

ACTION STEPS FOR TRANSFORMING RECRUITING

**A discussion covering the highest impact actions
that are available for transforming Talent Acquisition**

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These slides are also available on www.drjohnsullivan.com



**THEY ASKED ME TO DISRUPT AND TO
CHALLENGE YOUR THINKING ABOUT TA**



SO LET'S HAVE A LIVELY DISCUSSION

AND PLEASE ASK QUESTIONS

OR MAKE COMMENTS

AT ANY TIME... ON ANY TOPIC

The topics that leadership requested

The 9 key points include:

1. What does **the future of TA look like?**
2. **The best / next practices** in advanced recruiting at the top firms
3. Being **data-driven** is essential
4. Why recruiting must **shift to a marketing approach**
5. The impact of **high-quality referrals**
6. **Hiring innovators** and those with game changing competencies
7. Become a **cross-industry “talent magnet firm”**
8. How **technology will transform** recruiting
9. Reducing **unconscious bias**

Any added recruiting issues during the open Q&A period

Please continually add to your list of 5 personal takeaways

Action items – things that I might try

1.

2.

3.

4.

5.



**HOW ABOUT A QUICK REMINDER
OF THE VALUE OF TALENT?**

CEO's top challenges

Human Capital is the... #1 global CEO business challenge 2018

- ➡ 1. Human Capital #1 for 6 years in a row!**
- 2. Innovation and Digitalization
- 3. Operational Excellence
- 4. Customer Relationships / Corporate Brand
- 5. Regulation and Risk
- 6. Sustainability

OW!

In order to stop being “a challenge”... HR must change!

Does Talent Acquisition have a significant business impact?

Which HR programs have the highest revenue impact?

HR function or process

Revenue Growth

Firms that excelled in this HR area produced _ times higher revenue growth

1. Recruiting	3.5 times
2. Onboarding and Retention	2.5x
3. Employer branding	2.4x
4. Managing talent (Day to day productivity)	2.2x
5. Performance management and rewards	2.1x
6. Developing leadership	2.1x
7. Global people management / global expansion	1.8x
8. Mastering HR processes	1.8x

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The top firms are already moving in these directions

1. **Volatility** – include **scalability** for preparing for **ups & downs** (VUCA)
2. **Data** - becoming more businesslike and **applying a data-driven approach to decision making** in TA
3. **Sports model** - expect a steady shift toward the **sports and entertainment models** that are objective, prioritized & personalized
4. **Technology** - TA processes are dominated by eventually accurate machine learning, chatbots, pattern buying and decision trees
5. **Talent Advisor role** - job security requires recruiters to become **less transactional** and to provide more strategic “**T Advisor**” advice
6. **Marketing** - talent shortages require great marketing... so firms move toward a data-driven “**car sales**” like **marketing approach** with **personas covering attraction and job acceptance criteria**

Top performers want to... “do the best work of their life”

So your marketing message must cover their “best work factors”...

How hard is it... for a potential top applicant **to find what NP has to offer them individually under these top 7 attractors?**

1. Can't put it down **exciting work**
2. Seeing **my job specific impacts**
3. Working with **top coworkers on my team**
4. I will have a **great manager**
5. A **chance to be 1st** / to win
6. An opportunity to **innovate / take risks**
7. **Freedom** & a choice of projects

BTW I hate **fixing old stuff**

The top firms are already moving in these directions

7. **Poaching** – means no T shortage **using the farm team approach**
8. **Competitive advantage** – continued intense competition requires an advantage in requires **speed, continuous sourcing & expert selling**
9. **Hiring committees** – specialized and well trained hiring committees **make decisions faster with less biases**
10. **Continuous business case** – shows exec's **business impacts in \$'s**
11. **Predictive analytics** – **alert all about upcoming problems**
12. **Hypothesis testing** - to **prove “what actually works”** in TA
13. **Talent pipeline** - for better **candidate assessment and selling**
14. **Mobile phone** – **real-time data & TA apps** on a manager's mobile
15. **Metric** – for **new-hire quality & upward trajectory** (retention / promotion)
16. **Prioritization** – job and candidate prioritization means that hiring **machine learning professionals** will become the top priority >

Hiring prioritization

What is the performance differential / ROI between hiring an innovator and an average worker?

- CEO quote - "The secret of my success is that we have gone to exceptional lengths to hire the best people in the world." "And when you're in a field where the dynamic range is **25 to 1**, boy, does it pay off."
- Google – a top technologist is worth **"300 times more"** than the average employee (Alan Eustace)
- Inventor James Dyson "The problem is that A players are only attracted to work at places where they see other A players... they smell B from a mile away"



The most important job is... recruiting

WOW

30 Future directions (continued)

17. Quality referrals - reach **50%** (vs 27%)
18. Internet/SM world - **employer branding is more critical** (Glassdoor)
19. Work life long hiring - because of **more job jumping**
20. Screening criteria - continuous **reassessment of criteria** using AI
21. Diversity based on impact – **customer reflection diversity based on business impacts** and unconscious bias reduction
22. Gig hiring - the capability of hiring **many gig workers**
23. Death of text – **new communications preferences** (video and audio)
24. LinkedIn profiles – **minimize delays** compared to resumes
25. Criminal backgrounds – **a de-emphasis** on criminal backgrounds
26. Competitor tracking – **continuous monitoring** & counter actions >

30+ Future directions (continued)

27. VR - Online and **virtual reality candidate assessment**
28. Candidate communications on their mobile – it will be **dominated by the mobile phone** (also full online applications)
29. College - **remote, referrals and debt payoff**
30. Volume hiring - **team lift-outs** and **acqui-hiring**
31. **Personalized jobs** for in-demand hires
32. Alternatives to humans – consider **robots & software alternatives**





**ANY QUESTIONS
OR COMMENTS AT THIS POINT?**

Requested topics

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LET'S DO SOME QUICK BENCHMARKING...

