

Support Your Talent Management Strategy



TALENT STRATEGY

HCI White Paper

January 17, 2008

By Lauren Gifford



INTRODUCTION

This white paper looks at ways to support your organization's talent management strategy with a focus on aligning reporting with organizational goals. Victor Atsinger, Vice-President of Technical and Support services at The Newman Group, takes us through the steps that can help companies develop a reporting capability that serves to improve, strengthen, and sustain their talent management strategy.

Atsinger's process for aligning reporting and talent management strategy was developed over his twelve years of work as a consultant in major talent initiatives. His approach focuses on balancing the need for consistency and flexibility. "The methodology is designed to define needs and build a plan from there," he said.

This paper will explore:

- o Keeping your talent strategy on track: the role of reporting
- o Reporting pitfalls
- o The changing landscape, continuing challenges
- o What makes an effective reporting strategy
- o How to develop a reporting strategy
- o Implementation strategy
- o Keys to success

STAYING ON TRACK: THE ROLE OF REPORTING

What does it take to keep your talent strategy on track? This is an important question for understanding the role and importance of the reporting function. According to Atsinger, keeping the talent strategy on track requires strategic support, user

adoption, continuous improvement, and measurable results—all of which depend on an effective reporting capability. Atsinger expands on each:

Strategic support: continued support, or buy-in, from key stakeholders. "They set the overall vision and direction of where we want to go," said Atsinger. "Reporting enables the business case for continued support," said Astinger. "It tells a message of what we're going to do for the organization."

User adoption: the system that supports your talent process must be easy to use. Users must have easy access to the reporting capabilities they need, but it is also important that the reporting strategy avoids requiring extra steps or redundant data entry from recruiters or hiring managers. "It needs to be user friendly," urged Atsinger.

Continuous improvement: The ability to track progress, and identify and address problems, is essential. "From the time you go live with a system, you're challenged to continually evaluate the alignment between the people, the process, and the technology," he said. The reporting approach must deliver the relevant data needed to track performance and support this alignment. "You can't improve what you can't measure," said Atsinger.

Measurable results: a basic requirement for the success of any business strategy. A reporting strategy must encompass metrics and measures that are relevant to the business.

REPORTING PITFALLS

While reporting is key for knowing the right measures of success, it can fall short. "If we don't have strong reporting, we're unable to get out what we

put in," said Atsinger. He points out several reporting pitfalls to avoid, including:

- o Cumbersome demands on users: Systems that do not align with processes cause extra steps, hamper user adoption, and cause users to "work around" the system.
- o Inability to generate key reports: Important data is not available or can not be automatically captured from existing systems.
- o Inability to act on report data: Results that don't correlate to business goals are irrelevant and unattainable.

Historically, reporting challenges often include issues of data availability, consistency, and relevance. Some common mistakes Atsinger has seen involve a lack of access to data (if it's stored offsite or hosted by a third party), a lack of development ability or a reliance on canned reports, and the availability of data that is simply "not needed." Additionally, he has seen that the measure of tactical operations did not always translate into meaningful business support information.

THE CHANGING LANDSCAPE, CONTINUING CHALLENGES

Atsinger has found that it's becoming easier to improve reporting, as vendors introduce new products that include robust reporting tools and access to a wider range of data as well as an integration of APIs that assist with the movement of data. Additionally, organizations are forming to provide a wide range of measurement definitions for metrics and benchmarking (such as HCI).

