

**HOW
TO
RECRUIT
AND
RETAIN
THE
VERY
BEST**

*SPOILER ALERT:
YOU'RE PROBABLY DOING IT ALL,
OR MUCH OF IT, WRONG*



TALENT

B

race yourself.

It's time to change — and we mean radically change — how you recruit and retain people.

What's worked before doesn't work anymore.

(If you're honest, you have to admit that the old way never really worked predictably all that well anyway, right?)

“Businesses have never done as much hiring as they do today. They've never spent as much money

doing it. And they've never done a worse job of it,” wrote Professor Peter Cappelli, Director of the Wharton Business Schools Center for Human Resources, in *The Harvard Business Review*.

Everything has changed — the skills we need, the type of people we need, the way they communicate, their needs, their values, the workplace, the pace of change, the ability to predict performance, the availability of data that can take much of the guesswork out of recruiting and retaining, our ability to be flexible about so many things that used to be rigid.

The new work environment, the new work force, the new skill sets, and tight job market all force us to make a choice: Change the way we recruit and retain people, or lose potential key hires and essential existing staff to more open, flexible, employee-focused, appealing organisations focused on using data to make their recruiting and retention efforts more predictably successful.

We can only succeed in this talent market if we radically reimagine our recruitment and retention practices and policies, and that starts with reimagining our corporate culture.

This change and the others that must follow it will require open minds, flexibility, transparency, new roles, and a willingness to part with comfortable but increasingly ineffective and counter-productive recruitment and retention practices.

Here's an illustration of one of the most important changes you'll have to be making, one you probably won't like, one you might initially think is totally bogus: Human analytics. Human analytics is the use of data and data analysis

techniques to understand, improve, and optimise the people side of business from recruiting to retention.

In terms of recruiting, human analytics has already proven its effectiveness.

The US-based National Bureau of Economic Research did a study of 300,000 hires in high-turnover jobs at 15 companies. In those hires, the researchers pitted a hiring process using human experience, instinct, and judgment against a hiring process using a human analytics algorithm. The result? The homo sapiens were routed. Employees chosen by the algorithms stayed on the job far longer and had performance evaluations equal to or better than those chosen by humans.

And that wasn't the only such study. In a University of Minnesota examination of 17 studies that compared the hiring success rates of algorithms v. humans, the algorithms outperformed humans by at least 25%. “The effect holds in any situation with a large number of candidates, regardless of whether the job is on the front line, in middle management, or (yes) in the C-suite,” according to the study authors.

That's not to say humans weren't involved in the algorithm-based decisions, but their choices were deeply influenced by the algorithm's recommendations.

Need another push toward human data analytics? How about this: A recent Deloitte report found that organisations using people analytics appropriately reported 82% higher three-year average profit than those who have not yet adopted data analytic strategies or who are not using them correctly.

So, are you ready for this new future of recruiting and retention?

Let's start with recruiting.

RECRUITING

First, let's set the table stakes.

The unavailability of talent and skills is only the biggest threat to our businesses, according to a recent PwC CEO Survey.

Why is talent so important?

“Superior talent is up to eight times more productive,” wrote McKinsey Senior Partners Scott Keller and Mary Meaney in their book *Leading Organisations*. “It's remarkable how much of a productivity kicker an organisation gets from top talent. A recent study of more than 600,000 researchers, entertainers, politi-

cians, and athletes found that high performers are 400% more productive than average ones.

“Studies of businesses not only show similar results but also reveal that the gap rises with a job’s complexity,” Keller and Meaney wrote. “In highly complex occupations — the information- and interaction-intensive work of managers, software developers, and the like — high performers are an astounding 800% more productive.

“Suppose your business strategy involves cross-functional initiatives that would take three years to complete,” they wrote. “If you took 20% of the average talent working on the project and replaced it with great talent, how soon would you achieve the desired impact? If these people were 400% more productive, it would take less than two years; if they were 800% more productive, it would take less than one. If a competitor used 20% more great talent in similar efforts, they would beat you to market even if they started a year or two later.

“You get even more remarkable results comparing the productivity of the top and bottom 1%,” wrote Keller and Meaney. “For unskilled and semi-skilled jobs, the top 1% are three times more productive; for jobs of middling complexity (say, technicians and supervisors), 12 times more. One person in the top 1% is worth 12 in the bottom 1%. For high-complexity jobs, the differential is so big it can’t be quantified.”

The late Steve Jobs put it succinctly: “Go after the cream of the cream. A small team of A+ players can run circles around a giant team of B and C players.” There’s not much disagreement about the benefits of hiring the best and the need to do so.

