

The Shape of Talent Acquisition Across Europe



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Key takeaways



Ability in talent acquisition is currently mixed. Almost 50 per cent of survey respondents believe they could have a better performing talent acquisition function



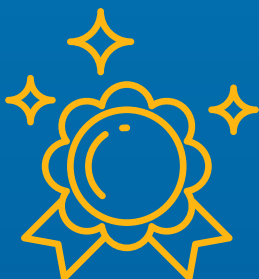
Amidst ongoing digital transformations very few (circa 25 per cent) organisations are using talent acquisition technology they perceive to be 'best in class'



Despite the importance of data – only 48 per cent are enabling their hiring processes with data



Almost half of firms do not nurture a community of the talent they need



Whilst nine in 10 respondents understand employer brand as a key differentiator in talent acquisition, only six in 10 believe their brand is a key attractor of talent to their business



A significant number of organisations do not think they will be able to enhance their hiring processes going forward with current in-house capability – yet only 28 per cent of respondents were using an external partner.

Introduction

The importance of talent

The business landscape is in a state of flux. The rise of technology, the evolving nature of engagement with work, as well as new consumer and employee demands are inarguably changing what organisations need to do to thrive and survive. In 2020, boardrooms are just as, or even more, likely to understand positive performance as being linked to their societal impact or employee engagement score than more conventional metrics.¹

However, despite the attention given to newly transformed, innovative, and digitally enabled ways of conducting and measuring business, there is one more traditional resource that is increasingly perceived to be the centrepiece of business success: talent. These days, organisations consider getting hold of the right talent to be so important that, according to a recent survey of CEOs, eight in 10 are either extremely or somewhat concerned about getting access to the skills their business needs.² This is up from just over 50 per cent in 2012.

They are right to have anxieties. Evidence suggests if businesses cannot get the right skills, then they cannot innovate effectively nor pursue market opportunities, resulting in strategic initiatives being delayed.³ And, do not forget that acquiring and productively engaging talent is hardly a walk in the park either. Deloitte's 2019 Human Capital report underlines this struggle in the access-to-skills area, noting that "recruiting has become harder than ever" with serious challenges for HR teams to engage, retain, develop, and make productive the talent it does manage to acquire.

Demand for talent rises

Unsurprisingly, more organisations are citing difficulties accessing talent as demand outstrips supply. Almost 50 per cent of respondents to one recent survey stated that the competition for the best applicants is more fierce than it has ever been⁴. Indicative of a talent-tight market, multiple HR leaders also describe competing for skills they need with organisations across multiple industries, not just close competitors.

At CIPD's recent conference, Chief Human Resources Officer at the BBC Valerie Hughes-D'Aeth explained how the broadcaster now battles with Google and Netflix for talent as they "all need the same thing". Ann Pickering, CHRO and Chief of Staff at O2, speaking at the same event, added, "talent is now in control" with the subtext being that individuals with in-demand skill sets and highly sought-after professional characteristics now hold the upper hand on the employment landscape. It is those with soft skills and growth mindsets who firms will now scramble for.⁵



1. Deloitte, Human Capital Trends, 2019, Introduction
2. PwC, 22nd Annual Global CEO Survey, pg 3
3. PwC, 22nd Annual Global CEO Survey, pg 4
4. Raconteur, The Future of HR, 2019
5. LinkedIn, The Learning Blog, The Skills Companies Need Most in 2019 – And How to Learn Them

The role of Talent Acquisition

This increased competition for talent, and the increasing importance with how talent is seen by the business, heaps pressure on the talent acquisition function. Not only must talent acquisition better align to the organisational strategy, providing solutions for both present and future business need, but it must also attract candidates who now demand personalised, “consumer-style” recruitment experiences and are more likely to connect with an organisation via social media, a talent community, or a ratings site. Traditional candidate “carrots,” such as salary and pensions, are no longer the sole way to attract this talent; company purpose, a positive employer brand, and an engaging employee experience are now at the forefront of what applicants want. Talent acquisition must be able to communicate to both parties that it can deliver adaptive, long-term solutions in this environment.

Yet, on this hyper-competitive, hyper-transformative landscape, providing for both the business and the candidate is easier said than done. The rapid rise of alternate, “gig,” and contingent talent models – the number of freelancers in the European Union doubled between 2000 and 2014⁶ - and automation only complicates matters. With CIPD’s Chief Executive Peter Cheese noting that solutions for business can now be delivered via “build, borrow, buy or bot,”⁷ talent acquisition faces an existential threat from procurement, learning and development, and innovation functions if it cannot deliver.

This is not to say that businesses believe talent acquisition cannot have a leading role. A recent Harvard Business Review survey found that 80 per cent of senior leaders and experts believe talent acquisition can still contribute value and influence if it takes the lead on strategic business management. Indeed, with businesses increasingly seeing their people as the most important part of long-term growth, leading firms are differentiating themselves on the strength of their talent acquisition function.

For Fujitsu, the global digital solutions firm with multiple awards for innovation and market expertise, talent acquisition provides the company with a unique selling point. “Talent acquisition is massively important to business success,” explains Talent and Skills Lead for Fujitsu UK Beth Rowlands. “The success of the people in our organisation directly influences the success of our sales and delivery to our customers. We can often only differentiate ourselves in the market by the quality and talent of our people in Fujitsu; acquisition strategies and decisions are key to this.”

Can Talent Acquisition deliver?

In light of this rapidly transforming and increasingly pressurised business landscape, HR Grapevine and Allegis Global Solutions (AGS) surveyed practitioners in the HR and talent acquisition space to assess current capability in areas that are, and will become even more, central to strategic, high-performing organisations.

Survey questions interrogated respondents in four key market areas where organisations are both experiencing challenges and are having to change their talent acquisition strategy to better meet organisational needs, both now and going forward. These areas are data and analytics, the use of technology, management of talent communities and recruitment process outsourcing, as well as employer branding.

