

Stormy Weather

Continued forecasts for labor-deplete markets require new elasticity from employers.



HURRICANES ARE DESTRUCTIVE. BUT, NOTWITHSTANDING SUCH TRAGEDIES, MODERN TECHNOLOGY NOW HELPS US SEE THEM COMING EARLIER THAN EVER BEFORE, IMPROVING OUR ABILITY TO WITHSTAND, AND REBOUND FROM, THE EVENTS.

That said, hurricanes also spawn tornadoes, which can be much more unpredictable, seemingly coming out of nowhere. If anything, mitigating the risks of tornado damage can require even more planning than hurricanes.

The pandemic has acted somewhat like a hurricane. An epic event, complicated by changing demographics and technological disruption, it created a new workplace terrain. Exacerbated increasingly by “the Great Resignation” and labor-deplete marketplaces (both tornado-like), these new environments demand that employers establish hiring systems that are more flexible, responsive, and resilient than any in recent memory.

As employers emerge from the storm of the pandemic, they must survey the short-term damage. The bigger challenge, however, is to prepare for future threats, to negotiate a labor landscape that has been enduringly transformed. Even before the disorientation that arrived with today’s dizzying, labor-deplete or -distressed markets, employers suffered from recruitment regimes and were just too rigid to meet the demands of our current predicament.

THE NEED FOR CHANGE: SOME FIRST PRINCIPLES

Given the preeminent importance of talent acquisition (TA) for most enterprises, responding to these realities is now mandatory. Standing still means falling behind. The good news is that new recruiting solutions are available that are more responsive, more reliable, and which provide provably better margins than their predecessors. Recruiting process outsourcing providers (RPOs) offer the emergency management services that can reduce or prevent disaster – and improve enterprise performance in ways that go beyond mere mitigation.

The formula for success is relatively simple. Which does not mean it’s easy. A recruitment and onboarding system equal to today’s challenges requires that the provider bring to the table both deep industry expertise and evolving, data-driven analytics. Through careful, bespoke consultation, employers can leverage these capabilities to transform their hiring systems from reactive to progressive and proactive.

Doing so can yield talent on-demand, at the speed of business.

Ryan Carfley, founding member and chief executive officer of Personify, a leading RPO company, says that today’s providers must partner with employers based on an acceptance of this “new normal.” The challenge, he says, is “to address labor-deplete markets where deplete is always the status quo.” This requires both a mental shift and a clear-eyed development of state-of-the-art tech stacks. In this new reality, candidate relationship management (CMS) software can be as, or more, important than simple applicant tracking systems (ATS). Yes, the cost of CMS can be harder to justify, but it often offers the best way to meet the market where it lives. The longer it is in place, and the more assiduously its managers implement its findings, the higher will be the enterprise performance over the long run.

Part of the mindset change can happen by embracing the technology. That embrace means managing and measuring communication cadences as they are perceived through the proper platform. This asks recruiters to build and gauge dynamic pipelines, not static pools. To leverage the technology and reformed mentality, a company’s employee value proposition (EVP) can also provide differentiation, getting candidates excited about the company’s culture and brand.

Who would they be working for? Why would they want to work there?

PIPELINES, PATIENCE, AND GAME DAYS

Due to the size of the universe for most employers, an omni-channel approach is optimal, one that concurrently navigates multiple geographies by plying multiple tools. But patience is a prerequisite. A typical mistake made by some employers is cutting bait too soon. Standard conversion rates rarely apply to labor-deplete markets.

Take the high-turnover rate in the registered nurse market. When it comes to RNs (and many other categories today), employers must abandon the notion that they'll only recruit when positions are open. They can't just apply a "break-fix" model; they must recruit *ahead of the need*. The goal: a process to constantly identify pipelines with candidates whose apposite skills and interests can help recruiters establish a ready bench of candidates to draw from — when and as needed.

To optimize the effectiveness of that approach, candidate identification must be yoked to the appropriate interview "experience" so that it's positive for the interviewee. That can be a huge point of differentiation that creates alignment and cultural affinity between the interviewer and the candidate. Those "game day" experiences should leave applicants hungry for more. It's the difference between the employer "selling" and the candidate "buying."