Incredibly, there is also almost universal agreement that we aren’t doing a good job.

Despite the acknowledged importance of top talent, “a whopping 82% of companies don’t believe they recruit highly talented people,” wrote Keller and Meaney. “For companies that do, only 7% think they can keep it. More alarmingly, only 23% of managers and senior executives active on talent-related topics believe their current acquisition and retention strategies will work.”

As we all know, it’s not easy.

In many countries around the world, unemployment is low and the people with the skill sets we need are, in many cases, already working for a competitor or in a related industry or at a high tech company.

How do we entice them to our media company, especially with the relentlessly negative press our industry has been getting for two decades?

HOW TO RECRUIT WOMEN

It’s a very safe statement to say that most of us do not have enough diversity in our staff, most universally with an under-representation of women. Here are some tips on recruiting women from Sarah O’Brien, head of global insights at LinkedIn, writing in *The Harvard Business Review* in late 2019:

1 Make job postings more inclusive. Focus job descriptions on the expectations of the role. Remove language like “rock star” and “ninja” that tends to alienate female applicants, and use more straightforward job titles and descriptions. In our Language Matters Report, we found that 44% of women would be discouraged from applying to a job if the description included the word “aggressive.”

2 Share stories of women who are succeeding across all levels of your organisation. When women see themselves represented in your firm’s recruiting collateral, they’re more likely to apply.

3 Post salary ranges for positions. When an employer is upfront about salary transparency and shares salary ranges, it’s a signal that they are committed to fair pay.

4 Highlight your flexibility: Our Language Matters Report also found that jobs that promoted flexible work, working from home, and additional medical benefits were the most popular among women.

5 Expand your early-in-career talent funnel. Blizzard Entertainment, the video game publisher behind World of Warcraft, increased its number of female interns by 166% by reaching out to on-campus women-led groups such as the “Women in Computer Science” club.

HOW TO SET UP A MENTORSHIP PROGRAMME

“A clear career path is important but so is the idea that the company you are working for is invested in your professional growth and development,” wrote Jami Oetting, Senior Manager of HubSpot’s Multimedia Content Strategy Team. “When you have a mentor who is removed from judging your performance, it makes it easier to ask those questions, vent about small things, and open up about fears, worries, and the inevitable stumbles.

“By pairing a person up with someone from another department or team, you are exposing the employee to new knowledge about the way the business is run, people with different ideas and perspectives about the industry, and new opportunities,” she wrote. “This is especially important for people who may love the company but have found out that they are just not passionate about their current position.” Here are her tips:

1 MATCH PEOPLE BY INTERESTS OR WHAT THEY WANT TO ACHIEVE

2 DON’T FORCE IT, BUT MAKE IT SERIOUS
Don’t make the mentorship mandatory but insist that mentors and mentees make a commitment. Have them sign a “contract” that states that they

will make the programme a priority and honour their commitments to one another.

3 EMPOWER THE MENTEE TO TAKE CHARGE

The mentee should be responsible for setting the time and date of the meetings. Give each mentee a Starbucks coffee card so they could be seen as the one “taking out” their mentor.

4 CREATE STRUCTURE, BUT NOT TOO MUCH

In the contract, set up expectations (eg, meet once a month for a year). Also make sure the meetings take place off-site.

5 ALLOW FOR REVERSE MENTORING

Mentoring isn’t just for new or young employees. Marla Kaplowitz, CEO of leading agency MEC North America, wanted to connect with today’s tech-savvy generation to better understand how they are truly using and connecting with new and emerging tools and technology. She joked that her mentor would have to be open to “teaching an old dog some new tricks.” Getting senior leadership involved in any type of formal programme shows the team that this is a priority for the agency and that there is no end to learning and professional development for employees.

We must make our companies appealing places to work. We must remake our company’s culture to be employee-focused. And then, we must market the hell out of that to attract the people we want. “Good help isn’t hard to find when top talent looks for you,” wrote business author Jim Molis in the US-based Business Journals.

That top talent is looking for very specific characteristics and opportunities in the company they would consider joining: A mission they can believe in, a positive culture, stimulating challenges, professional growth, mentorship, competitive pay, rewards for excellence, advancement opportunities, flexible work hours and locations, and more.

“Benefits, location and commute time are increasingly important factors,” CareerBuilder CEO Irina Novoselsky told The Business

Journals. “To attract and retain talent, hiring managers will need to meet workers’ hiring, on-boarding and career expectations, and provide the perks, work-life balance and career advancement opportunities they demand.”