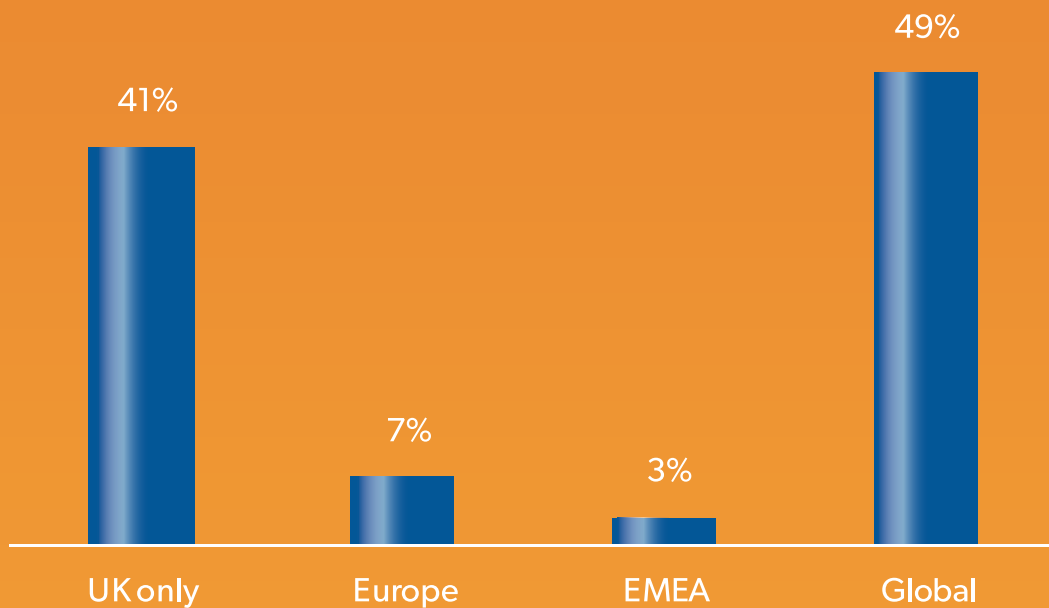
Respondents across a range of industries and organisation sizes shared how their talent acquisition function worked, where it struggled, and where they are looking to make improvements. The following white paper analyses the current state of talent acquisition in each of these key areas.



6. Deloitte, Human Capital Trends, 2019
7. In a private press briefing at CIPD Conference 2019, Cheese told journalists and HR industry analysts that it is his view that organisations will move toward a full integrated build, borrow, bot or buy model. This refers to manner in which business acquires the competencies it needs. It can develop talent it already has (build), use the contingency workforce model, usually accessed via procurement (borrow), hire in the talent it needs (buy) or automate a process or function (bot).

Demographics

HR Grapevine and AGS collected responses from 334 talent acquisition and HR practitioners, all drawn from HR Grapevine's readership. Throughout the white paper, mention of "the survey" refers to data collection, analyses, and grouping of these responses.



Operational location

Of the survey respondents,

41%

were from an organisation that operates solely in the UK.



The majority of respondents

59%

were from organisations which had either global, EMEA or European operational spans.

Industry



A significant number of survey respondents worked within organisations that operate in the most important sectors of the European economy, such as financial services and manufacturing. The largest number of survey respondents were from talent acquisition functions in the retail and consumer sector (11.68 per cent). This was followed by 11.39 per cent coming from an umbrella group of financial services, insurance, asset and wealth management, and banking and capital markets. Also of note were responses from those who work in the technology sector (11.08 per cent), manufacturing (8.98 per cent), media and entertainment (5.69 per cent), and the pharmaceutical and life sciences sectors (3.29 per cent).

Company size

There was also a broad cross-section of company sizes in the survey pool. Roughly the same number of responses came from those working in talent acquisition at firms with 250-1,000 employees (21.56 per cent) as those with 10,000+ employees (20.96 per cent). Over a quarter of responses (27.25 per cent) were from talent acquisition and HR practitioners who worked at firms with less than 250 employees.



Current ability in Talent Acquisition

With business leaders increasingly understanding talent as the key to success, there is growing pressure for the talent acquisition function to better align with the organisation. This is the result of a range of developments, resulting in organisations needing to source new talent profiles, change their understanding of best practise and reimagine brand positioning – not to mention an increased need for the function to continually deliver despite efficiency pressures on resources.

With so much changing, it is unlikely that all talent acquisition functions will be confident they are currently delivering results, or are component, in areas central to high performance, such as data capability, utilisation of technology, and community-building. Indeed, HR Grapevine and AGS' survey results highlight that in this moment of change, talent acquisition competencies across all core areas (data, technology, employer brand and community-building) are mixed.

Pressure to adapt

Rapid and broad-span transformation can create confusion, often leaving the business, let alone the talent acquisition function, struggling to adapt to changing market dynamics. Graeme Johnson, Director of Resourcing at GVC Holdings PLC, the company behind the Ladbrokes and Coral brands, explains that many changes organisations are frantically reacting to, such as the changing nature of the relationship between work and technology, have actually existed for some time already. "However, employers seem to be taking it more seriously now," he adds.

This translates into pressure for talent acquisition, with more than 80% citing recruitment as an important, or the most urgent, issue.⁸ In fact, today's function operates in a perfect storm. Low unemployment, alternate ways to engage talent, increased demand for new skills, and an apparent scarcity of highly-sought-after professional skills⁹ are all big challenges TA practitioners must face.

How would you rate your industry's overall approach and capability in Talent Acquisition, compared to other industries?

Great/Good

48%

Could be better

48%

It is a significant concern...

4%

8. Deloitte, Human Capital Trends 2019

9. Global News Wire

However, this increase in pressure from the business does not translate into talent acquisition assessing itself as being too far behind where it needs to be. HR Grapevine and AGS' survey results show that although almost half (48.2 per cent) think they could be doing better regarding their talent acquisition capabilities and approach, the same number (48.2 per cent) believe their function operates at a "good" or "great" level. Only 3.6 per cent of respondents believe their current capability or approach presents a "significant problem".

Yet the business need and constant market changes do not mean that, even for those functions that believe they are providing a positive service, talent acquisition can rest on its laurels. "There is a distinct appetite from organisations to place priority and importance on improving their talent acquisition strategies," says Jade Clifford, Executive Director and Head of RPO EMEA for AGS. "But with mixed views on their own capability or means to address these needs, this is a challenge."