AND TAKE A CLOSER LOOK AT HOW THE

TOP FIRMS MANAGE TALENT

(WE WILL FOCUS ON AMAZON AND GOOGLE)

(But also Nestlé Purina, Sodexo, the U.S. Army, Celanese and Intuit)



TOP FIRMS MAKE...
HIRING THEIR #1 PRIORITY

Recruiting is #1 at Amazon

“The single most important element of Amazon.com’s success” is

“Setting the bar high in our approach to hiring”

“It would be impossible to produce results in an environment as dynamic as the Internet... without extraordinary people”

(Jeff Bezos in a letter to shareholders)



Amazon expects... every hire to “raise the bar”

“Managers must raise the performance bar with every hire and promotion...”

and only exceptional talent should progress within the organization”



Amazon expects... every hire to “raise the bar”

Amazon hires people... based on 4 critical assessments

1. Will they raise the average level of effectiveness of the group they're entering?
2. Might this person be a superstar? - Rather than being well-rounded... “it’s the pointy ones” that we want
3. Will you admire this person? – is this a person who could be an example to others... and **that others could learn from?**
4. Will they thrive in a “Day 1” world? – “Day 1 requires you to experiment patiently, accept failures, plant seeds, protect saplings, and double down when you see customer delight”



Recruiting is also #1 at Google

“Hiring is the most important thing you do”

(Chairman Eric Schmidt at Google)

We rely on highly skilled personnel... “Our continued ability to compete effectively depends on our ability to attract new employees...”

(From their annual report)





THE TOP FIRMS USE...

DATA-DRIVEN DECISION-MAKING

The top firms use data-driven decision making

➤ **Amazon** - “We seek to be the **most scientific HR organization in the world**”

“**We form hypotheses** about the best talent acquisition, talent retention, and talent development techniques and then set out to **prove or disprove them with experiments and careful data collection**” (Source: Beth Galetti VP of HR Amazon)

➤ **Google** - “**All people decisions are based on data & analytics**”...

“We want to bring **the same level of rigor to people-decisions that we do to engineering decisions**” (Source: L Bock)

Google also utilizes hypothesis testing >



GOOGLE LEADS THE WAY IN...
HYPOTHESIS TESTING

Hypothesis testing – Are managers & recruiters good at interviewing

Google hypothesized that interviews were effective

➤ “Many managers, recruiters, and HR staffers think they have a special ability to sniff out talent

They're wrong”

➤ Google collected years of interview data based on the premise that... **good interview scores predict on-the-job success ...**

“We found a zero relationship. It’s a complete random mess”

*“And the results aren’t any better than... **randomly selecting candidates”***

Other data reveals that... managers can be horrible at interviewing

How accurate are managers at interviewing?

- **HireVue's** technology makes it possible to assess the evaluation **accuracy** of interviewers
- "We've found that with some of our clients, they have evaluators who are making the right decision **80%** of the time, and others **who are right only 20% of the time**"

Hypothesis testing – Some firms do too many interviews (Google)

Increase in accuracy (ability to predict hire/no hire decision) of the mean interview score



Hypothesis testing – Are traditional selection factors accurate predictors of on-the-job success?

Google hypothesis testing data found that...

- **GPA's** “are worthless as a criteria for hiring”
- **Test scores** “are worthless”
- **Brain teasers** are a complete waste of time”
- **College** – “that fancy college you attended? It doesn't matter” (Gates/Zuck)
- **What predicts?** – “capability & **learning ability**”



More Google “hypothesis testing”

Do employee networks increase productivity?

- Employees “that are better networked have... **better performance and higher promotion rates**”
- So if you want to learn faster... **build your own responsive learning network**





TOP FIRMS ALSO ASSESS...

A CANDIDATE'S CAREER TRAJECTORY

- Performance level
- Retention time
- Number of promotions
- Likelihood of innovation

Trajectory - A predictive metric to consider

“Hiring for this and the next job”... in fast growth firms

- **Amazon** – uses **a bar raiser** to screen out candidates... that **“aren’t likely to make a long-term employee”** 
- **Google** – advises **“judge candidates based on trajectory”** (Source: Eric Schmidt)

Example of career trajectories

- Candidate A – will move up 1 level over 5 years
- Candidate B – moves up 2 levels but they will quit in 3 years
- **Candidate C** – will move up 4 levels and stay for 5 years

W O W



TOP FIRMS MINIMIZE...

THE AUTHORITY OF HIRING MANAGERS

Amazon and Google use some form of a hiring committee

- **Amazon** – has a gantlet of... **people, dubbed "bar raisers," who must sign off on would-be hires** (They also hold full-time jobs)

Having a **bar raiser** (with veto power) involved in the process, **whose mind isn't clouded by deadlines and workload**. If they are rejected, “it's because they aren't likely to make a long-term employee”

- **Google** – **doesn't let managers hire**... instead it uses permanent hiring committees of individuals **that are trained and experienced in great hiring**

Winning in recruiting requires hiring skill

Intuit has same day offers because of a hiring team

- In the past... “recruiters at Intuit **could ask job candidates back for multiple interviews before making a decision.** Not now”
- **Hiring team** –“**Using a team of employees** who have proved themselves sharp judges of talent, the company puts candidates **through a day of interviews and tests.** Then the team convenes and makes a decision”.

The Intuit logo is displayed in a light blue, lowercase, sans-serif font. The letters are slightly blurred, giving it a soft, ethereal appearance. The logo is centered horizontally and positioned below the main text of the slide.

EVEN AVERAGE FIRMS...

MUST AVOID MIS-IDENTIFYING

THEIR TALENT COMPETITORS

It's easy to miss identify your talent competitors

TA must understand that in most job fields... you compete for the best talent... with firms in other industries (Google / Amazon)

- Customer service
 - Finance / accounting
 - IT / AI / machine learning
 - Marketing
- HR / recruiting
 - Engineering
 - Social Media
 - Some sales

Exactly who are your talent competitors?

The consequences of defining talent competitors too narrowly

- You will settle with a **weaker employer brand**
- Your ads will have the wrong or **less effective attraction factors**
- **You will “under offer”** including comp and benefits

Lesson to be learned:

Ask candidates **where else they considered / applied / interviewed**

Assume that you compete against **talent in other industries** (Google)

Retention issues will continue **if you don't block talent competitors**

So here is a list of... your talent competitors

The obvious ones

Mars Petcare
J.M. Smucker Company
Blue Buffalo
Hill's Pet Nutrition
Spectrum Brands / United
Pet Group
Unicharm Corp.
Laroy Group
Deuerer
Heristo AG

Source: Petfood industry.com 4/13/18

And the not so obvious ones

1. **Amazon**
2. **Alphabet**
3. **Facebook**
4. Salesforce
5. Tesla
6. **Apple**
7. Comcast NBCUniversal
8. Walt Disney
9. Oracle
10. Netflix

AB

Source: LinkedIn best places to work 4/11/18⁴⁰



TOP FIRMS...