This doesn't come from a save-get key: Recruiters need concrete tools or practices like Interview prep kits, strategic leadership drop-ins during interview, and even providing candidates with ice-breaker questions to warm up the room. Interconnection of the tools is vital, but it would all be for naught in the absence of the recruiter's deep understanding of the markets they serve.

This approach can obviously pay *positive* dividends for employer culture. But, in a world where cycle times have become so elongated, it can also avoid *negative* outcomes. Which is no small feat. After all, late-stage, last-minute losses of candidates can create real organizational injury, leaving staffs with the equivalent of broken bones and scar tissue.

HOW VARIABLE RECRUITING MODELS CREATE ELASTICITY

So, the labor shortage is still a massive headache and promises to remain so for the foreseeable future. The scrambling by employers for short-term solutions is clearly symptomatic of inadequate planning, infrastructure, or both. Proper infrastructure helps employers navigate the inevitable ups and downs of labor cycles. The curvilinear path requires employers to find something like a GPS to avoid oversupply or scarcity.

Welcome to RPO.

HR departments know a central truth of competitive markets: The best teams win. Failing to create a long-term, next-generation recruiting solution will merely leave the enterprise vulnerable to prevailing variability and inevitable cyclicity. To address that shortcoming, which is endemic to many enterprises in many sectors, employers must identify barriers to implementation of flexible hiring models.

Alas, many companies simply take a "best guess" approach to workforce planning and hiring forecasts. They look at attrition levels, soft spots in the organization, event-driven growth, and seasonality. Based on that, they charge their internal recruitment teams with absorbing this or that problem, plus maybe some provisional surging throughout a given year.

The problem with that approach — pandemic or no — is that demands fluctuate in unforeseen ways. That often makes hiring plans outdated sometime soon after the first quarter of the fiscal year. Employers can't address wildly variable problems with fixed solutions.

Traditional, stand-alone talent acquisition models are largely broken, or at least very inefficient at various inflection points. Three vulnerabilities tend to predominate:

- *The delivery mechanism.* Most employers are simply not prepared to deal with surges that come at the speed of business. It is never the case that an employer can forecast the need for, say, 1000 hires in a calendar year that will be filled in equal measures of 83-and-1/3 hires per month.

- **Search methodologies.** Few employers have protocols and processes that they can pick up and put down as needed. Particularly with labor-deplete or distressed markets, this can become an existential challenge. After all, lack of search functionality almost invariably drives up agency spend, harms customer relations, and elongates hiring processes – or all three.
- **Cost.** Many employers are hamstrung by fixed budgetary models for recruiting. The result? TA departments are either under- or over-resourced. That translates into missed opportunities and/or sunk costs that waste resources.

At the risk of repetition, the absence of careful orchestration for the long term dooms such regimes to mere reactivity.

WHAT REAL SOLUTIONS LOOK LIKE UP CLOSE

Most employers would benefit from a partner to help them engage the hard work of repositioning the thought process that underlies talent acquisition. The goal is to move away from susceptibility to cycles of feast or famine and toward the promised land of “steady-state recruitment.”

The enterprise’s talent community, and its organizational chart, needs to be oriented towards a 24/7-365 reality. That obviously implicates effective succession planning. And it also requires contemplation and development of the gameday experience mentioned above, which will leave candidates yearning to join, mirroring the business’ core principles and value proposition. (And, again, the effort’s tech stack must support exemplary performance.)

To meet the challenge in this environment, recruiters need to deliver on demand. They need the search capabilities to match the challenge. And, as alluded to above, their leaders and managers must undergo nothing short of a psychological transformation, from reactivity to proactivity. That results in an organization that is ready to access talent supply long before demand is expressed.

In sum, most internal infrastructures can’t provide the necessary adaptability or agility in real time. Even if they they

have adopted a newly enlightened mindset of flexibility, they won’t be able to trowel in an additional 40 or 50 recruiters at a month’s notice. The point here is that even post-pandemic, variability is a long-term, not short-term, phenomenon. It’s here to stay.

So, how should employers go about finding a solution?

- Appraise the need. Throwing salary at a candidate will only lead to unmet expectations if culture and pipeline have not been aligned.
- Select the right partner. Unless the challenge is truly a one-off emergency, enterprises need a partner who can demonstrate widespread experience with long-term effectiveness.
- Maximize that partner’s impact. Buyers might ask a provider, “What’s the cost per hire?” And the proper response under a flexible model is, “Less than the cost of an unfilled job.”