Understanding current ability and where to go next

As Clifford notes, current talent acquisition capability is mixed, which aligns with HR Grapevine and AGS' survey results. Responses suggest that this "mixed bag" is true across all key capabilities. For example, for every firm that enables their talent sourcing with data, a similar number do not. This is despite almost half of respondents to a Harvard Business Review survey believing that improving the use of analytics to find best-fit talent is likely to create a financial benefit for the firm.¹⁰

Similarly, whilst almost eight in 10 HR Grapevine/AGS respondents cited using technology in at least one part of their recruitment process, almost three-quarters (74.46 per cent) were not using "best-in-class" technology to improve hiring. There were also mixed results around how the function is utilising its employer branding and how confident respondents felt at being able to deliver talent solutions in the future. Indeed, almost a third of respondents cited not knowing where the talent they need is. Further,

survey findings show a distinct dearth in ability regarding how talent acquisition functions foster an active community of the talent they need whilst most are not measuring how efficient their candidate experience is. This is despite 90 per cent of respondents to a recent Harvard study agreeing that attitudes to engaging and approaching talent will have to change for the newest demographics.¹¹



Over a third (35%) do not know where the talent they need is

Does your organisation measure the efficiency of your candidate experience throughout the end-to-end hiring process?



10. Harvard Business Review, The Future of Talent Acquisition

11. Ibid

Cutting through the noise

Over 75 per cent are planning to look into, are looking into, or are thinking they will likely look into improvements to their recruitment processes in the next 12 months. Knowing how to step up will be a challenge, though. On a fast-changing landscape it will be difficult to separate a genuine solution from a whatever is in fashion at that moment – and whether that tweak to a talent acquisition process is sustainable for the long-term.

Gareth McGrane, Head of HR at The Chadwicks Group, who operate a range of well-known DIY and builders merchant brands across the UK, Ireland, and parts of Europe, notes these conditions can make it difficult to identify the best process upgrade, one that can deliver for all candidates and the organisation. “In talent acquisition, everything is changing; nothing ever stands still. [However,] HR people can often be chasing the latest shiny thing and we’ve got to be very careful of that,” he adds.

Therefore, for those who work in talent acquisition, one of the biggest challenges will be to decipher what is a fad and where real improvements can be made. This could be achieved through better acquisition and application of data – something that one study cited as a top-three challenge to strategic workforce management¹² – or gaining a better understanding, and subsequent wielding of, the employer brand, the implementation of technology into the recruitment process, and better management of communities, as well as knowing whether to partner with external experts. “Planning ahead ... and remaining flexible to pivot into new areas are vital [talent acquisition] skills for today and will be more so in the future,” adds Fujitsu’s Rowlands.

12. Harvard Business Review, Future of Talent Acquisition, 2019

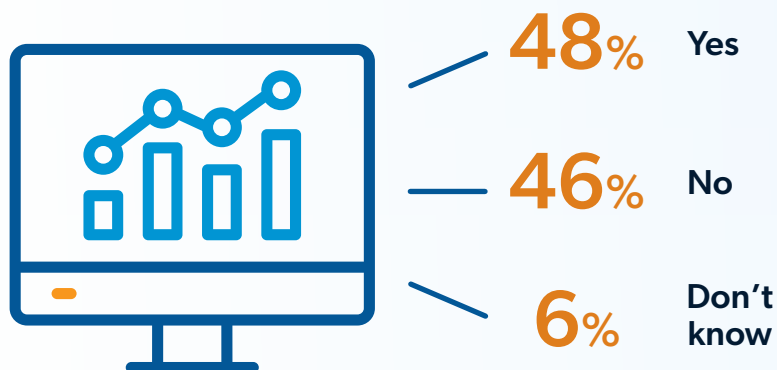
The Fujitsu logo is displayed in white on a dark red background. It features the word "FUJITSU" in a serif font, with a stylized infinity symbol above the "i".

“We can often only differentiate ourselves in the market by the quality and talent of our people in Fujitsu; acquisition strategies and decisions are key to this.”

Beth Rowlands,
Talent and Skills Lead,
Fujitsu UK

Data & Analytics

Does your organisation use data to support its case for where and when you go out to source and attract talent?



Despite heated competition the talent acquisition function is not enabling itself with data. Over 75 per cent of responses indicated that their function is not measuring the candidate experience through the hiring process – something which AGS' Clifford explains would provide even basic data on talent acquisition performance. Further, less than half (47.84 per cent) are using data to support their overall talent sourcing. This is despite one US study highlighting that there is a firm belief that advanced analytics, alongside other data-driven innovations, could be the second-best adopted asset to introduce into the hiring process.¹³

Yet, talent acquisition should not wait to get data-savvy, as the world is only becoming more data-driven and doing so could improve the function's internal organisational standing. As data and subsequently analytics play an increasingly important role in all business operations – a recent IBM report found that 90 per cent of all data had been created in the last two years and it is on a path of exponential increase¹⁴ – it is inevitable that talent acquisition will have to step up. "For firms that do wait to get on the data journey, it is only going to get harder," adds AGS' Talent Solutions Analyst Ewan Greig.

Additionally, becoming data-enabled could allow the function to offer strategic input. "In today's world, data is often the core foundation on which business solutions and performance improvement plans are built as a matter of course," explains Greig. "Against this backdrop and with CEOs publicly acknowledging people as their most important

asset, we are finding HR leaders increasingly harnessing data analytics as a tool to elevate their influence in business strategy right up to the C-level." As the survey responses show, not enough teams in talent acquisition are enabling themselves in this strategic, data-driven manner though.

However, there are clear benefits to be gained for those who do inform their talent acquisition process with data. Fujitsu have done so to help target the specific skills they need, improve hiring diversity, and predict the future performance of a specific applicant. Such efforts have provided incidental benefits for their employer brand and insights into the candidate experience, the latter being something that over three-quarters of survey respondents were not measuring.

"Data has allowed us to refine our assessment practises, understand what key attributes make someone successful in our organisation, and develop further training opportunities that will support their success," Fujitsu's Rowlands explains. "Not only this, but to ensure we're not unknowingly disadvantaging any group, we measure success rates of diversity groups at each acquisition stage. All of this data is an invaluable source for allowing us to constantly and proactively understand the candidate experience and the success of our processes."