PAY EXCEPTIONALLY WELL

Every firm is competing against these salaries (Med. Total Comp)

1. **AT. Kearney** – \$175,000 (Medium Total Compensation)
2. **Strategy&** - \$172,000
3. **VMware** - \$167,050
4. **Splunk** - \$161,010
5. **Cadence Design Systems** - \$156,702
6. **Google** - \$155,250
7. **Facebook** - \$155,000
8. **NVIDIA** - \$154,000
9. **McKinsey & Company** - \$153,000
10. **Amazon Lab126** - \$152,800

Source: Glassdoor.com



SOME ADDITIONAL BOLD BEST PRACTICES

Does Amazon's new Headquarters make you want to know more?



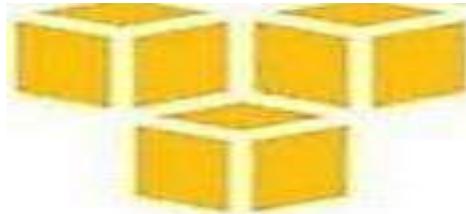
Without data... nobody would recruit on sites like “tinder”



tinder



We are hiring engineers!



**amazon
web services™**



This is not a Scam, we are actually from AWS Recruiting trying out this method
To find top Engineering Talent. Please swipe right if you are open to learning
more about Engineer positions at AWS!

You can also E-mail us at SeattleJobs@amazon.com with your resume and
contact info for consideration! Thank you and Happy Tindering!

Would you have a surge in volunteer recruiters?

Attracting and assessing math majors at rocketfuel



Would this example be... boasting or bragging?

Data Engineer at **Kayak**

Copenhagen, Denmark

Benefits and Perks

- 6 weeks paid vacation
- Day off on your birthday
- Pension plan contributions
- Free Danish classes
- **No stupid meetings**
- Lunch catering five days per week
- Monthly massages
- An awesome office in the city centre of Copenhagen
- Multiple social events, e.g. wine and beer tasting, football, yoga, **Friday bars**, foosball
- A great team of social and passionate professionals

Create a “most wanted list”

Red 5 Studios identified “100 dream prospects”

- They ID “gamechangers” at the **start of the year**
- Then develop an **individual profile** on each target using social media and personal blogs
- Red 5 airmailed each one a **free iPod**
- **The message on each was personalized** to the prospect...
complete with a recorded **message from their CEO**
- **90 of 100 recipients responded (3)**



Getting their attention... at their work site



Give candidates a real problem to solve

The best predictor of on-the-job success is how well they solve real current on-the-job problems

- “It gives us an opportunity to really look at them and **assess their skills and how they work with us in real problem solving**”



Video descriptions provide a competitive advantage

A video job description reveals the excitement behind a job
(Quickstop, Accenture and Deloitte)



Candidates are **46%** more likely to consider the job
after seeing a hiring manager's welcoming video

Machine learning will dominate recruiting

The image is a screenshot of a web article from Inc. magazine. At the top, there is a black navigation bar with the Inc. logo on the left, a 'WOMEN'S SUMMIT REGISTER NOW!' banner in the center, and search, newsletter, follow, and subscribe options on the right. Below the navigation bar, a green 'INNOVATE' tag is visible. The main headline is 'Unilever Is Ditching Resumes in Favor of Algorithm-Based Sorting'. Below the headline is a sub-headline: 'Artificial intelligence and algorithms soon could take control of much of the initial hiring process.' The author's name, 'By Wanda Thibodeaux', is listed with a small profile picture and social media links. At the bottom of the article content, there are social media sharing icons for Facebook, Twitter, LinkedIn, Reddit, and YouTube, along with a 'WRITE A COMMENT' button.

Inc. **WOMEN'S SUMMIT** REGISTER NOW! SEARCH NEWSLETTERS FOLLOW SUBSCRIBE

INNOVATE

Unilever Is Ditching Resumes in Favor of Algorithm-Based Sorting

Artificial intelligence and algorithms soon could take control of much of the initial hiring process.

By Wanda Thibodeaux, Copywriter, TakingDictation.com

f t in r y

WRITE A COMMENT

Hiring prisoners obviously won't work



After data proved they were successful... Virgin Trains incorporated prison jobs fairs into its recruiting



**ANY QUESTIONS
OR COMMENTS AT THIS POINT?**

The 9 key topics

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**HOW WELL IS
TALENT ACQUISITION PERFORMING?**

What hiring failure rate would a manager tolerate?

What % of all new-hires fail within 18 months?

“46%” (Source: Leadership IQ)

What % of all hourly employees quit/fired within their first 6 mths?

“50%” (Source: Humetrics)

What % of executive new-hires fail within 18 mths?

“58%” (Source: Michael Watkins The first 90 days)

What % of hiring managers regret their decision & wouldn't rehire?

“39%” (Source: IBM)

OW! What % of new-hires are an unequivocal success?

“19%” (Source: Leadership IQ)



BTW - A hiring failure meets any 1 of these 9 factors

The new-hire...

1. Was a **no show** on their start day
2. Failed **drug testing**
3. Failed **job training**
4. **Quit voluntarily** during the first 6 - 12 months
5. Received a “**needs improvement**” **performance rating** (20% below the average)
6. Was “**written up**” for **discipline** more than once
7. Was **put on a performance management program**
8. Was **fired or released** within 6 months
9. After 6 months, when surveyed... **their manager said they wouldn't re-hire them** (One measure of quality of hire)

Hypothesis testing –

Do recruiter relationships with hiring managers influence them?

If the “personal relationship approach” was working...

- What percentage of hiring manager selection decisions **would actually be influenced by recruiters** / recruiting?
(100%, 75%, 50% or 25%)

But only 25% are influenced



Hypothesis testing



Hiring managers are satisfied with recruiting's impact on the business? (what percent are satisfied? – 25%, 45%, 65%, 75%, 100%)

Only 35%



Source: The Corporate Executive Board / Gartner 2017

Candidate feedback impacts offer acceptance decisions

Talent is

4x more likely

to consider your company for a future opportunity when you offer them constructive feedback.

