

# Guide to Creating a Smarter Hiring Strategy

# Executive summary

In today's increasingly competitive jobs market, Employers are under increasing pressure to recruit faster, hire smarter and retain their best people longer. Finding the right people in the first place is becoming more difficult, especially in areas such as Oxfordshire.

While having one of the highest levels of employment in the UK is good for the economy, the pool of talent that is available across the region is getting smaller. This is having a significant impact on the ability of Employers to fill the vacancies they have. Not to mention the cost implications associated with this.

Indeed, a report by Glassdoor Economic Research found that the time taken to fill a vacancy has increased by 50% within the last four years, with the Recruitment and Employment Confederation (REC) reporting that this is seeing Employers lose £285 each day a role remains unfilled.

There are other factors to take into consideration – the Brexit question being the most obvious.

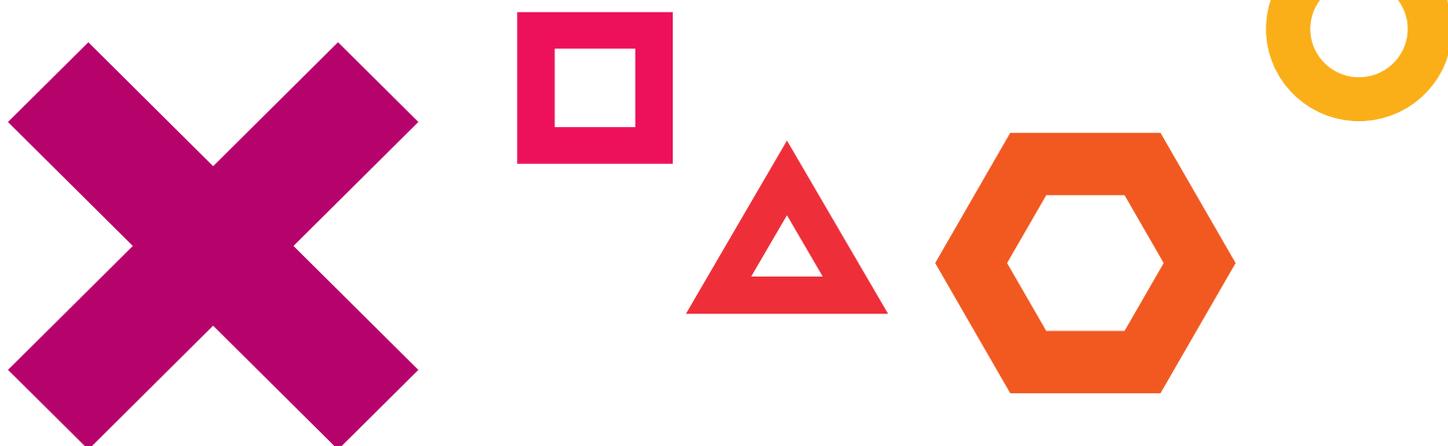
Following the EU Referendum, Employer and business confidence has been a rollercoaster of highs and lows. In the months leading up to the triggering of Article 50

Employer hiring activity slowed down, only to resume once more immediately thereafter to report an 18-month high, according to Deloitte. Confidence took a dip once more in the wake of the General Election but this was short-lived.

Since then, hiring activity has steadily increased despite business confidence in a post-Brexit economy remaining mixed. What is certain is that competition between organisations will intensify over the next few years as Employers vie to secure the talent they need to remain competitive steal a march on the rest of the pack.

The ability to find the right people for the right roles and at the right time will not get any easier - at least until after the UK's divorce from the EU is final, and that's several years away. No matter how experienced or big the hiring team may be, their effectiveness in securing the best talent is dependent on them adopting a smarter approach to their Recruitment strategy.

Hiring people, the right people, is not as easy as it sounds. This guide will take you through the steps you can take to incorporate a smarter hiring strategy for your organisation.



# What do we mean by ‘smarter hiring’?

## A definition

When we talk about smarter hiring, we don't mean in the context of Steve Jobs who famously said "it doesn't make sense to hire smart people and tell them what to do; we hire smart people so they can tell us what to do." He was right, but what we're talking is more along the lines of what Confucius said, "Success depends upon previous preparation, and without such preparation, there is sure to be failure."