13. Ibid

14. Forbes, How Much Data Do We Create Every Day? The Mind-Blowing Stats Everyone Should Read

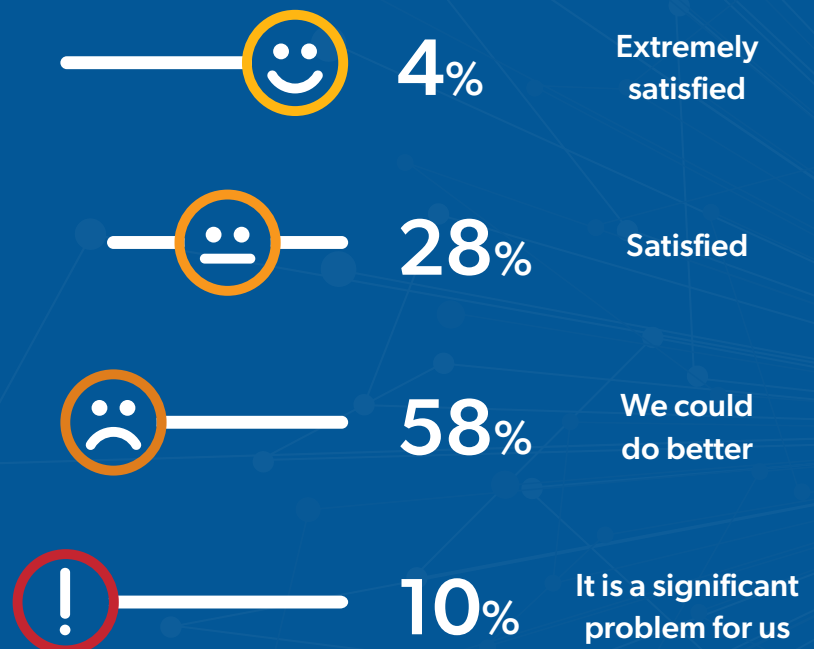
Technology

Fujitsu is also implementing technology throughout their hiring process – using online situational judgement tests, online psychometrics, and video interviews. “What these do is help us streamline and automate some of the talent acquisition process, which, in turn, reduces internal capacity pressures,” adds Rowlands. For talent acquisition functions operating under tight budgetary constraints, implementing technology into key parts of the process can help create efficiencies like those Rowlands has experienced.

Yet, not all talent acquisition functions are at the same stage as Fujitsu. Organisations may struggle to keep pace with overarching digital evolutions, not having the capacity to properly explore, and then implement, innovative solutions to their talent acquisition needs. Of the survey respondents, only four per cent noted “extreme satisfaction” at how the talent acquisition technology they currently use is placed to support end-to-end hiring at their organisation. Over half (57.55 per cent) admitted they could do better.

For example, while The Chadwicks Group’s McGrane notes their talent acquisition function is leveraging technology like social media to boost their employer brand, he admits that the business could do more. “We’re only scratching the surface of [technology] at the moment and to be honest with you in a business our size, that’s probably very difficult to get right,” he adds. With only a quarter (25.54 per cent) of survey respondents using what they perceived to be best-in-class technology to support their brand position and drive a tailored hiring position, there is clear room for improvement in this area.

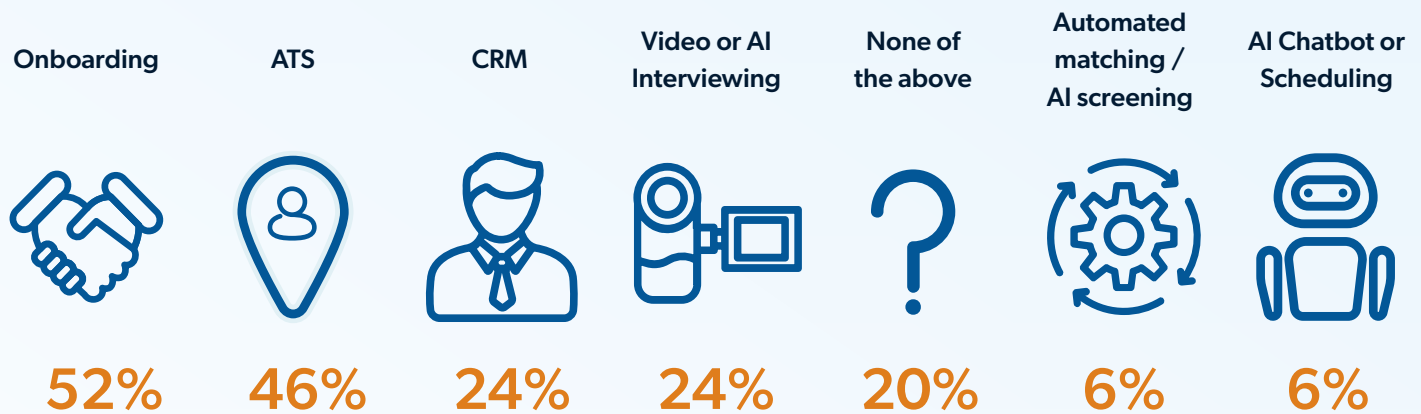
How satisfied are you with the technology in place to support the end to end hiring process at your organisation?



Is your organisation harnessing best in class technology to support its brand position and drive a tailored hiring experience?



Which technologies do you currently use?



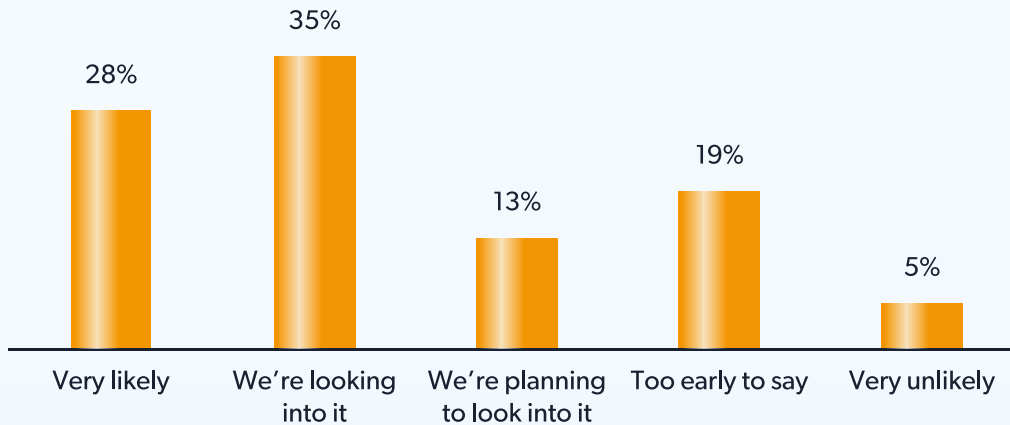
Furthermore, it seems the talent acquisition function could also be more innovative in implementing technology. Whilst over half (51.8 per cent) of respondents use technology during onboarding – though this could be something as simple as email correspondence or using ATS, which over four in 10 (45.68 per cent) are doing – few are using the

latest technologies. Only 6.47 per cent are using AI chatbots or scheduling whilst the same small number are using automated matching and AI screening. Less than a quarter use video or AI interviewing whilst almost one in five are not using any CRM, AI, ATS, automated matching, video, or onboarding technologies.