But only **2.6%** of candidates receive “specific and valuable feedback”



**WHAT ARE THE BEST / WORST
TA METRICS TO USE?**

Strategic business impact TA metrics to select from

1. **Revenue per employee** or profit to labor cost ratio (yearly average)
2. **The total estimated \$ impact** of recruiting on the business
3. **On-the-job performance** of new-hires in key jobs (Q of H % of improvement)
4. New-hire **retention** and **failure rate**
5. **% of projects delayed** due to lack of talent
6. **Excess position vacancy days** in key / revenue jobs (lost revenue \$)
7. **% of key jobs not filled**
8. **% of diversity hires** in customer impact jobs
9. **Give away/ take away ratio** with key talent competitor
10. Increase in the **number of applications** received
11. The **% of top quality candidates not-hired**

Other indications that recruiting isn't good at metrics

Every process manager measures the quality of their output...

- **So what % of recruiters measure the performance of the new-hires?** (on-the-job performance, retention rate and promotion rate)
Only **32% of firms** actively measure quality of hire (Source: Hudson RPO)

HIRING MUST PROVE IT'S...
REVENUE IMPACTS

Why does TA measure cost per hire but not the long-term \$ impact of a hire?

Hiring costs (CPH) are a minor one-time item
But the performance of a great or a weak hire...
lasts for years

CPH

\$ returns / impacts
last for many years

LeBron vs. Homer Simpson



What is the value added by hiring top performers?

Productivity comes from hiring top performers

- The top **1%** of your workforce produce what % of your total output? **10%** (Or 10 times their expected value)
- The top **5%** produce **26%** (Over 5 times their expected value)

(U of Indiana study by O'Boyle and Aguinis)

Google has done its own top performer calculations



The **top 10%** on their teams produce... what % of the value?

- “90% or more of the value”
- Google found a **90 / 10 rule or 9 times** (Source: Lazlo Bock)

Quantifying recruiting results in dollars... is a best practice

TA's revenue impacts revealed in the sales function

A typical description of what we do – we hired 5 salespeople last year

Business impacts - the 5 salespeople hired under the new recruiting program **sold an average of \$489,000 more their first year with a 20% better customer satisfaction rating** (return buyers)

The result was an increase in initial and then return customer revenue of \$2.9 million (Developing the recruiting program cost only \$29,040)

Hiring poor performers is costly

- A weak employee causes mistakes, failures, disruptions and lost opportunities **up to 10 times their annual salary** (Source: Resoomay)
- One “**slacker or jerk in a group**” can bring down team performance by “**30% to 40%**” (Source: W. Felps)
- Weak employees take up **what % of a manager’s time?**
1 day a week (17%) (Source: Robert Half)
- Replacing a **weak manager** equals the impact of...
adding 1 teammate... to a team (Source: National Bureau of Economic Research)
- **Bad ones stay forever...** weak hires **may stay 20 years** **OW!**

Action – Multiply the cost of a bad hire over 20 years

Which jobs... have the highest impact on revenue?

Jobs that directly increase revenue

1. **Sales** related jobs
2. **Business development** jobs
3. **Collection** jobs
4. **General managers** in P&L units
5. **Product development** jobs
6. **Investment** jobs

Revenue impact jobs

1. Customer service jobs
2. Brand managers
3. Advertising jobs
4. Market research jobs
5. Leaders and executives
6. Recruiters for revenue jobs

Few calculate the negative impact from a “bad candidate experience” on sales

Few calculate the sales impact from a “bad candidate experience”

- Approx. **250,000** applicants received rejection letters 
- “**2/3** of rejected Virgin applicants were “**detractors**” (They told friends)
- **18%** of rejected applicants were also customers
- **7,500** rejected “applicant customers”... (up to **15%**) cancelled their service within months
- They lost **\$5.4 million** from losing these “applicant customers”

British Telecom found a similar loss equaling **\$14 million**



If you want diversity results... you must show hiring managers the value of... customer reflection diversity

Which has more impact on sales... gender or racial diversity?

- Every 1% increase in **gender diversity** is correlated with...
a **3% increase in sales revenue (3 to 1)**
- Every 1% increase in **racial diversity** is correlated with **a 9% increase in sales revenue (9 to 1)** Source: Dr. Herring at the University of Illinois
- **48% higher operating margins** are generated by gender diverse management teams (Source: McKinsey)
- **When women in management positions exceed 20% ... revenue from innovation goes up 10%** (Source: BCG)

Action step – calculate the business case, poach and reward diversity referrals 72



TIMING IMPACTS HIRING

Data can focus hiring efforts

(When do recent hires quit?)

When is the best time to focus your hiring efforts?

The number of recently hired employees that quit



Source: entelo.com using 1 million resumes

When is the best time to hire?

Timing changes the level of competition

- **August & December** - when their hiring managers are not available
- **End of the fiscal year** - when they run out of recruiting budget
- **During company / industry shutdown periods**
- **During their hiring freeze**
- **For college hires** - during Christmas, spring and summer breaks
- **Prior to their national hiring day**



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MARKETING RESEARCH REVEALS...
WHAT YOU MUST SELL
TO DIFFERENT RECRUITING TARGETS

What is the difference in the attraction factors for top performers vs average prospects?

Attractors for the average

1. Competitive compensation
2. Bonus/merit-based rewards
3. Retirement plans
4. Training programs
5. Flexible work location
6. Vacation time
7. Benefits for families
8. Flexible schedule
9. Education support
10. Healthcare

Source: SAP survey

Top performers want to... “do the best work of their life”

So your marketing message must cover their “best work factors”...

1. Can't put it down **exciting work**
2. Seeing **their impact**
3. Working with **top coworkers**
4. Great **managers**
5. A **chance to be 1st**/to win
6. Opportunity to **innovate**/take risks
7. **Freedom** & a choice of projects
8. Learn advanced things/growing
9. Opportunity to implement ideas
10. To be constantly challenged
11. Be an expert/ mastery in an area
12. Input into schedule/location
13. Opportunity to make decisions
14. Measure /reward performance

There are 3 categories of action steps... for a marketing-driven recruiting function

TA marketing - Foundation steps

1. Learn lessons by **benchmarking with corporate marketing**
2. Shift to **data-driven decision making** for accuracy
- 3. Decide the performance level** of your recruiting targets
4. Identify and analyze your “**talent competitors**” (competitive analysis)
5. Shift to a **candidate-centric approach** (they have the power)
6. Measure your **quality of hire** and use it to determine “what works”
7. Develop **a story inventory** for employer branding and referrals
8. Make a **commitment to boasting**

Would this be bragging?