This is information about your company that shouldn’t take a job interview to discover. You must promote your culture on your website and on social media platforms, using it as a magnet for people looking for great places to work. This takes time and a strategic approach.

Here is a multi-step process to spread the word about your terrific company:

1 MAKE SURE your company’s mission and values are appealing, clear, and easily discovered

“Candidates have a better time assessing their

fit when you're clear with your employer brand and values from the outset," Talent Management Director Kim Stewart of the First Citizens Bank told The Business Journals. "Employees feel more engaged and are more likely to flourish when their values are aligned with those of their employer."

Your mission, and how it impacts customers and employees, should be front and centre on your website. How does your mission come alive for staffers day-in and day-out? How does it challenge them professionally? Demonstrate how you practise your mission in how you treat your employees.

2 ■ CREATE AN employee-focused culture, emphasising individual growth, flexibility

Employees want to be at a company where their work is appreciated and they can make a difference, where their professional growth is actively enhanced, where their work schedules and locations are flexible, where work-life balance is valued, where they are paid competitively, where benefits enhance their lives, and where they have the opportunity for promotions and professional growth.

A recent study by talent mobility solutions company RiseSmart found that 84% of employees would consider leaving their current job to move to an employer with a fantastic reputation — even if the salary bump wasn't that big.

Another study found 80% of candidates would choose an employment offer with more flexibility, according to the International Workplace Group.

"That's a big number, and this is a big advantage for recruiters," wrote John Dawson, Director of Sales at recruitment tech firm Ideal. "They need to find ways to offer flexibility in different situations: Multiple young children (start/end times for work might need to be adjusted); ageing parents (same, with more remote flexibility); and remote work in general.

"If your HQ is in Toronto but the best person for your team is in Denver and they can't move right now, you should still find a way to bring them into the team," wrote Dawson. "Don't sacrifice candidate quality simply because of flexibility or location needs. We have enough technology — think about just Skype or Zoom — where these things can be managed successfully."

Hiring candidates with non-traditional educational backgrounds has also become increas-

ingly common, Amy Warner, director of talent acquisition at recruitment software company iCIMS, told the Society of Human Relations Management (SHRM). "Recruiters are considering things like self-education, online schooling, certification programmes, and work experience when identifying potential employees. Employers are also investing in more training programmes to groom their own employees to have the skill sets needed to tackle jobs of the future."

3 ■ GET YOUR best ambassadors involved in recruiting: Your employees

From a job-seeker's point of view, the best referral about a company is from a trusted source: A friend or an employee inside an organisation.

You can ensure that your staff are great

THE IMPACT OF GIVING EMPLOYEES REGULAR FEEDBACK

- 39% of employees report they don't feel appreciated at work
- 15% lower turnover rates in companies that have regular employee feedback
- Employees are 30 times more likely to be actively engaged at work when managers focus on their strengths
- Four of 10 employees are actively disengaged when they receive little or no feedback
- 43% of highly engaged employees receive feedback at least once a week
- 65% of employees said they wanted more feedback
- Only 58% of managers think they give enough feedback
- Almost 70% of employees say they would work harder if they felt their efforts were better recognised

Source: Workforce management company OfficeVibe

13 KEY RETENTION

1 START WITH A SMART ON-BOARDING PROCESS

From their very first day, set up your new hires up for success with a thorough, well-planned on-boarding process. “Make sure that you aren’t just teaching the new hire about their job role and responsibilities,” said Rea Regan, Marcom Manager at employee management company Connecteam. “It is just as important to teach them about the company culture and how they can thrive every single day. Lay out goals for them, for their first week, first month, first three months, first six months and their first year. Make sure they have every opportunity to talk with you about questions or issues they have, set them up with a mentor.” Patriot Software CEO Mike Kappel on Forbes.com wrote: “Done well, on-boarding can increase your employee retention rate. Done poorly, on-boarding can result in employees quitting within six months of starting.”

2 CREATE A MENTOR PROGRAMME

“Pair a new hire with a seasoned employee to ensure the greatest chance of employee retention,” wrote Regan. “Your veteran employee will act as their best resource and vice-versa. The new hire can offer fresh eyes and a new perspective on how things are done. However, make sure the mentor doesn’t act like a supervisor. Instead, they are there for new hires to lean on, to be a sounding board, and to welcome them to the company culture.”