To take a deeper dive into fee structure, a few cardinal questions are worth posing. How much is fixed? How much is variable? A fixed fee might sound like a bargain on its face, but what happens when the need for a hiring surge arises? So, pull back. Assess, say, the three-month run rate of hires to develop a more normalized expectation. This enables employers to escape the merry-go-round and assign recruiting and TA costs with sourcing strategies that deliver urgency as needed. The ability to flex up and down in real time is of inordinate value to most organizations.

Next comes talent access. Employers should not have to drag along their recruiting function. Rather, the recruiting function should pull the employer forward. For next-generation talent acquisition, that means candidate pools that are constantly tended and digitally accessed. The applicant tracking system must be more than a data dump. It should be nothing less than a strategic asset, a weapon for the business. The result? Reduced hiring cycle time and cost, accompanied by delivery of the very best candidates available. Again, this means building and maintaining those pipelines even during times when openings are few or none. A provider

with demonstrable search expertise can be crucial. After all, for most enterprises, filling 20 percent of the roles creates 80 percent of the headaches. To stave off that condition, any new recruiting effort must begin looking over the horizon from the very start, initiating compilation of appropriate data sets and validating their components *from the onset of implementation*. Nor can that be divorced from the human component, which means establishing the right means of communication with those talent pools all along the way.

Which leads us right back to the candidate experience. Any provider should deliver one that is at least on par with the employer's existing environment or, ideally, one that is superior. The goal is not to *persuade* candidates, but rather *convert* them. (Showing, not telling.)

Ideally, this is wrapped into recruitment marketing that is digitally powered to scale for multiple concurrent geographies without adding multiple new recruiters. We are in exponential times — where one-plus-one must equal 30. So, the digital component could not be more important.

PROOF IN THE PUDDING

Of course, without proper analytics, this would be all noise with no signal. The provider should have the capability to break down every single toll gate in the hiring process, identifying any and all bottlenecks. That will separate the challenges that are features from those that are bugs. The employer must determine when and where it is facing systemic problems, as opposed to acute or isolated issues. For example, an employer needing to make 5,000 hires might learn that something intrinsic to the selection process is slowing the pace of time-to-fill. If so, they'll want a provider who can help them make the requisite adjustment on the fly. In other words, a two-part dynamic is in play. First, be able to identify any leading indicators revealing problems. Then, be able to pivot expeditiously and effectively. That puts the risk of inefficiency or imprecision squarely on the shoulders of the provider. A fixed, internal system doesn't operate under such a dynamic.

At Personify, we believe we offer best-in-class RPO service. Our own data points look like this:

- **71%** of submittals generate an interview;
- **31%** improvement in time-to-fill for our partners;
- **42%** reduction in cost-per-hire for our engagements;
- **97%** of our recruits attaining the coveted 180-day retention rate; and
- **8.4 out of 10** is our hiring manager Net Promoter Rating.

Beyond the numbers, we have the third-party verification to support our claim. Just this year, Personify is proud to have been named to the *HRO Today* "Baker's Dozen list again. Yes, again. As in, six years in a row – 2017, 2018, 2019, 2020, 2021, 2022. And we also were ranked #3 on the Baker's Dozen list of top Healthcare RPO Providers. So, [let's connect!](#)

ABOUT personify

Personify is an award-winning, globally recognized recruitment process outsourcing firm. Our multichannel recruitment approach combines industry expertise with data-driven analytics to deliver next-generation talent acquisition solutions. We transform traditional, reactive talent acquisition approaches into progressive, proactive systems delivering talent on-demand. Personify's unique RPO solution scales with your hiring needs, mitigating the risks associated with fixed talent acquisition models and saves you money versus third-party agencies. We also work hard to be both a provider and employer of choice. Among other honors, Personify is proud to have been included on HRO Today's Baker's Dozen list of RPO providers in 2017, 2018, 2019, 2020, and 2021. We were also named the Triangle Business Journal's #1 Search Firm ten years running and one of TBJ's Best Places to Work six out of the last seven years.

For RPO seekers who like their wisdom from the Grimm brothers instead of Aesop, consider the Goldilocks solution. Not too hot, not too cold — just right.