Action steps for a marketing-driven recruiting function

TA marketing - research reveals details about your recruiting targets... and how to reach them

1. Purposely do things that will get your firm “**virally talked about**”
2. Use market research **to segment your recruiting targets**
3. Identify the “**attraction / dealbreaker factors**” for each segment
- 4. Develop personas** for your high value recruiting targets
5. Identify the **job search patterns** of your targets
6. Identify the **message content** that gets their attention & application
7. Identify the **best messaging channels** for reaching them
8. Proactively act to **get on “best place to work lists”**
9. Use only **top sources** (referrals, boomerangs & find their work)

Action steps for a marketing-driven recruiting function

TA marketing approach - improve your selling

1. Ask for their “**job acceptance criteria**” and focus on meeting them
2. Shift to a **segmented employee value proposition**
3. Identify the **optimal recruiting times** when supply is high and competition is low
4. Recruiters must **excel at “personalized selling”**
5. **Experiment & study successes & failures (failure analysis)** to learn “what worked”

Example –The “Job Acceptance Criteria” from candidate #6

“Must haves” in descending order for candidate # 6

1. This level of **pay** _____
2. Great **health insurance** with low deductibles
- 3. Time off** with pay
4. A reasonable **commute**
5. Evidence that a manager provides **freedom**
6. The latest **technology** and tools

These “would be nice” to have for candidate # 6

- **Promotional** opportunities
- **Training** and certification opportunities
- An opportunity to **make a difference**

“Deal breakers” for candidate # 6

- **How they treat me** as a candidate

Help hiring managers sell candidates

Provide hiring managers with a candidate sell sheet

- Develop a single **side-by-side sell sheet** that compares what your team has to offer with the offerings of direct competitors...

So that the **managers that don't hire very often** can use it to better sell candidates >

A candidate sell sheet

Legend... + slightly better, = equivalent, - not as good

Attraction factors that our firm has... Compared to	Firm 1	Firm 2	Firm 3
Superior development opportunities	-	=	-
Superior opportunities for growth and security	-	-	-
An exciting work environment	-	-	-
Superior managers and leaders	=	-	-
Exciting work and products	=	-	-
Above average compensation	+	-	=
Superior benefits	-	-	-
Work-life balance and flexible schedules	-	=	+
Concern for employee well-being	=	=	-
Superior relocation benefits	=	=	=
Above average retirement support (Source: Work Institute)	+	-	+

More candidate selling tips

Great “selling” during the interview process

- Spend at least **25% of interview time on selling**
- **Peer interviews** are effective at both selling and assessing
- Ask top candidates... **what information they need and who they need to meet** in order to make their decision
- When you call, **also sell the references** (i.e. influencers)
- Ask new-hires during onboarding “**What convinced you?**”

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THE IMPACT OF HIGH-QUALITY REFERRALS

- Know & assess their work
- Their skills are above average
- Sell them on interviewing
- Rate them A+ through B-



**REFERRALS ARE THE #1 SOURCE FOR
BOTH QUALITY AND VOLUME OF HIRES**

The performance impact of referrals

- “**Over 93% of top performers are referred** by someone they know, such as a friend or networking contact” Source: Forbes 8/03/2014
- Referred workers are **initially more productive** during their first 400 days (Source: Evolv)
- Referred workers are up to **30% less likely to quit** (Source: SilkRoad)
- **A referral from a top performer will produce nearly 3 times more...** compared to the referral from a below average performer
(Source: UC Berkeley study by Burksy & Cowgillz)
- The **lowest quality referral candidates** come from “people that your employees don’t know”... (i.e. “they found me”)

Data reveals the best recruiting sources that produce quality hires?

Quality of hire source	
1. Employee referrals	77.5%
2. Current applicants	74.2%
3. Passive sourcing	71.2%
4. Current employees	69.8%
5. Non-Employee referrals	56.8%
6. Previous applicants	48.0%
7. Former employees	36.1%
Source: Entelo 2016	

Top channels for quality hires	
1. Employee referrals	48%
2. Third party web site / job board	46%
3. Social professional networks	40%
4. 3 rd party recruiting firm	34%
Source: LinkedIn survey 2016	

Raise referrals to 50%

Set as a target... making referrals 50% of all hires

- **Facebook hires more than 50% of their hires from referrals**
- **And the average percentage for top firms is 46% Source YesGraph**
- **Accolo assigns a few employees to find referrals for each open job, based on their likelihood they know the right person... Accolo averages **8 referrals for every job****

NP is around **27%**

Candidate selling actions

Build a story inventory for hiring managers / employees

Stories are the most effective selling feature...

Project Buffet [goto/projectbuffet](http://google.com/goto/projectbuffet) Stories to share with candidates about our culture, people, and products.

[Home](#) [Product Area](#) [Office](#) [Brand Values](#) [Google in the News](#) [Search this site](#)

Google
Click here for all the demos, product announcements and skydiving from Google 12 2012

Welcome to Project Buffet!
Pick and choose what's best for your candidates... then come back for more.
Google culture is core to who we are and who we continue to be. Check out the site's resources to find great talking points and examples about what makes us unique. All information, YouTube videos and photo albums found on this site are public, so share them with your candidates!

GREAT PLACE TO WORK
We're #1!
Click here to find out why

A compelling message on an employee referral card



- **Your customer service just now was exceptional!**
- I work for the Apple store and **you're exactly the kind of person we'd like to talk to**
- If you're happy where you are, I'd never ask you to leave
- But if you're thinking about a change, give me a call
- This could be the start of something great

DaVita employee education toolkit

Teammate Referral Program Talking Points



How to...Grow Your Social Network

Social networking websites are just that- social! These sites are a great way to communicate with your friends and family, as well as connect with new people all over the world and share your experience, knowledge and insights.

Who Should I Connect With?

- Friends
- Family
- Acquaintances
- Former teammates
- Former classmates
- Search your email for contacts on social networking websites
- Do not be afraid to reach out to new connections
 - Some sites have a recommendation list to find new connections

How Can I Meet New People?