Could publicised implementation challenges be a root cause of such low use? Not quite. Although Amazon made global headlines in 2015 when its automated candidate-vetting software was found to be replicating human bias, there is huge appetite for talent acquisition to enable itself with technology in the right way. Three-quarters (75.91 per cent) of organisations are planning to use new and innovative ways to enhance the recruitment process over the next 12 months, with technological improvements high on the list of intended changes. In fact, survey respondents cited improvements and innovations they wanted to make as including: bettering ATS to upgrade the candidate experience; automating parts of the recruitment process; and funding better brand positioning online, as well as better investment into, and integration of, more usual recruitment software modules.



Is your organisation planning to explore new and innovative ways to enhance the recruitment process over the next 12 months?



Despite these plans, there appears to be function wariness that the wrong choices could be made when choosing to implement technology, and this might take away from the important human element of talent acquisition. Indeed, one 2018 study found that seven in 10 applicants said it was important to have a human point of contact during hiring.¹⁵ Gary Wright, Group HR director at British heritage brand Hunter Boot Ltd, says the human element of hiring at the Edinburgh-headquartered firm is critical. "Our talent head sifts through and screens every single CV. We'll get hundreds of applications, and yet my talent manager will sift through every single one," he says. Anna Lloyd, HR Director EMEA at New Era Cap, agrees, noting, "We can't leave everything to computers or robots".

However, technology can actually help bring all key stakeholders together in a central place, giving candidates a consumer-grade experience, working to keep the process "human," and giving line managers access and visibility throughout the recruitment process.

Victoria Fernandez, Client Engagement Director at AGS, explains, "Candidates and line-managers alike demand a frictionless, easy-to-use tool that is as intuitive as watching a film on Netflix or ordering food with Deliveroo. It also needs to be on-demand allowing line managers to screen candidates on their phone during the commute, candidates to book an interview slot outside of working hours, and share real-time access to how candidates are progressing in their journey."

To get such technology, talent acquisition must take an active part in choosing technology that works for them, the business need and the candidate – hitting back if the technology is imposed on them or if they do not understand how to integrate the technology or use it to best ability. "It is imperative that your user experience meets the variant needs of those key stakeholders, embeds efficient processes and brings all the individuals together in one centralised place," adds Fernandez. "This is absolutely where technology is the game-changer."

15. Hays, What Workers Want 2018

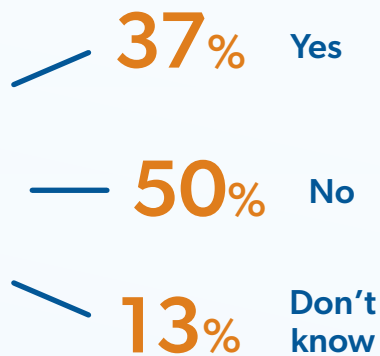


"Ultimately, what I say to our hiring managers is that I want people to have a great experience when they come and see us."

Anna Lloyd, HR Director EMEA, New Era Cap

Community and Network

Does your organisation manage, nurture and engage a defined talent community to support its hiring needs?



For smaller firms, the human and community element of hiring is crucial because, among other elements, it drives brand visibility. "We're a small company, but we punch well above our weight, and our brand is incredibly healthy," notes Hunter Boot's Wright. Savvy firms are also using their candidates and talent community as brand ambassadors. "We like to make people feel very relaxed [when they are applicants to the firm] and, ultimately, what I say to our hiring managers is that I want people to have a great experience when they come and see us," adds New Era Cap's Lloyd.

Yet, almost half (49.60 per cent) of survey respondents are not nurturing and engaging a defined talent community. "Building an engaged community is a critical element in a talent strategy today," explains Kristin Shulman, Global Director of Marketing and Brand at AGS. "As the passive candidate market continues to grow, it can bring attractive rewards including greater retention and productivity. My own experience supports research suggesting you need eight to 12 touchpoints to gain any traction with the passive market, which a proactive and visible community can provide."



Does your organisation have an understanding of your critical talent, the personas, and where and how to target and engage with them?



58% Yes

7% Don't know

35% No

Building a network can also help the function properly understand where their critical talent personas are situated and how to engage with them – something which over a third (35.5 per cent) of respondents said they were unable to do. Cycas Hospitality, the Netherlands-headquartered hotel management company, do this by fostering an active talent community, which has the added potential of saving on resource outlay. Janet Roberts, the firm's Chief People and Culture Officer, explains 85 per cent of the team joined via recommendations, highlighting the benefit of a strong network. She also understands that by improving the experience for incumbent employees, they're working to interest future talent. "We've been able to create a reputation across the industry as being a great place to work," she adds.

Roberts' organisation, who provide services for recognisable brands such as IHG and Marriott, brand their employee community "Cycadettes" and rely on them to create talent pipelines. They also keep in touch with high-performing staff who leave the business. "As a result, we make a big point of keeping in touch with those 'A Players' and, as this relationship and our reputation remains strong, we have a history of people coming back to work with us a few months or years down the line," she explains.

Yet, firms need not only rely on employees to spread the word. There is also opportunity to create engaging content or manage community groups. Chadwicks are doing this, with Head of HR McGrane noting the firm are trying to improve their LinkedIn and Indeed presence to build a community around themselves. BP is also involved in this, creating learning hubs for students who might be interested in joining their business as graduate talent. Julia Harvie-Liddel, Group Head of Talent Acquisition at BP, believes this content-driven, community-building approach has a dual benefit.

"It's in all our interests to continue helping the workforce of the future develop and build their skills. It's a win-win situation. Students gain better employment opportunities by upskilling themselves, and companies benefit from having a wider talent pool for recruitment. [With] exposure to BP, students may become interested in pursuing a career here," she adds.

