime is the right time to "level up" if you want TA to gain the visibility and value to play a more strategic role in your organization's success.