Mentor programmes have a quantifiable impact on retention. A study by mentoring software company MentorcliQ found a 13% retention increase among employees who have participated in just one mentoring relationship. “Bump that up to two mentoring relationships and retention increases by 18%,” said MentorcliQ Senior Success Coach Nate Ward. “Of employees with two years or less at their current organisation, the turnover rate for those without a mentor is 26%, but for new employees with a mentor that number drops to 8%.”

3 PROVIDE THOUGHTFUL, PROFESSIONAL FEEDBACK ON A REGULAR BASIS

A Society for Human Resource Management survey of managers found that only 2% were providing quarterly or ongoing feedback to employees. People crave feedback, and they need it more than once or twice a year. They want recognition of their efforts and advice on how to improve. (See sidebar on the impact of feedback.)

ON STRATEGIES

4 FOCUS ON THE 5% WHO DELIVER 95% OF THE VALUE

Some employees disproportionately create or protect value. In a world of constrained resources, companies should focus their efforts on the few critical areas where the best people have the biggest impact.

5 CREATE AN EMPLOYEE VALUE PROPOSITION (EVP)

An EVP is what employees get for what they give. What do you expect them to “give” in terms of time, effort, experience, ideas. What will they “get” in terms of tangible rewards, the way leadership helps employees, and the substance of the work. “If your EVP is truly stronger than the competition’s, you will attract and retain the best talent,” wrote Keller and Meaney. “But for three reasons, few companies have EVPs that meaningfully help them win this war:

- 1** The EVP is not distinctive: Stand out for something. Be unique in some way that reflects your special mission and your culture.
- 2** The EVP is not targeted: While it’s great to have an overall EVP, it’s most important to have a winning EVP for the 5% of roles that matter most. If, for example, data scientists are hugely important, you’ll want an EVP that lets them invent things, offers a clear, rapid career progression, and helps them have a big impact.
- 3** The EVP is not real: “An attractive EVP cooked up by HR and pushed through PR used to help secure the best talent,” wrote Keller and Meaney. “In the long term, however, this was always a losing proposition, since great people would quickly become disillusioned if the reality didn’t measure up.”

6 SHUT UP AND LISTEN. REGULARLY.

“We surveyed 13,551 employees for our 2020 Global Employee Experience Trends report and found that regular listening has a huge impact on employee engagement and employee retention,” wrote Catherine Thurtle, a content strategist for experience management company Qualtrics. “For example, engagement rises to 61% for those whose company has a feedback programme, compared to 45% for those without.”



- Gaining engagement through listening pays big dividends: Highly engaged employees are 87% less likely to leave their companies than their less engaged counterparts, according to Qualtrics. “If you wait until an exit interview to find out why a valuable employee has decided to move on, you’ve missed a golden opportunity — not just to keep a productive member of your team but to identify and fix issues within your organisation before you lose others,” wrote Rea Regan, the Marcom Manager at Connecteam. “Instead, touching base with employees about what motivates them while they’re still on staff is part of a key strategy in gaining an edge in today’s tight talent market: employee retention.”

7 BUT ACT ON THE RESULTS OF LISTENING, OR ELSE...

“Don’t bother asking for feedback if you’re not going to analyse and act on the results,” wrote Thurtle. “That can cause more harm than not asking at all. Why? Because then you’re not really listening. “Your people will soon lose faith with the process if they don’t see changes being implemented,” she wrote. “There’s very little in (and out) of the workplace that is as demoralising as being ignored.”

8 IT’S NOT ABOUT ALL THE PERKS, BUT THE RIGHT ONES

Don’t presume to know what perks your people want. Use the listening sessions to find out, and then try to offer the right ones. Doing that enables you to save money on under-utilised benefits AND create a better employee experience. According to a study by LinkedIn, employees actually care most about healthcare coverage, PTO (paid time off), and flexibility. You could also offer working remote options, unlimited paid time off, help with daycare expenses, or time-shifting as a policy.

9 HELP YOUR PEOPLE GROW; PROMOTE FROM WITHIN

Ninety-four per cent of employees would stay at a company longer if it invested in their careers, according to LinkedIn’s 2018 Workforce Learning Report. For 86% of millennials, offering career training and development would keep them from leaving, according to a survey by employee development company Bridge. The number one driver of employee engagement is having opportunities for growth, according to the Qualtrics 2020 Global Employee Experience Trends report. “Promoting from within not only provides a clear path to greater compensation and responsibility, it also helps employees feel that they’re valued and a crucial part of the company’s success,” wrote Regan. High-skills training and professional development programmes to hone soft skills are perceived among the top benefits for retaining employees’ services over the next five years, according to research from the Consumer Technology Association. “Whether by corporate training to help foster the acquisition of new skills, new technologies or new processes, or through tuition reimbursement for outside courses, furthering your employees’ education can help them feel valued and invested in the company,” Dan Pickett, CEO of managed services firm Nrastructure, told Qualtrics.