CHADWICKS
GROUP



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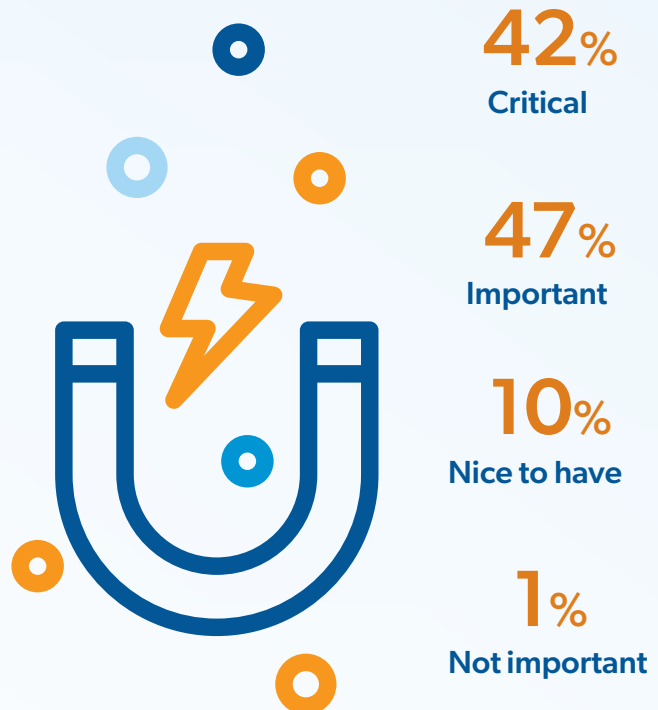
Employer Branding

When nurturing communities of talent, Cycas understands their employer brand is central to the process. For example, showcasing their industry awards and commitment to building positive employee experiences, as well as employee development opportunities, allows applicants to see what Roberts describes as the people-focused nature of their business strategy. “Ultimately, we want people to feel that they belong to something bigger than ‘just’ a job. [We want] potential employees to understand how important building careers is for Cycas,” she adds.

In a talent-tight market, such employment value propositions bolster the employer brand, which, in turn, attracts the best talent. Whilst a large part of the responsibility to do this falls on talent acquisition, the function will enjoy a boost for doing it well. According to BP’s Talent Acquisition Director EMEA Simon Lancaster, his function is tasked with communicating diversity as a key thread of their employer brand to the talent market. “Talent acquisition plays a vital role in building this diverse workforce and ensuring that we attract the best people to BP. ... Having a diverse workforce made up of people with different experiences and perspectives – a workforce that reflects the communities where we operate – is what helps us thrive,” he explains.

Companies beyond multinationals also understand the importance of employer branding. For example, most survey respondents (89.21 per cent) noted their brand positioning is either “critical” or “important” when it comes to attracting talent. Yet this didn’t mean they thought it was performing well for them. Only six in 10 respondents (61.51 per cent) thought their brand currently acts as a key attractor for talent to the business, highlighting a critical disconnect.

How important is brand position when it comes to attracting talent to your organisation?



In fact, 52.78 per cent of respondents thought they could do better when it came to positioning their brand to drive direct sourcing of hires. Less than one in 10 (7.14 per cent) respondents thought they were excellent at doing this. On a landscape where talent is increasingly looking for an employment experience that offers more than just a paycheck – 2016 LinkedIn figures show that those creating profiles on the professional networking and job searching site described themselves as purpose-driven when it came to work – it is crucial firms understand how to meaningfully brand themselves.

However, only one third of those surveyed (35.32 per cent) said their brand worked to communicate what the company brand is and how it aligns to the individual despite the best organisations, according to Nicholas Pearce, a clinical Associate Professor of Management and Organisations at the US-based Kellogg School of Management business school, showcasing what success means in this area. “The best companies are ones that not only have a purpose for themselves but also attract and hire people whose individual sense of purpose aligns with the company’s purpose,” he told Harvard Business Review’s Ideacast podcast, in 2019.

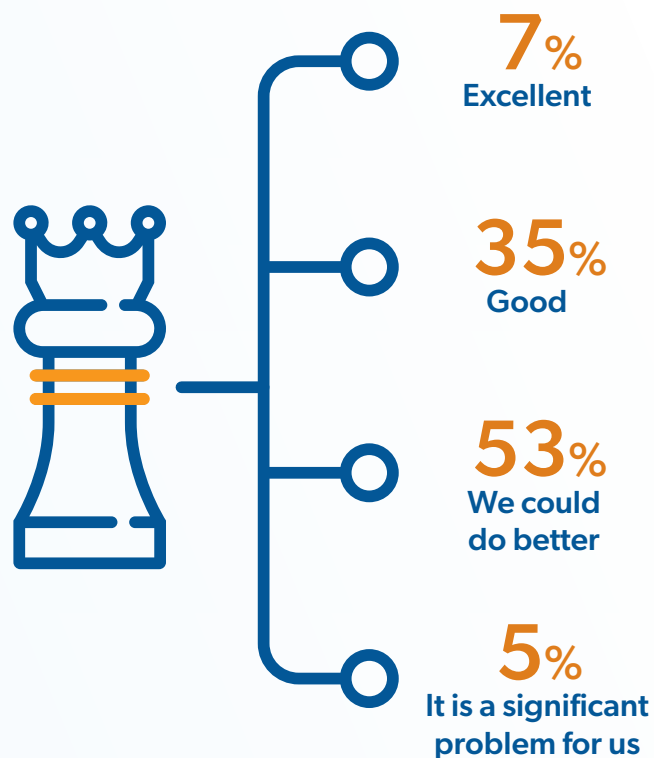
New Era Cap is one firm who use branding to communicate what the company culture is like. Lloyd explains how the senior leadership team help to position their culture as a central aspect of recruiting. “We’ve made sure our vision is aligned with the standards of values and behaviours that we expect from those who come through our induction and onboarding. We very much recruit looking for those values,” she explains. “We find that we are up against much bigger companies [in the war for talent], but what we do have is our brand name.”

Yet, even for those who were confident that their brand enables high-performing talent attraction, it cannot act in a silo. “While many organisations understand the importance of brand recognition and experience, some think of their employer brand as a separate entity to their overarching organisational/corporate brand,” explains AGS’ Shulman.

“In reality, the employer brand is an extension of the corporate brand and is a critical differentiator as part of the talent attraction process. The employer brand is the image and representation of what it’s really like to work at an organisation. From a consumer and B2B perspective, having a compelling brand is critical to driving business success.”

This approach will be crucial for the future success of both the business and the talent acquisition function. But, with almost half of survey respondents (47.22 per cent) stating concerns for how their brand might perform in the future, there are clear improvements that could be made.

How would you rate your organisation’s Talent Acquisition strategy in terms of clearly positioning its brand to drive direct sourcing of hires?



How would you rate your organisation’s brand ability to attract the talent with the skills, knowledge and experience you require in the future?