- Join DaVita's social networking websites
 - Facebook: <https://www.facebook.com/davitacareers>
 - LinkedIn: <http://www.linkedin.com/company/davita>
- Search for people and groups who have similar interests to your own (ex: hobbies, your profession, school alumni, sports teams, professional associations, etc.)
 - On most sites you have the ability to type in keywords such as, "dialysis"
 - This will allow you to see all of the users who have "dialysis" in their profile, and to see if you would like to connect with them

Action steps for referral volume

1. **Prioritize jobs** and limit eligibility
2. Get referrals from **the job references of top hires**
3. Get referrals from **top former employees** (also **target them**)
4. During onboarding **solicit referrals from new hires**
5. **Create college** referrals
6. **Expand referral eligibility** to family, vendors, part-timers
7. **Give me 5 is #1** – proactively approaching and asking top performers who they know “by category” >

Give me 5 “aided recall” employee referral tool

Ask top employees to ID **the 5 exceptional software engineers that fit... each of these categories...**

1. The best **performing coder** you ever worked with
2. The most **innovative coder**
3. The best **team player**
4. The best at working **under extreme pressure**
5. The best **manager of software engineers**

Because they are already known by your employee... ask them to contact these 5 individuals and try to convince them to apply





**ANY QUESTIONS
OR COMMENTS AT THIS POINT?**

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9. Reducing **unconscious bias**

Action steps for hiring innovators

1. Create a “most wanted pipeline” list
2. Create an “evergreen” position
3. Create a special hiring team
4. Get top performer referrals
5. Personalize your recruiting
6. Executive and colleague calls
7. Meet them at an event
8. Learn their job acceptance factors
9. Give them a dream job sheet
10. Pre-assess them
11. Use peer interviews
12. Speed matters... so complete your interviews in one day
13. Give them a problem to solve
14. Show them your work / team
15. A meeting with the CEO

“Game changer and time saver competencies”

7 “Game changer” competencies

1. **Innovation/calculated risk taking**
2. **Disrupters** (Glass ½ full & leaking)
3. **Use data** for decisions
4. **Leading-edge learning** (Google #1)
5. **Adaptability**
6. Proactively **embrace technology**
7. **Strategic thinking** (Big picture)

These 8 save a manager time

8. **Self-motivated with drive**
9. **Speed/a sense of urgency**
10. Take **ownership of problems**
11. Retention/movement **trajectory**
12. **Seek added responsibility**
13. **Create results** when leading
14. **No plateauing** in their results
15. **They “find work”** when idle

Target rapid learners

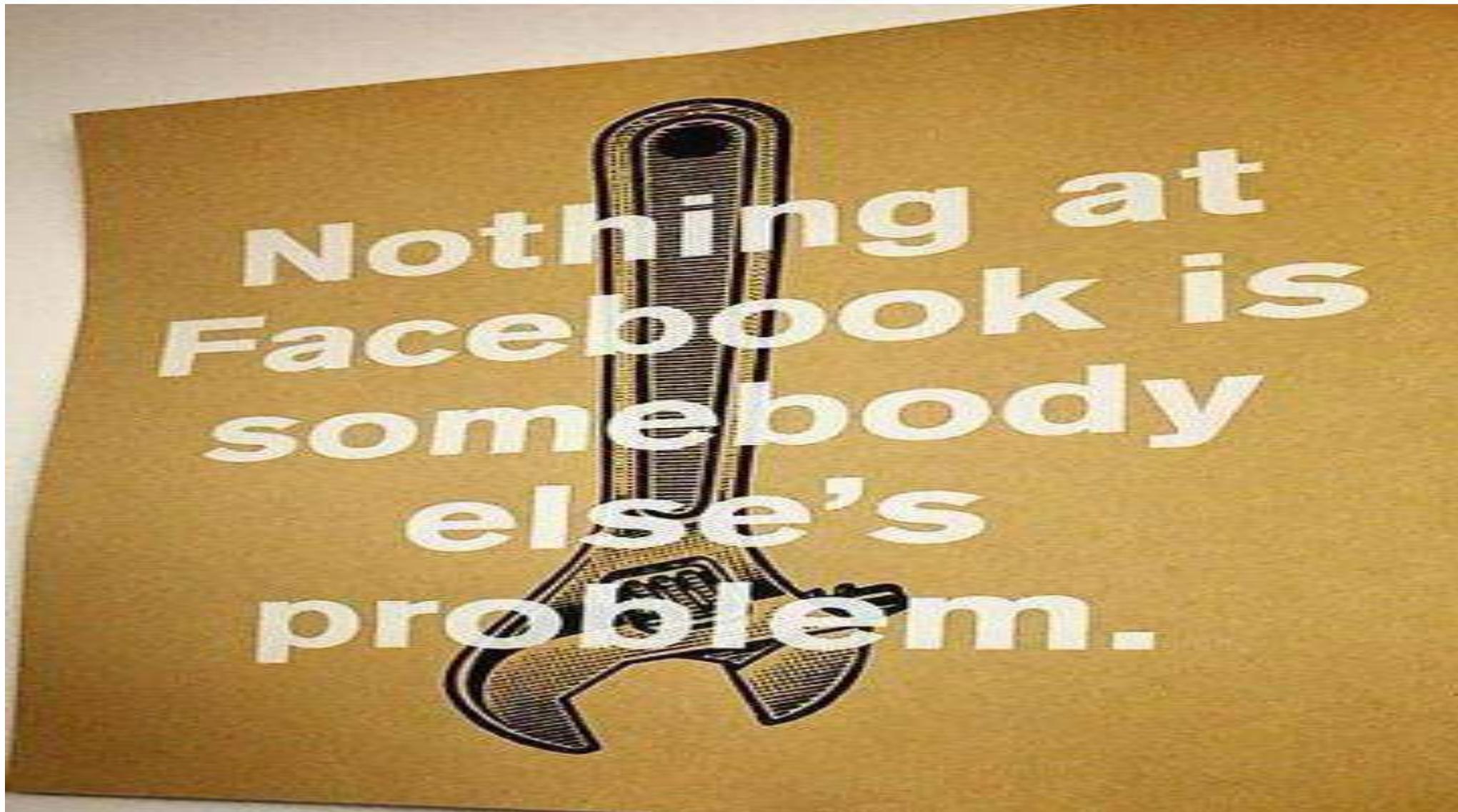
Learning is the # 1 competency in a fast changing world