# 72%

## Number of HR professionals expecting to see competition for top talent increase after Brexit (Chartered Institute of Personnel and Development)

The success or failure of your recruiting strategy depends on the approach that is taken to find the perfect Candidate. It is a combination of tactics used and messages conveyed – making sure they present clear, concise and compelling reasons that will engage top talent in the first place.

Top talent won't hang around for long. They need to be enticed into the Recruitment process and once their heads have been turned they will be receptive to other opportunities. Smarter hiring strategies mitigate the risk of losing out on top talent by gaining their 'buy in' to what you can offer them and taking them on a Recruitment journey that doesn't end the moment the contract is signed.

## Why it matters

Employers in Oxfordshire and elsewhere in the UK are facing unprecedented Recruitment challenges. The need to be smarter in the way they use the tools at their disposal to ensure maximum efficiency and effectiveness has never been greater.

According to the Chartered Institute of Personnel and Development (CIPD), 72% of Human Resources professionals predict that competition for well-qualified talent will increase over the next three years. Yet more than two-fifths (41%) believe that their existing Recruitment processes take too long and have resulted in the loss of potential talent over the last 12 months.

In an era of record Employment and a rapidly shrinking talent pool, it is getting harder to find both passive and active job seekers. To address the talent needs of the organisation many Employers resort to so-called plughole solutions – getting 'someone', anyone, in to perform a role that needs filling. But this often ends up in a mis-hire.

The Harvard Business Review has found that 80% of employee turnover is due to bad hiring decisions, with almost half (45%) of these attributed to poor screening processes. In fact, the CIPD state that the cost of a bad hire can cost businesses between £8,200-£12,000.

This is where a smarter hiring strategy can help.

# What does smarter hiring look like in practice?

## 1. Employer branding

The way in which your organisation is perceived both by those already working for you and those you wish to attract is the most critical element of the entire Recruitment process. For this reason, getting your Employer branding right needs to take precedent over all other Recruitment actions.

# 83%

**Number of Employers who say a strong employer brand positively impacts ability to attract top talent (LinkedIn)**

Your employer brand goes beyond aesthetical considerations, such as having an eye-catching logo, stunning website and a whole host of other striking marketing collateral. It reflects an expectation of how an individual will benefit by joining your organisation and the experience they will have while they are there.

In other words, what makes you different and why should top talent want to work for your organisation over your competition? The only way to find the answers is by speaking with those who already know – your employees.

There are three key stages to creating a high-impact Employer brand:

- Determine your employee value proposition (EVP): Gather data from staff surveys, focus groups, exit interviews and advocacy programmes to gain insight on what is important to your people and identify trends and key themes

- Conceptualise your EVP: Armed with this research and insights, you need to encapsulate the very essence of your employee experience and Employer brand commitment in a simple overarching statement
- Communicate your message: Get it 'out there' – your EVP (message) needs to be communicated at every stage of the Recruitment process, from the copy that goes into your Recruitment marketing material and the brief you provide your Recruitment agency right through to the interview, onboarding and career development stages

“Any business arrangement that is not profitable to the other person will in the end prove unprofitable for you. The bargain that yields mutual satisfaction is the only one that is apt to be repeated.”

- BC Forbes

To encourage top talent to take that leap of faith means focussing your core messaging on the what's-in-it-for-me factor – you need great talent to support and grow your business, so how will your business help to support and grow the career of this talents? This is what your Employer brand should seek to address.

## 2. Be clear on what you need

In most organisations, the Human Resources and hiring manager are largely responsible for determining what is required and what the profile of the successful Candidate should look like. But a smarter hiring strategy is one that gains consensus from all stakeholders over what is required from the outset.

‘Collaborative’ hiring is traditionally reserved for the interview process and involves more people above and below the Candidate than the two or three that would normally take part.

It is a practice that has been shown to eliminate bias,

boost engagement and increase the likelihood of hiring the right 'fit'. It also gives employees a vested interest in every new hire that is made yet it is one that needs to be introduced at an earlier stage of the Recruitment cycle.

Gaining consensus at the point of hire is one thing, doing so at the start of the Recruitment process enables you to formulate a clear job description that all stakeholders agree. According to a study by Allegis Group, whilst three-quarters (72%) of hiring managers believe they always provide a clear job description, only half (52%) of HR managers and just 1 in 3 (36%) Candidates agree.