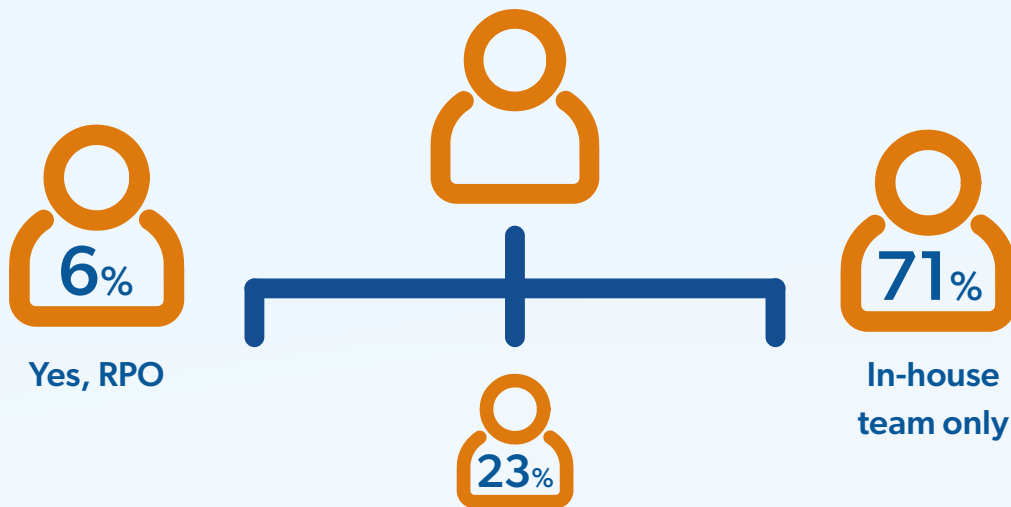
RPO

Fujitsu use external partners to supplement capability in what they consider to be a central part of their talent acquisition function's success: applicant diversity. Yet this does not mean they do not carefully track how their partners perform, or that their partners are not given clear instruction on what their business needs. "We use online survey reporting with our partner agencies to track the diversity of applications and performance of our partner agencies," explains Rowlands. As a firm with over 25,000 employees across their Europe, Middle East, India, and Africa region and a constant need for a well-stocked talent pipeline, an outsourced partner extends Fujitsu's reach and capability in the talent acquisition space.

Similarly to how Fujitsu is using their partners, AGS' Fernandez has seen more organisations turn to recruitment process partners for bespoke solutions to their talent acquisition needs. Cycas are one such firm who have done this. They partnered with an external agency to brand themselves correctly when going to market for a specific demographic of worker. "Over recent years, we have witnessed a shift in the support requirements of organisations turning to RPO providers for increased flexibility," explains Fernandez. "There are still end-to-end service demands but also a growing tendency for organisations looking to choose the elements they need to complement their in-house team."



Does your organisation have a resourcing partner/RPO in place that manages your hiring process?



Yes, RPO blended with an in-house team

However, most survey respondents do not partner with an RPO. Over seven in 10 (71.03 per cent) were only using an in-house team – with only 28.97 per cent using either an RPO partner or a blend of in-house and RPO to manage their hiring process. Worryingly, over 40 per cent of survey respondents stated they were not confident that their organisation, without partnership, would be able to develop and enhance their hiring process going forward. Yet, amongst other

options, an RPO could be one potential solution to this lack of in-house capability – not to mention lack of time or resource. An RPO partner could offer the 40 per cent of response without internal capability some of the benefits associated with partnership – such as better reach, scalability, branding expertise, and the ability to integrate with other important partners, such as media or technology entities.

Does your organisation have the capability and support to develop and enhance your hiring process?



With the survey showing definite room for improvement in areas such as data capability, understanding where to implement technology, and branding, RPO can have obvious benefits. However, when choosing an RPO, Chadwick Group's McGrane notes the business must align with an

outsourced partner that will deliver value in the long-term and understand the business culture. "You want someone that will be around for the long run," he says. "That's very important. Someone who views you as a partner."

The Future of Talent Acquisition

How to move forward for the talent acquisition function

The survey results suggest mixed ability across key areas of talent acquisition with some confusion about how to proceed. Similar numbers of respondents were enabling themselves with data as were not with potential impact, for those not doing so, on the ability to source and engage key talent persona. Indeed, a third of organisations do not know where the talent they need is located, with four in 10 admitting they lack the in-house ability to develop hiring processes. There was also a clear shortfall in strategic thinking capability, with over half of respondents admitting they could do better.



Similarly, whilst most firms are using at least one form of technology in their talent acquisition process, the majority are not using the best or most innovative forms. There is also widespread understanding that the employer brand is crucial, especially when trying to build a community of engaged future talent, but capability in this area is also low. And, despite benefits for brand-building, reach and flexibility, the majority of firms do not work with an RPO partner.

Understandably, this might cause anxiety. As Chadwicks' McGrane states, "in talent management, everything is changing." This has implications for knowing where, when and how to make process improvements before figuring out how to source talent itself. However, the function must evolve because organisational performance depends on it. As BP's Lancaster explains, "Talent acquisition is essential to business success; a business is only as successful as its people."

Measurement is the First Step of Improvement

With any evolution, understanding current capability is crucial. The talent acquisition arena is no different. “In theory, running a project to capture hard metrics and experiential data across the hiring process before deciding on an improvement plan seems like common sense,” says AGS’ Greig. “But some companies simply lack the resources to create and run such a program. This is where AGS’ Analytics Service can help. Companies simply tap into our specialist resources and analytics tools to run these projects for them. You can then identify quick wins that are aligned with the strategy to maximise their impact.”

In Greig’s understanding, when the function has properly assessed capability, it could then deliver quick wins in key areas – accounting for the business need, as well as candidate and hiring manager experience. This self-assessment – sensitive to industry, company size, and specific talent needs – will likely highlight that there is no single solution to improving. In fact,

as BP found, whilst straightforward measurements did result in an overhaul of the talent acquisition operating model, it first allowed them to make smaller adjustments in several key areas, including brand-building and technological ability.

These were changes that most firms would be able to make, such as adding video interviewing capability and experimenting with different hiring methods. Crucially, BP does not expect all of these changes to be spectacularly successful, despite their implementation being underpinned by an understanding of market dynamics and data. “Not all of these tools are guaranteed to improve our processes, so we have to be flexible in how we use them,” Lancaster admits. “[But measurements] helped us tell our story and demonstrate the value that successful talent acquisition can add to the business.”