Google - learning ability is the key determiner in deciding among candidates across all jobs — (along with technical capabilities) (also Tesla)

Facebook - looks for “builders” and “learners”, people who are constantly educating themselves at the office

- **Ask them** - to go through the steps of **how they will learn during their first 6 months** of the new job
- **Have them list** – their most **advanced learning sources**
- **Learning net** – assess the **size of their learning network** (Google)
- Give them a **learning problem** – a real problem in advance

Facebook new-hires know to “seek out” problems



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WHY BECOME A "TALENT MAGNET FIRM"

ACROSS INDUSTRIES

1. Other industries may have **higher-quality talent**
2. Other industries may have **more advanced technologists**
3. To **increase the volume** of available talent for sourcing
4. **Your industry may be more attractive** or pay more
5. To **learn best practices** in other industries through hiring

Becoming a talent magnet firm

Steps for becoming a talent magnet across industries

1. Set cross-industry TA **as a goal**
2. Identify and publicize the **top talent attraction factors**
3. Get on **best places to work lists** (LinkedIn, Fortune, Glassdoor)
4. Build **a story inventory**
5. **Emphasize referrals** because employees spread your message
6. Have **best practices and innovations quoted** in the media
7. Have your best employees / **managers speak and write**
8. Make your **exciting work and your impact visible**
9. Make everyone aware of the **stars on your team**
10. **Cross-industry poaching** will bring others with them

Becoming a talent magnet firm

16 steps for becoming a talent magnet firm across industries

11. Build a **professional learning network** for visibility

12. Recruit at **functional and other industry events**

13. Referrals from corporate alumni working in other industries

14. Show that **others from their industry succeeded** at your firm

15. Referrals during onboarding from new-hires from other industries

16. Win functional awards in multi-industry associations

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TECH WILL CHANGE...
THE WAY THAT WE RECRUIT

Before it's too late... plan ahead

Technology is about to dramatically change recruiting

- Many sourcers and **recruiters will become redundant**
- **Selling ability will become the #1** key competency
- **The role of the Talent Advisor will be the most desirable option**
 - A role similar to a financial advisor
 - Proactive strategic **forward-looking advice**
 - Data-driven advice
 - Advice on **talent opportunities**
 - Broader advice covering **retention, internal movement and productivity**
 - External risk and **competitive advantage** building

Emerging recruiting technologies

Technology is about to dramatically change recruiting

- **Prospect identification** using a machine learning algorithm
- **Soon to be available** prospect search using predictive analytics (Entelo)
- Chatbot's to **answer applicant questions** and **initial screening**
- **Machine learning driven resume screening** to reduce biases
- **Candidate/job matching** aided by machine learning
- **Online assessment** for technical skills
- Virtual reality **problem-solving assessment**
- **Projecting a candidates trajectory** with machine learning
- **Neuroscience tools** for assessment



THE WAR FOR AI TALENT...
WILL CHANGE OUR RECRUITING
PRIORITIES

Why AI will dominate corporations

Many leaders have stressed the importance of AI

- **Amazon** – Jeff Bezos says “**The key to the company’s future success lies in artificial intelligence**”
- **Google** - Chief Executive, Sundar Pichai says “**Google is an AI first company**”
- **Microsoft** – CEO, Satya Nadella says “**AI is the ultimate breakthrough in technology**”
- **It’s a global battle** – Vladimir Putin said... “**The country that leads in artificial intelligence will rule the world**” and French President Macron is funding AI with **\$1.8 billion** in public funds

Why AI will dominate corporations

There will be stunning AI talent shortages

- CIO and Fast Company magazine both call it “**a War for AI Talent**”
- A recent study found that there are “**about 22,000 Ph.D.-level AI capable computer scientists** around the world” and
- “US universities **graduate only about 100 new researchers** and engineers each year”
- And as a result, currently,... “at least **10,000 AI related positions are open** in the U.S.” (Source: Element AI)
- Unlike coding, it **can't be easily self-taught**
- And with the **Russians and the Chinese** also heavily focusing on AI... recruiting from around the world will become even more difficult



**ANY QUESTIONS
OR COMMENTS AT THIS POINT?**

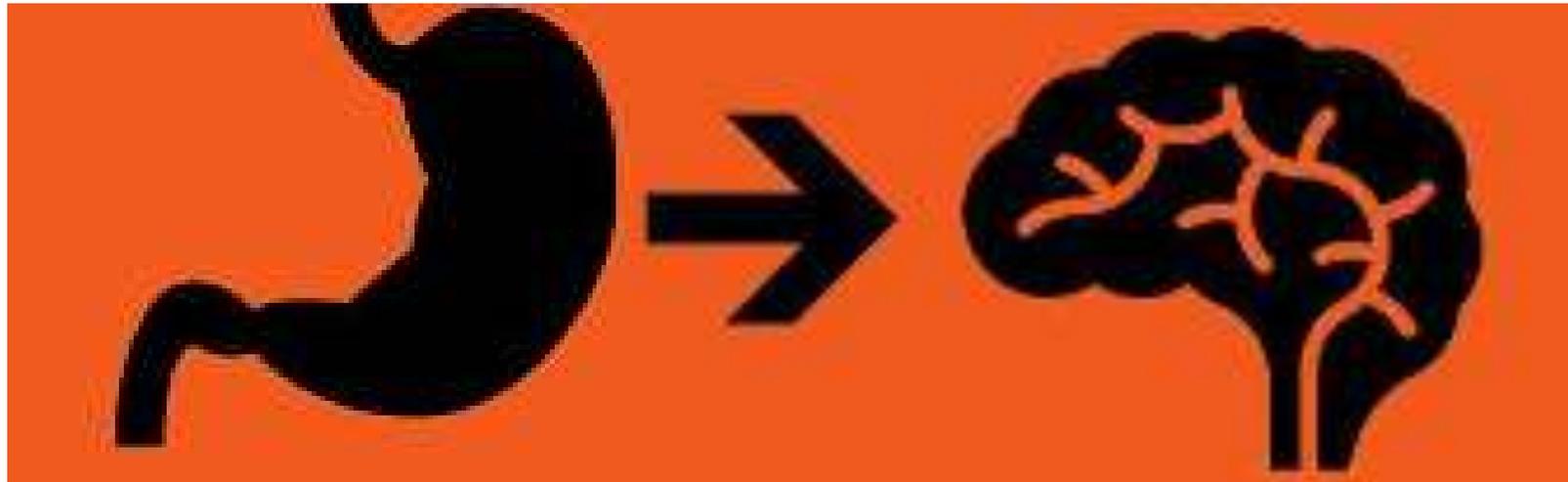
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- 9. Reducing unconscious bias for better quality hires**

Many select based on a quick “gut feeling”

But it has nothing to do with your gut...