By engaging representatives from the Human Resources department, the Recruitment company you have partnered with, the immediate line manager and members of the team that the new hire will be part of, you will gain a broader input into the skills, attributes and personality that will make your next hire a success.

### 3. Rethink qualifications

Just as the job-for-life culture has long been consigned to the history books, in an era of smarter hiring strategies the prerequisites required to perform a specific role are fast-becoming out of date.

Many of the roles we see advertised today didn't need a university degree or a minimum number of years' experience that were perceived to be required to perform the role in hand when Allen Associates was established 20 years ago.

Much of the reason why these requirements were introduced in the first place was as a means for Employers to minimise the risk – someone with a degree or previous experience with a well-known brand was often perceived as being more reliable and therefore less of a risk.

At a time of unprecedented change both economically and technologically, Employers need to reset their mindset and rethink what constitutes a minimum set of requirements. Such is the pace of change taking place that there are new roles and new challenges emerging on a constant basis for which there are no degrees or other accreditations in existence yet.

Equally, because these challenges are entirely new, there won't be Candidates with any experience in these matters. So Employers need to clearly define the objectives for each role they recruit, their expectations and the skills – both hard and soft – needed to ensure its success.

As such, Employers need to be open to those with transferable skills that can be applied to these new scenarios and focus on 'fit'. It is the latter that so often proves to be the key determinant of success.

Indeed, a study conducted by psychologists at the University of Iowa in 2005 found that employees who fit well with their organisation, line manager and colleagues report:

- Greater job satisfaction
- Increased loyalty to their Employer
- More committed to their work and more productive
- Superior job performance

Further studies have also found the relationship between personal and cultural fit results in fewer instances of absence and workplace stress. By casting your net further, you might find people you didn't expect to and gain a greater return in your Recruitment investment.

### 4. Get your timing right

The writer Edward Young once said, "Procrastination is the thief of time." In a Candidate-driven marketplace,

Employers do not have the luxury of time and timing in Recruitment is crucial.

Any delay between the moment the decision to hire is taken and when the Recruitment process shifts into gear could see the organisation lose out on top talent – great talent doesn't hang around for too long and neither will the competition. Yet Employers often underestimate the time that is needed to make a successful hire.

According to Glassdoor Economic Research, the average time to hire in the UK has doubled in the past four years, up from 14 days to over 28.6 days. Part of the reason for this is down to the increased use of background checks, skills assessments and other screening processes that are all crucial.

The time taken to perform these tasks is often overlooked during the planning stages of the Recruitment campaign, and often results in hiring delays. It also doesn't take into account the notice period the successful Candidate has to serve, which can be one to three months.

Smarter hiring, in terms of timing, involves agreeing what you want and need and setting the wheels in motion without delay. So prioritise these needs: define the role, determine the package that will enable you to attract the calibre of talent you need, brief your internal hiring team and your chosen Recruitment agency partner immediately, and decide on timescales for first and second interviews and date of appointment.

## 5. Recruitment marketing

According to the Smarter Workforce Institute Report, Employers state that they would not re-hire 39% of their most recent hires. That's a poor statistic in anyone's book and one that could be down any number of factors – the way in which the role was marketed in the first place being one of them.

Recruitment marketing is not simply about finding more people - it's about finding better ways to convert the Candidates you already have in your own talent pool and attracting the right people from other sources. It is an exercise in sales (the vacancy you need to fill) and marketing (the tactics used to attract the right talent) and employing a smarter approach to ensure maximum returns.

In practice, smarter Recruitment marketing means understanding your target market: What does your ideal Candidate look like? What are they interested in? How do they like to receive information? Where do they 'hang out' online? Are you appealing to everyone or a select few?

Connecting to your target Candidates is no different to connecting with your target customers. Much like you want the CVs you receive to be tailored to the advertised role, it's about working out what appeals to them and tailoring your recruitment marketing accordingly.

## 6. Extend your reach

Hiring is hard. HR professionals know it. Line managers know. Recruiters like us know it. While technology and predictive analytics certainly have a role to play in determining which Candidates could be a great hire, they have their limitations – especially when it comes to 'fit'.

One of the most effective ways of finding the people you want to speak to is by looking within the organisation's own internal network and asking their employees to double as HR recruiters. According to several studies, it works very well.

One such study was conducted by the National Bureau of Economic Research in the US. It found that referred Candidates often result in better Candidates being put forward. They likened hiring to a blind date, where a referral serves as an introduction – an endorsement if you like that both Employer and Candidate could be a potential match.