Looking to the Future

This white paper has indicated that the process of successful talent acquisition is undeniably changing. How the function adapts to and uses technology, data, branding, community building, and external RPO partners will now dictate how successful they can be. “Each change to improve talent acquisition will make an incrementally positive impact on the chances of success, where key differentiators will fundamentally link back to how easy, fast, and enjoyable the process is,” explains AGS’ Clifford. “The gap between ‘OK’ and ‘best-in-class’ will continue to widen as the employment landscape evolves and prospective talent continues to grow ever more selective in its consumerist approach.”



Encouragingly, most firms are looking to improve, knowing they will never be able to stop transforming. To stay ahead, high-performing HR leaders and talent acquisition specialists know they have to retain specialist knowledge of both their market and the talent landscape, as well as know where transformations are happening in the core talent acquisition area of operation. This is true even for the highest performing firms who will have to think increasingly strategically and innovatively whilst keeping the business in mind.

“To overcome these challenges, organisations will need to think laterally in their approaches,” explains Fujitsu’s Rowlands. This transformation of talent acquisition will require re-imagination, refinement, and road mapping, but with understanding of talent acquisition’s core areas of operation and how to partner for success, the function cannot only get there but become business leading, too.

To be best-in-class, the function will have to understand there is no single silver bullet. Talent acquisition cannot choose one element to improve at (e.g., getting better at data collection and analysis or supplementing hiring processes with technology, community-building or brand-curation) and expect miracle results. In fact, with the landscape changing so quickly and dynamically, small changes across many functions and core areas will likely need support.

Additionally, whilst many organisations have a good understanding of what talent they need right now, expectations are not as clear going forward – especially as in-demand skill sets change. And as the technological landscape also evolves, more firms will have to look at using the best, or most innovative, assets such as AI-enabled functionality or cloud integration. Further, talent communities will become more important, helping firms to alleviate anxiety around not knowing where their future hires will come from.

Is your organisation planning to explore new and innovative ways to enhance the recruitment process over the next 12 months?



28% Very likely

35% We're looking into it

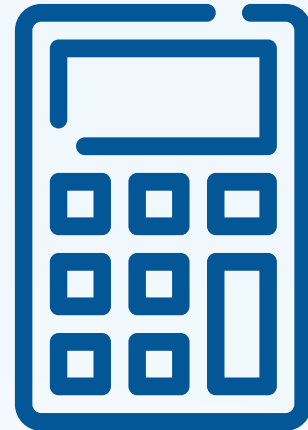
13% We're planning to look into it

The State of Talent Acquisition Across Industries

Financial Services, Insurance, Asset & Wealth Management, Banking and Capital

Talent acquisition functions across these sectors appear to be more content with their performance than the overall cross-industry response. Namely, 63.34 per cent thought the approach to talent acquisition in their industry was “good” or “great” compared to 48.2 per cent thinking the same across all industries.

Firms in this sector also reported being better at the data and technological enablement of their process, but there was no significant difference in branding. They were also more content with the candidate experience.



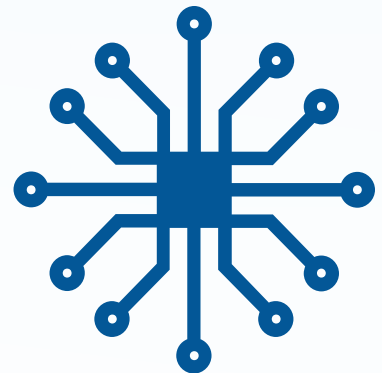
Retail & Consumer

Responses from retail and consumer talent acquisition roles were more likely to be from firms with 10,000+ workers and were more likely than the cross-industry average to rely solely on in-house talent acquisition. They were less strong on perceiving they can improve talent acquisition but were more likely to be “satisfied” or “extremely” satisfied with how engaged candidates were in the recruitment process. They were also more likely to rate themselves as being good at talent acquisition and understand brand as a “critical differentiator.”

Technology

Perhaps unsurprisingly, technology firms were better at enabling their talent acquisition functions with data than the survey suggests other industries are. They are also more critical of their own technological ability in talent acquisition, with six in 10 (60.61 per cent) suggesting they could be better in this area. This could be because of their exposure to, and knowledge in, the newest technologies available.

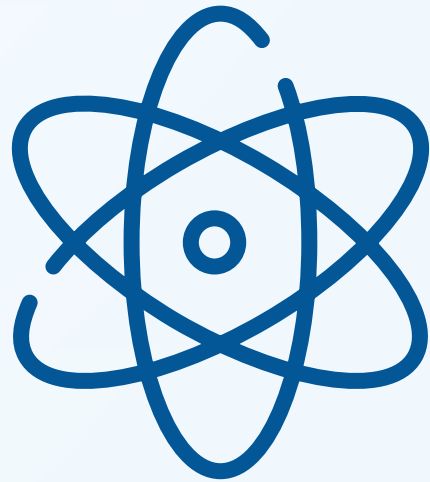
However, it could also be because survey respondents from this area were overwhelmingly (56.76 per cent) from firms with under 250 employees. They were more likely to keep their talent acquisition processes completely in-house and not partner with an RPO, suggesting they may not have the capacity or resources to enable their function fully.



Pharma and Life Sciences

In these industries, organisations are more likely to believe their capability in talent acquisition is great or good. In fact, many big players in this area are currently working to bring their talent acquisition processes back in-house. Survey responses from this sector indicated they are more likely to rely on talent acquisition that operates without any RPO, with comments about better aligning their process to their brand.

However, they are less likely to have an active talent community. This is despite one of the biggest organisations in this sector, AstraZeneca, telling HR Grapevine that they proactively curate a talent pipeline years in advance. “Football teams always do succession planning with their scouting and pipelines, and we’re exactly like that,” explains Vice President of Talent Acquisition at AstraZeneca, Maggie Spong.



Manufacturing

Talent acquisition functions in manufacturing were more likely to think their brand is a key differentiator when attracting applicants. Anecdotally, HR leaders have discussed how their sector, as a whole, struggles to make itself noticed compared to those in technology, retail, or financial services. Therefore, it follows that those who can make their brand stand out will have an advantage.

Following on from this anxiety, manufacturing professionals are more likely to think their capability in talent acquisition could be better. In fact, they are less likely to understand where their key talent is being sourced from, less likely to use ATSEs, and more dissatisfied with candidate engagement in the recruitment process. They are also more likely to use an RPO service.

Transform How You Acquire Talent

Allegis Global Solutions provides flexible solutions to support our customers attract, engage and hire the talent their business needs.

If you'd like to talk to us about how we can boost your talent acquisition, contact us today:

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