Instead it's really a set of positive and negative biases imprinted on your brain and released during pressure for a fast decision (System 1)



Increase awareness of UB factors

Unconscious bias training

Many firms offer UB training – Google was first and Facebook now offers their online version for free

<https://managingbias.fb.com/>



Shifting to databased decision-making may be better than training



Let's look at an example
illustrating the existence and the impact
of unconscious bias

Unconscious bias occurs in many areas...

What's in a name?

5000 identical medical resumes were sent out

- The name on the baseline resume was **Kristen**
- The same resume was sent out with the name **Aisha**
- **Was there a change in response rate?**
- Aisha's response rate was more than **5 times lower** (13% down to 2.2%) (University of Chicago/MIT study)

100 identical sales resumes were sent out

- The name on the baseline resume was **Adam**
- The same resume was sent with the name **Mohamed**
- **Was there a reduction in response rate?**
- **Mohamed landed 3 times fewer interviewers... only 4 compared to 12 for Adam** (BBC's *Inside Out*)

Unconscious bias occurs in many areas... including with names

Foreign names

- Does having “a foreign name” increase the difficulty of getting a job?
- Yes... having a foreign name meant **a more difficult employment search** in 17 out of 17 countries analyzed

There is something wrong with resume screening

Do resumes that perfectly match the job always get interviews?

- **Of all the “perfect resumes” sent out by mystery shopper candidates**
- **Only 12% of these “ideal candidate resumes” were actually scheduled for interviews**

Hiding gender has an impact on assessment

Does revealing the sex of the coder impact the assessment of their work? (on GitHub)

- When gender was made public, code acceptance rates for code written by women were **62%**
- When gender was hidden, code acceptance rates for code written by women **increased by nearly 10%** to **71.8%**

The highest-impact areas where unconscious bias occurs

- **Corporate careers page** – language & pictures may discourage diverse applicants (**Action** – have the diversity team review wording and pictures)
- **Job postings / job descriptions** – language and non-validated factors discourage diversity applicants (**Action** – use Textio or have the diversity team review wording and placement)
- **Resume / LinkedIn profile screening** – names, pictures, dates, education & factors that don't predict and that cause early exits (**Action** – have names and non-predictive factors masked / obscured or use an algorithm)

The highest-impact areas for bias

- **Selecting candidate slates** – names, dates, **salary history**, education & other factors that don't predict (**Action** – use a validated checklist to select and consider the Rooney rule)
- **Interviews – first impressions**, body language and questions covering not-validated factors screen out cause early exits (**Action** – train to avoid first impressions, structure the interview, only use predictive questions, use blind interviews and use a checklist for final selection)
- **Offer phase** – gender, confidence, past compensation & experience impact offers (**Action** – Use a standard compensation formula that relies on compensable factors and peer equity)

Common bias factors during resume screening

Many sourcing approaches don't find enough diverse candidates

Possible solutions

- Vendors like **Entelo** will search available public resumes and make **educated guesses about whether a prospect is diverse**. Piazza Careers does the same for college hires
- Vendors like **Textio** and Unitive have software that help you increase the attractiveness and reduce the bias level in your **job postings**

Look for what new hires add to the team “Cultural add”

Don't look too hard for cultural fit... because too much “sameness” can hurt your organization

- Fewer outside the box **ideas**
- No one spots major errors
- Your products and services **don't reflect your customer base**
- Lower **team performance**

Instead assess “cultural add”



Alleviate anxiety to improve performance and to reduce no-shows

Blackberry... describes each hiring step

Want to work for BlackBerry? Here's what to expect

This simple online application will start you on your way to an exciting, Bold career with BlackBerry. When you fill this out, it will give us the details we need to determine where your skills and experience fit best.

As part of the online application process, you'll be asked to attach a copy of your résumé/CV. It's important that you complete this application correctly to ensure it can be submitted successfully.

Once your application and résumé /CV have been submitted, they'll be reviewed by one of our recruiters. Depending on your skills and experience, you may be contacted for an interview.



Step 1

Step 2

Step 3

Step 4

Step 5

Step 6

Online application

To apply for a position at BlackBerry, fill out the online application form. This will provide us with details of your relevant skills and experience.

As part of the online application process, you will also be asked to attach a copy of your resume. It is important to complete this application correctly to ensure it can be submitted successfully.

Once your application and resume have been submitted, they will be reviewed by a BlackBerry recruiter and depending on your skills and experience, you may be contacted for an interview.

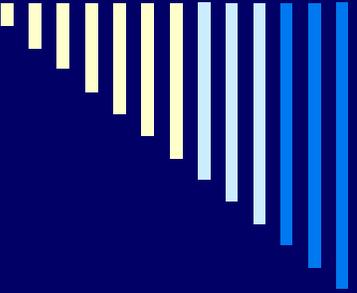


Always remember that TA has the #1 impact because...

Netflix states TA's role unambiguously...

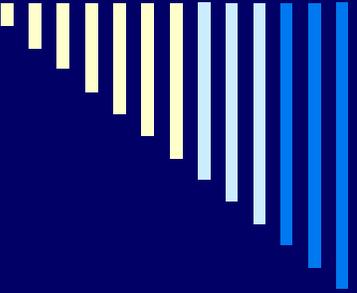
**The best thing you can do for employees... is hire
only "A" players to work alongside them**

Excellent colleagues trump everything else!.



A reminder checklist

- ☑ Calculate and broadcast your ROI
- ☑ Focus recruiting on high business impact areas
- ☑ Prioritize top talent and top jobs
- ☑ Poach the best while protecting your own
- ☑ Know and use the best sources (referrals)
- ☑ Learn everyday about recruiting
- ☑ Learn to embrace new recruit-tech
- ☑ Prepare to become a Talent Advisor
- ☑ Be bold, experiment and do hypothesis testing!



Did I make you think?

How about some final questions?

Please follow me on LinkedIn