Another study, this time by the Institute for the Study of Labor in Germany, found that while referrals may only account for a fraction of all hires made (6%). They suggested that company referrals work, not because they produce smarter workers, but because they yield better fits.

An extension of your employee referral scheme is your employee advocacy programme. Simply sharing and liking the content that is distributed across the organisation's social media channels amplifies your Recruitment opportunities and related content.

Of course, one of the biggest challenges Employers face with this is getting buy in from their people in the first place. To achieve this means communicating the benefits to them and the business itself of sharing the organisation's content via their own social profiles.

**For instance, you could say:**

1. Posting and sharing content that is relevant and interesting to the people we want to attract enhances our credibility as an Employer of choice that people will want to work for
2. Each time our content is shared online awareness of the organisation's brand is raised and the more opportunities we have of being seen by potential new employees
3. It's not just Candidates who will see our posts, so do existing and new customers and the more brand ambassadors we have the greater the perception they have of us as a business – a positive perception can influence purchasing decisions

## 7. Simplify the recruitment process

If you were to walk up to the till in any shop today and the assistant told you that you can only pay in cash yet all you have is a card, what would you do? If there is a cash point nearby you might be tempted to withdraw the money you need and return to the shop and pay for your goods. Or you might abandon your purchase altogether and take your business elsewhere.

According to research conducted by Internet Retailer, almost half (46%) of all purchases on Amazon are abandoned at the payment stage, with two-fifths (37%) abandoned at checkout login. It is exactly the same with Recruitment.

Employers need to ensure that the Candidate experience is a seamless one. Yet there remain a number of Employers whose online application processes are antiquated and do more to damage than enhance their employer brand.

Smarter hiring means making it easier for Candidates to search and apply for roles with your company using their preferred method of application.

For instance, research conducted by the Pew Research Center found that 28% of job seekers have searched for a job on their smart device, so make sure your website is mobile optimised and can accept applications via social media sites. According to the research, 35% of jobseekers have searched for a new role on Facebook, Twitter or LinkedIn, while 1 in 5 (22%) have actually submitted an application via a social platform.

You also need to make your career page easy to find and not lost in a myriad of sub links – if Candidates can't find the information they need quickly, they will simply look elsewhere. Once there, give clear and easy to understand instructions on how to apply. Whatever you do, don't make Candidates create an account before they can apply for a job.

Websites that require Candidates to enter their details (which will be on their CV anyway) and create a password that is made up of letters, symbols and numbers will simply annoy most applicants. Instead, make it quick and simply - let them apply by uploading their CV and covering letter. Or offer an 'easy apply' option where they can apply via their LinkedIn or Facebook accounts.

Time is a precious commodity that neither you, nor the Candidates you wish to attract, have much of. By simplifying the search-and-apply process the number of abandoned applications 'at point of sale' will reduce which in turn increases the positive perception of your employer brand.

## 8. Benefits of using a Recruitment agency

It takes time to find the right Candidate, the longer this process continues the more costly it becomes to the business. This is especially true in a region like Oxfordshire, where record low unemployment means that there are fewer people in the talent pool to choose from; hence, the increased use of Recruitment agencies.

Against this backdrop, it should come as no surprise that the use of Recruitment agencies has steadily increased in recent years.

In fact, according to the Recruitment and Employment Confederation, the number of Employers engaging a Recruitment agency during the hiring process has increased from 38% in 2012 to 45% in 2016. By the end of 2018, this figure is expected to rise even further to 56%.

But what is creating this rise in demand? Allen Associates recently conducted a survey of Employers in Oxfordshire to answer that very question.

Accordingly, 74% do so because "they will find me quality

Candidates relevant to the vacancy," while 60% say that their location hinders their ability to find and attract the people they need most. 1 in 3 (32%) cite not having enough time to manage the hiring process internally and 1 in 4 (24%) say they have struggled to recruit for themselves in the past.

One of the greatest tools in a Recruitment agency's strategy box is their network of contacts of those people who are both in and on the market. This invariably goes above and beyond any CV database that can be accessed via most online careers websites. It is an amalgamation of personal contacts of Candidates who have worked with the agency in the past and have retained an ongoing relationship – often turning to the same agency again again for each role they take on.