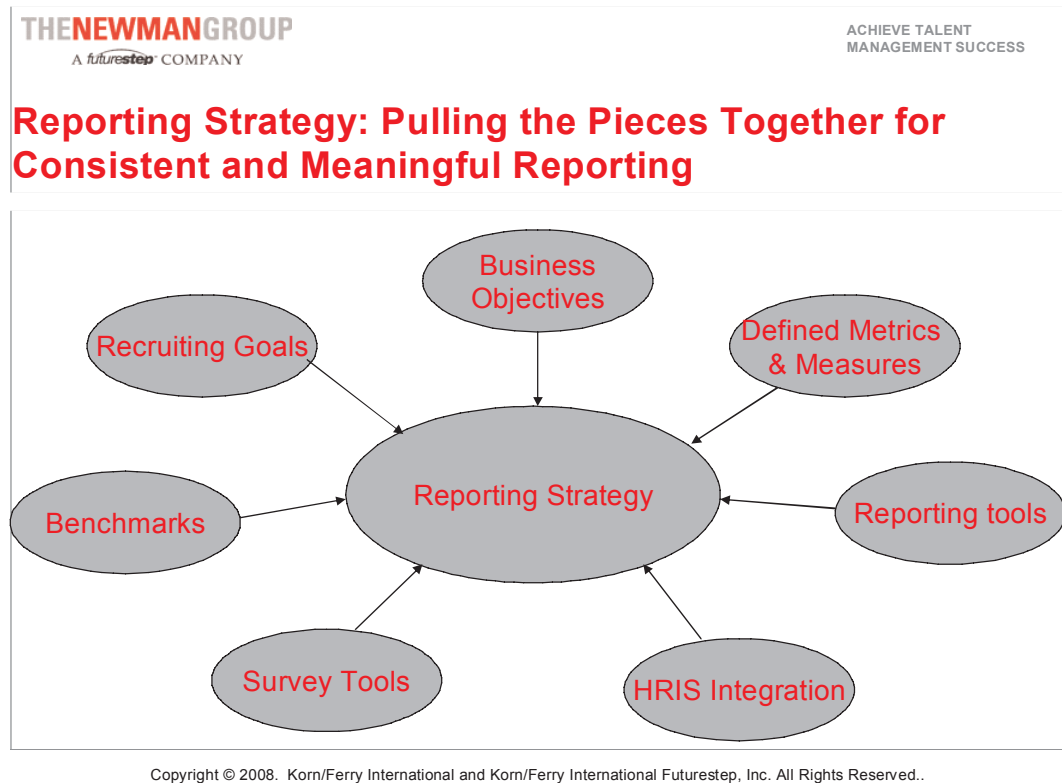
Another side-effect of the continued focus on "talent management" is the de-compartmentalization of human resources. "We're getting away from that silo mentality that accompanied HR," said Astinger. While reporting has been getting more accurate and pertinent, organizations must continue to address persistent challenges, including:

- o Business Alignment and Adoption: Reporting software is not always aligned to a business' needs, hindering acceptance of the system among employees.
- o Strategic Decision-making: Decisions are based on small pieces of a sometimes much larger picture.
- o Process Issues: Gaps remain in processes, and the business case to close them remains undeveloped. For example, survey data is an issue. Frequently, survey results are not integrated into any of the other system data.
- o Conflicting Focus: There are often different agendas within the same organization.
- o Demonstrating Value: Our customers (the business) still don't grasp our value.

PUTTING IT ALL TOGETHER

An understanding of business goals and an awareness of reporting pitfalls is crucial for developing a reporting approach that supports your talent management strategy. "We really need to understand our goals and what it is we're trying to do," said Atsinger. From there, he recommends defining specific metrics and measures and looking at the reporting tools available, as well as your integration approach, benchmarks, and survey tools. Finally, define the complexity of the process and how it fits into your organization. The end result is an

Figure 1



effective reporting strategy, one that is relevant and supportive of your overall talent management strategy.

CREATING AN EFFECTIVE REPORTING STRATEGY

There are three components to a successful reporting strategy, according to Atsinger.

1. Goals: Documentation of key talent acquisition and talent management goals and objectives
2. Metrics: Establish and define specific metrics and measures to quantify the progress or success
3. Gap identification: Identify gaps with the current process as it relates to identified needs and put together a plan to fix these gaps

GOALS

The following are questions Atsinger has honed over 12 years of assisting organizations with talent management. Not all are applicable to every business, he said, but they should provide a guide.

What is your recruiting organization trying to do?

- Focus on more strategic activities and less on transactional requirements
- Become the "Employer of Choice"
- Improve customer satisfaction

What is your business looking to you for?