# 60%

## Number of Employers in Oxfordshire who say they are struggling to recruit because of their location

There is also the risk factor. We have already talked about the cost of a poor hire which you will recall can cost businesses between £8,000-£12,000. Using a Recruitment agency, however, can mitigate much of that risk. Allen Associates, for instance, has a 10-step, stringent Recruitment and screening process that identifies the best possible Candidates who match your precise requirements.

Recruitment can be expensive, if it isn't done right. Recruitment agencies can be a smart way of reducing your time-to-hire and cost-per-hire and because of their selection process, they can also boost your staff retention levels too.

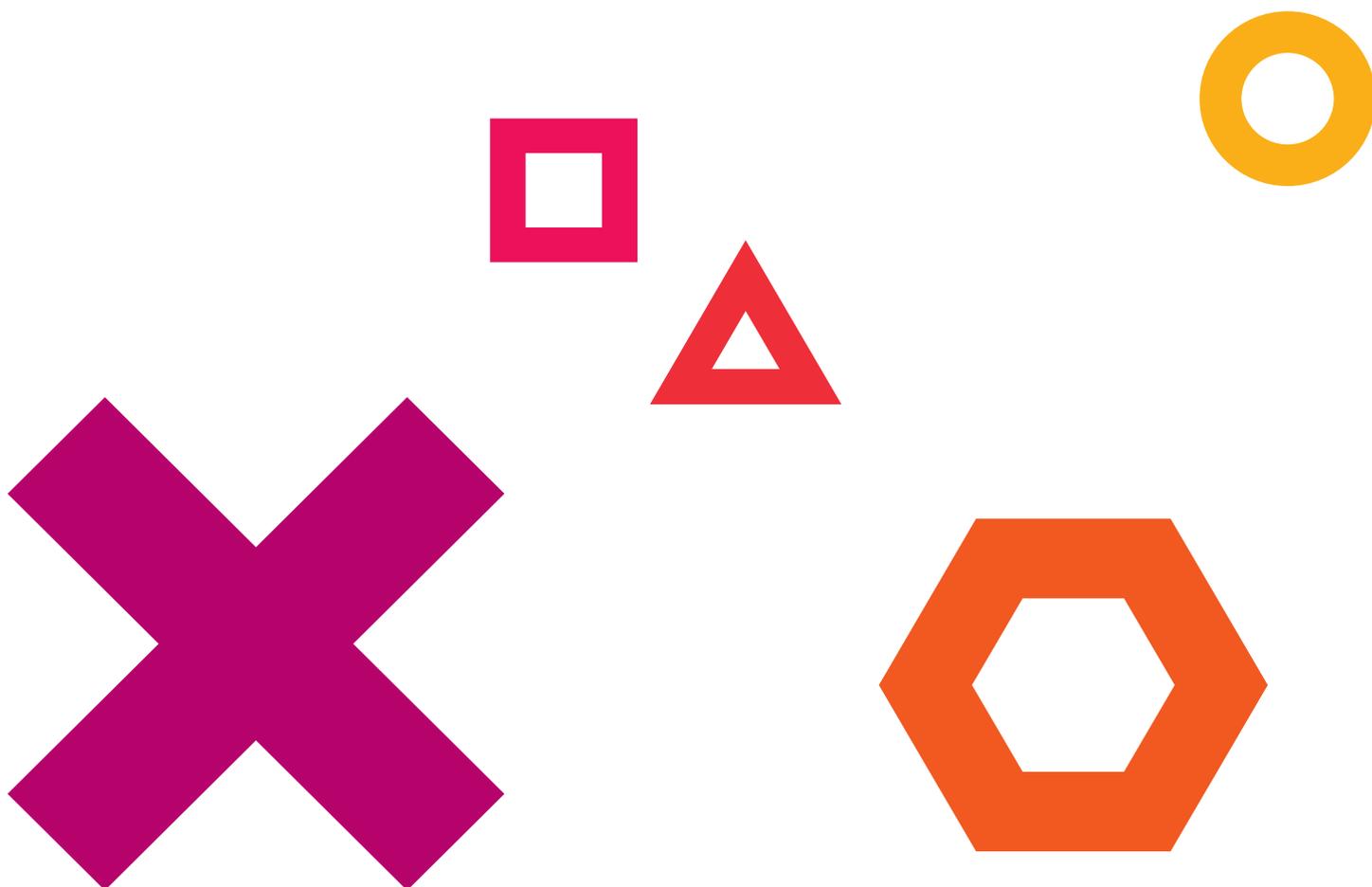
## 9. Psychometric testing

Another highly effective way that Employers minimise their risk of making a wrong hire is through the use of psychometric testing. Whereas an ability test will identify a Candidate's ability to perform well in a role, psychometric testing will reveal those with the right traits to fit with the organisation's culture and ability to cope with on-the-job challenges.

Psychometric testing has come a long way since the days of Myers-Briggs – the first mainstream personality tool that was introduced some 75 years

ago. Assessments have become more sophisticated, questions more meticulous and increasingly adaptive to the modern workplace.

By introducing psychometric assessments before an Employer interviews a Candidate, the results generated can provide invaluable insight into key areas that can then be discussed and probed during the interview itself. This not only enables Employers to identify those Candidates with the greatest potential, it also facilitates faster decision-making.



# What does smarter hiring look like in practice?

Your Candidate attraction strategy has proven to be a success – an offer has been made, a package negotiated and the contract signed. What's left to do? If you think that all the hard work has been done, you are mistaken.

Recruitment is very much like a shopping experience. The shop on the high street promotes itself (your recruitment marketing) to attract the attention of potential customers (Candidates) who then spend their money once inside (the hire is made).

Getting that initial sale (successful hire) is one thing, retaining that customer's loyalty over the long term takes an altogether different approach. It is now that the real selling of the organisation begins.

## 1. Onboarding

When it comes to clichés, 'Our people are our most important asset' is arguably the most cited, but it is also true. All too often, we hear Employers talk about the struggles they face trying to retain their best employees. Yet, in a great many instances, having an effective onboarding strategy can reduce one of the biggest reasons why Employees leave a business in the first place – lack of engagement.

'Onboarding' is the term used to describe the way in which Employers integrate new Employees during those all-important first few months with the business. It is not the reserve of large national and multi-national corporations with vast resources and a Human Resources department the size of a small company. Rather, onboarding is applicable to every business, no matter their size.

A decade ago, the concept on onboarding was a watered down version of what we have today – only then we referred to it as a staff induction, which typically lasted between one and four weeks. However, in an era of unprecedented jobs growth, more opportunities mean

more Employees taking a look to see if the grass really is greener on the other side.

Various surveys have found that around 1 in 3 workers in the UK are open to new job opportunities. So Employers need to integrate new Employees in such a way that it would take something extraordinary for that person to want to leave anytime soon:

## 2. Gain employee buy-in

Another over-used yet equally true cliché is the need to get the 'buy-in' of your Employees. But what do we mean by that?

Employee buy-in is the process of defining the culture and shared beliefs of the organisation - understanding how they drive the behaviours required for the business to achieve its strategic goals. Put another way, it's about getting your Employees to understand 'why' you do what you do, 'how' you do it and 'what' the result is.

In practice, employee buy-in is about selling the vision of the business in a way that is inspiring and motivating – what impact does it have, what value does it add and what roles can each Employee play in helping to realise this vision?

Your vision needs to garner loyalty and serve as a call to action that everyone can rally behind. For example, the vision statement that American Express has adopted is, "We work hard every day to make American Express the world's most respected service brand."

IKEA's vision is: "To create a better everyday life for the many people," while Amazon's is to "be the Earth's most customer-centric company, where customers can find and discover anything the might want to buy online." A vision statement needs to invoke a positive reaction in your Employees, so communicate it clearly from day one of their career journey with you.

### 3. Employee engagement

Getting your new Employees bought into what the business is seeking to achieve is an important first step in the post-recruitment process. The next step is to focus on how to engage your people and keep the momentum going. Easier said than done? Not at all.

According to Towers Watson, organisations that have an engaged workforce report improved productivity, better overall organisational performance and employees who are more innovative. This results in increased loyalty and reduced staff turnover.

So how can Employers better engage their people?

**- Give your Employees a 'voice':** Involve your people in key decision-making activities by giving Employees the opportunity to add their voice to discussions that affect the future direction of the business.

**- Keep talking:** Make internal communication an integral part of your wider marketing strategy. Remember, your Employees are customers too, so keep them updated on the latest news and developments within the business whether via internal newsletters, email, intranet sites, or regular team or company-wide meetings.