- Understand the business
- Reduce turnover, increase retention
- Be more proactive
- Fill vacant seats more quickly
- Improve candidate quality

Figure 2

THE NEWMAN GROUP
A *futurestep* COMPANYACHIEVE TALENT
MANAGEMENT SUCCESS

Establish the Metrics and Measures

- Improve hiring manager satisfaction
 - Hiring manager satisfaction surveys
 - Recruiter/hiring manager service level agreements (SLA)
 - Resume Spam (Process ratios - HR reviews to HM review, HM reviews to interviews)
 - Process times (Time to Interview, Time To Start)
 - Turnover: (0 to 3 months) and (3 to 6 months)

Copyright © 2008. Korn/Ferry International and Korn/Ferry International Futurestep, Inc. All Rights Reserved..

ESTABLISH SPECIFIC METRICS AND MEASURES AND DEVELOP SUPPORTING REPORT SPECIFICATIONS & IDENTIFY GAPS

"After doing this with dozens of clients, I've concluded that there are very few accepted best practices," said Atsinger. "Very few companies will accept all best practices, which frequently turns the conversation to measurements."

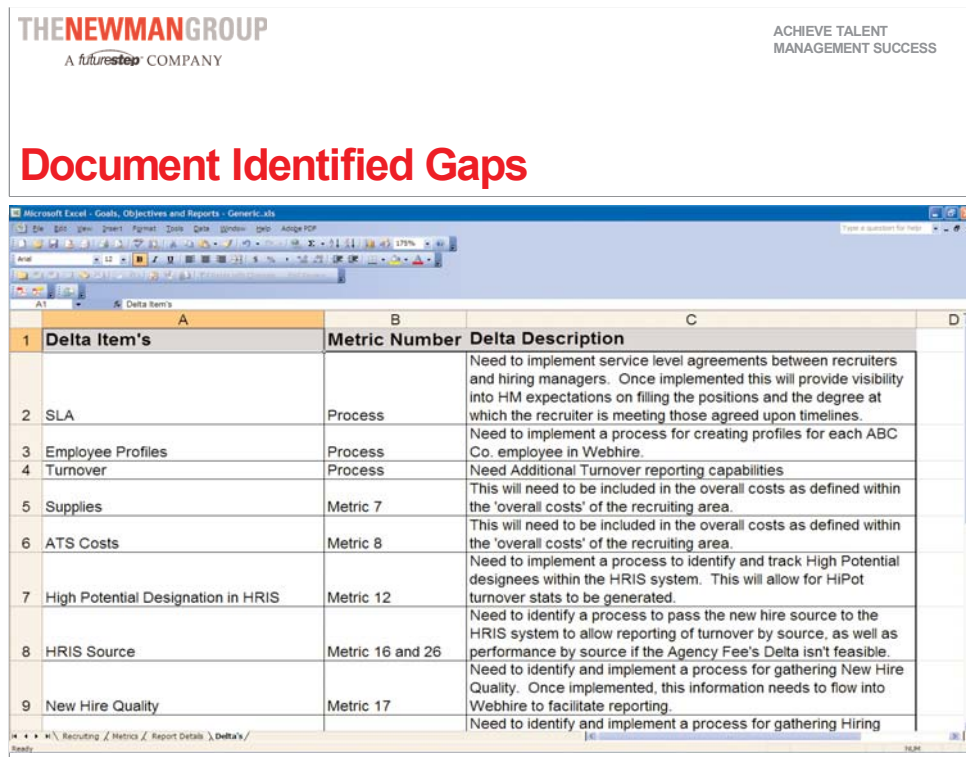
An example: One organization wanted to improve hiring manager satisfaction. To do so, planners measured the following:

- Hiring manager satisfaction surveys
- Service level agreements for recruiters and hiring managers
- Resume spam
- Process times (time from requisition to interview to start)

Atsinger suggests defining reports to account for all metrics and measures. The result will be a "reporting portfolio" that covers all current processes and provides data to help managers plan for the future. In the process of defining reports, it is important to identify and document the reporting gaps that become apparent. The following are examples of the types of areas where gaps between reporting needs and existing functionality may arise:

- o Source effectiveness by performance rating
 - Requires integration to HRIS as well as the creation of a new performance-based report containing information on the source of the new hire

Figure 3



Copyright © 2008. Korn/Ferry International and Korn/Ferry International Futurestep, Inc. All Rights Reserved..