**- Make it easier to share:** Provide a forum for Employees throughout the business to openly share and discuss ideas and best practice, and ensure that a senior member of staff is involved. Employees are more inclined to actively participate in activities if they feel there is someone in authority with the influence or power to take new ideas forward.

**- Show and tell:** All too often, Employees know what is expected of them by their Employer and the impact that their work has on the business as a whole. But what about the impact it has on the organisation's customers – how often, if ever, is that communicated.

Research by Adam Grant at the Wharton School of

the University of Pennsylvania conducted a study into employee engagement and performance. The study found that Employees who met their customers recorded a 20% increase in revenues compared to those Employees who were just given inspirational words by the CEO.

Grant said, "Leadership is most effective in motivating followers when they interact with the beneficiaries of their work, which highlights how the vision has meaningful consequences for other people."

### 4. Management styles

What style of management is most effective at ensuring success? This is the question that has been deliberated and researched for decades.

In the 1950s, Rensis Likert identified four different styles of management: explorative/authoritative, benevolent/authoritative, consultative, and participative. Likert concluded that consultative and participative styles were more effective, but he didn't consider the context – that came three decades later.

Indeed, Hersey and Blanchard developed the idea in the late 1980s that different situations require different approaches – telling/directing, selling/coaching, participating/supporting, and delegating.

Put another way, the 'command and control' style of management is being replaced by one that is more consultative and focussed on gaining greater trust from teams. It is a style that adapts to the circumstances the individual is faced with and the demographic of the audience too.

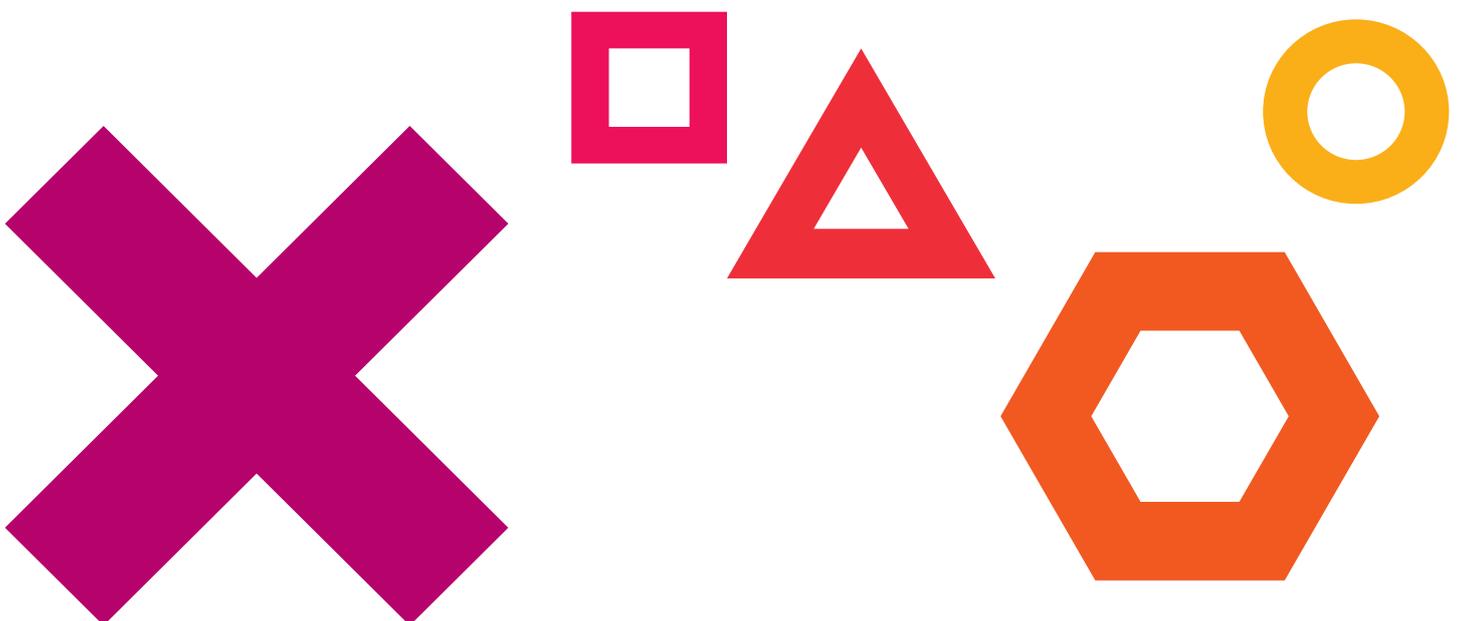
For instance, millennials (born after 1982) want a management style that inspires and challenges them and provides regular feedback from their Employer. Generation Xers are altogether different.