- o Source effectiveness by turnover
 - Requires HRIS integration and the creation of new turnover reports
- o New-hire survey
 - Creation, distribution, and integration of a new-hire survey to capture new-hire satisfaction with the hiring process
- o impact and their "reliance" on other reports
 - o Prioritize identified gaps and determine the level of effort, create a timeline
 - o Lay out a phased implementation
 - o Develop detailed report specifications
 - o Develop reports and extensively test
 - o Get buy-in and publish

IMPLEMENT THE STRATEGY

Once strategic needs are understood and relevant reports are defined, the reporting strategy implementation can begin. As with any implementation, success will be largely defined by attention to detail, ability to prioritize activity, and commitment to maintaining buy-in and support. Below are key activities for implementing the reporting strategy:

- o Categorize identified reports by level of

CONCLUSION

"Management must absolutely embrace this process," said Atsinger, citing one of the most important aspects of successful talent management. Also essential are operational commitment, wide distribution of data, and continuous evolution of the process. "Talent managers should be reflective," notes Atsinger. "Ask yourself 'Is what we thought was a good way to measure this goal, actually a good way to measure this goal?'" He notes that it is

also important to target the audience for the data gathered. Not all data is pertinent to all members of the organization, so it is important to tailor reports so that they are meaningful to their specific audience.

Atsinger concludes, "Developing a reporting capability that supports your talent management strategy is challenging, but the steps to effective reporting are based on sound business practice. It's about defining business needs and putting in place measures that will help you address those needs."

Based on the Human Capital Institute webcast, Support Your Talent Management Strategy. January 17, 2008.

PRESENTER

Victor Atsinger

VP of Technical and Support Services

The Newman Group

Victor Atsinger is Vice President of Technical and Support Services for The Newman Group, a Futurestep Company and leading provider of talent acquisition and management consulting services for today's Fortune 500 organizations. He has more than 12 years of experience with Human Resource Information Systems and Talent Management Systems, with a focus on custom metric and reporting systems, data integrations and data migrations. With The Newman Group, Victor is directly involved in the management of system integrations, and has led multiple large-scale system imple-

mentations. He has designed and developed multi-database consolidations, and he developed a custom methodology for metric design, capture and reporting. Some of his clients include: General Motors, Disney Corporation, Honda, Nike, BASE, Honeywell, EMC Corporation, Darden Restaurants and other Fortune 2000 companies.

MODERATOR

Bill Craib

Vice President Communities

HCI

Prior to joining the Human Capital Institute, Bill was the Founding Director of AIRS Human Capital Solutions, and served as Director of Training and Curriculum Development from 1997 to 2003. An early Internet adopter and advocate of its far-reaching potential, Bill developed his practical experience by establishing an Internet-centric executive search practice focused on telecommunications. This endeavor helped lay the groundwork for the significant contributions he has made to the core curriculum of AIRS. Bill earned a BS Degree from the Newhouse School of Public Communications at Syracuse University and spent 10 years as a journalist working for several media organizations, including ESPN and the Rocky Mountain News, before entering the recruiting industry.

ACKNOWLEDGEMENTS

This White Paper is made possible by The Newman Group, sponsor of HCI's Talent Strategy and Execution Track.

ABOUT THE NEWMAN GROUP



Founded in 1999, The Newman Group provides consulting services covering all facets of Talent Management. Today, the company has established itself as a leader in its industry. One out of four Fortune 100 companies have turned to the The Newman Group to support their vital recruiting and talent management initiatives.

Our services cover the entire talent acquisition and management lifecycle, including: strategic analysis and planning; process review and optimization; technology and services evaluation, selection, and implementation; and workforce planning. In addition, we provide key support services for applicant tracking systems, including customer support, systems administration and reporting.

With a staff of pioneering thought leaders in the recruiting and talent management arena, The Newman Group helps companies align people, processes, and technology to achieve talent management success.

ABOUT THE HUMAN CAPITAL INSTITUTE

The Human Capital Institute is a catalyst for innovative new thinking in talent acquisition, development and deployment. Through research and collaboration, our programs collect original, creative ideas from a field of top executives and the brightest thought leaders in strategic HR and talent management. Those ideas are then transformed into measurable, real-world strategies that help our members attract and retain the best talent, build a diverse, inclusive workplace, and leverage individual and team performance throughout the enterprise.