Born between 1961 and 1981, this is the 'nobody held my hand, so why should I hold yours?' generation that tend to be more hierarchical and preferring formal procedures. They don't need the same degree of support and constant reassurance that their millennial colleagues seek.

So what style of management is right for you? There is no single style or mould that can be squeezed into. It's about

understanding the style that you feel most comfortable with, your way of working and making a judgement call on the style that is required in any given situation.

It needs to be flexible coupled with awareness that each individual within the team has their talents and the role of the manager is to let them play to their strengths. Regardless of whether their people are Millennials, Gen Yers or Gen Xers, or Baby Boomers, managers need to trust their people to get on with the job – even if they're doing it in a different way.



# Case studies: Wrap



## Role: Head of Marketing

First established in 2000, WRAP is a registered charity whose vision is a world where resources are used sustainably. WRAP works in partnership with governments, businesses, trade bodies, local authorities, communities and individuals looking for practical advice to improve resource efficiency that delivers both economic and environmental benefits.

### The brief from the Client's perspective

"After our Director of Communications moved on, we took the opportunity to re-evaluate and restructure the wider team. This led to the creation of a new Head of Marketing role. We approached Allen Associates with the job description. This not only gave an overview of the role, but also clearly set out the key accountabilities and core organisational competencies required as well as our essential and desirable criteria."

### The approach

"Allen Associates visited our offices and took a detailed brief, asking lots of pertinent questions, not just about the role but also about the type of person we were looking for and the attributes necessary to work well with the existing team as well as the organisation as a whole.

It's always a good sign when an agency looks beyond the job description and considers team and cultural fit. Allen Associates were very focused in their approach and put forward a number of Candidates from which we created our shortlist and led to a successful hire."

### The outcome

"We provided feedback to Allen Associates and discussed the package with them before liaising with the Candidate directly. We have a long-standing relationship with Allen Associates, but they really proved themselves in finding our new Head of Marketing role. They did not make any assumptions but instead focused on the specifics of the brief and delivered a first rate Candidate."

# Case studies: Ashmolean



## Role: HR Advisor (Temporary Contract)

The Ashmolean Museum is the University of Oxford's museum of Art and Archaeology. The Ashmolean's historic collections are an integral part of the university's intellectual heritage, having played an important part in research and teaching for over 300 years.

### The brief from the Client's perspective

"We didn't have time to develop a job description so we had to trust Allen Associates to find us someone with the right level of experience who would fit in well here and fulfil the requirements of our latest temporary role. Fortunately, Allen Associates has placed many permanent and temporary workers at the Ashmolean Museum. Allen Associates has an excellent understanding of what we are looking for and, in the case of HR, a solid grasp of the nature of the work that we do."

### The approach

"Allen Associates came up with a few carefully selected Candidates for me to interview. The successful Candidate, like me, came from a very different sector background, but he had the right transferrable skills and a strong presence. He impressed us immediately and accepted the role."

### The outcome

"The Candidate has proved to be a great match. It's a hands-on operation and he has the experience to deal with even the most challenging situations. He is ideally suited to the role and is a real asset to the team."

# Conclusion

**Recruitment is a competitive business. With fewer Candidates available both on and off the market, Employers need to work harder to find, attract and crucially retain the talent that can make a real difference to their businesses. That's where a smarter hiring strategy can help.**

From employer branding, recruitment marketing and the simplification of the hiring process, to being clear on what you need, when you need it and the how to make the successful transition from Candidate attraction to Employment engagement once that talent is on board, there are a myriad of ways for Employers to maximise the return on their recruitment investment. As we alluded to earlier, recruitment is only expensive if it isn't done right.

Allen Associates has partnered with many of Oxfordshire's most exciting fast-growth and large-scale Employers over the last 20 years.

We are one of the largest independent Recruitment Agencies in the area and have recently been awarded Gold status by Investors in People for the second time. The investment we make in our own people reflects the investment we make in ensuring you get the right people for your business. Let us help you with your next hire.

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