10 BE MORE FAMILY FRIENDLY

If we are not family friendly, we are driving away people who could make a difference. For example, “43% of highly qualified women with children are leaving careers or off-ramping for a period of time,” according to Facebook COO Sheryl Sandberg in her best-selling book *Lean In*. Many never return from maternity leave because their companies do not offer flexible work environments or on-site daycare facilities.

12 ENCOURAGE A WORK-LIFE BALANCE

“We recommend taking feedback and suggestions from staff regularly to find out what matters to them most, and what’s negatively (and positively) affecting their work-life balance,” wrote Thurtle. “As well as collecting ideas, you can measure staff responses against indicators of employee experience like intention to stay and eagerness to go to work each morning. Doing this will point towards the deeper relationships between work-life-balance factors.”

11 REGULARLY LOOK AT YOUR PAY RATES V. OTHER MEDIA COMPANIES

No matter how gung-ho your employees may be, they still want to be paid fairly. Only one in five employees feels like they are fairly paid, according to a study by compensation software and data company PayScale. The irony is that “ultimately it could cost you more to find another employee than it would to simply give them a pay raise,” according to Thurtle. “Not to mention the knowledge drain that comes with losing a valuable employee.” To ensure your salaries are competitive, use third party data to get market rates in each speciality and compare them what you’re offering. Also, watch out for gender pay gaps.

13 START PROJECTS WITH “STOP”

One of the speediest ways to depress morale and push employees toward the exit door is to pile new projects on top of old ones without removing any existing responsibilities.

“There is no better way to crush the spirit of innovation than to bring together a group of creative thinkers, turn them loose to brainstorm, allow them to become excited about implementing some of these innovations ... and then require them to add new projects to their existing workloads,” wrote Frank Mungeam, a professor at the Knight-Cronkite News Lab at Arizona State University.

“There is no ‘free time’ today. Adding new activities without eliminating other tasks is a surefire way to sabotage a promising innovation,” he wrote. “That’s why smart managers start their innovation process by brainstorming a ‘Stop Doing’ list before they generate a ‘Start Doing’ list,” wrote Mungeam. “They create capacity for innovation first. ‘The ‘Stop Doing’ list should include its best friend and neighbour, the ‘Do Differently’ list’.” “Together, they offer a potent path to creating capacity for new innovation.”

HOW TO CREATE AN EMPLOYEE REFERRAL SYSTEM

An employee referral programme can be a superior recruiting tool: referred candidates are typically cheaper and faster to hire and stay at their jobs longer than traditional hires, according to global hiring platform Workable.

How do you set up an employee referral program? Here's what Workable recommends:

1 EXPLAIN OPEN JOBS AND THE REQUIREMENTS

Employees don't know what jobs their companies are looking to fill and what the requirements are. Include links to job descriptions when sending emails asking for referrals.

2 KEEP EMPLOYEES UPDATED

Employees who refer candidates expect to receive updates on the process. Not hearing back can make employees reluctant to refer again, which undermines your employee referral programme. Let employees know what's happening at every stage. When a referred candidate isn't selected for an interview, send the referrer a thank-you email anyway. Encourage him or her to keep looking for great people. That way employees won't feel under-appreciated.

3 OFFER A MIX OF MONETARY AND NON-MONETARY INCENTIVES

Money is a popular incentive, but offering an experience (eg trips, vouchers, gifts) can better market your employee referral programme. And some of these incentives, like time off and gift vouchers, are less expensive than cash awards. Give higher rewards for harder-to-fill

positions. Offer a flat amount for each referral and then offer more if referred candidates get interviewed, get hired or stay at your company for at least six months. Pay some of the bonus after the new employee has been on board for six months or a year.

4 ACKNOWLEDGE GOOD REFERRERS

In addition to rewards, publicly recognise effective referrers. If one employee has referred 10 people in the past three months, six of whom were hired, you've got a star referrer on your hands. Make sure they know you appreciate their effort. Any acknowledgement, ranging from an award to public praise from the CEO, can be meaningful. Make these acknowledgements a codified part of your referral programme policy.

5 ENHANCE USER EXPERIENCE IN YOUR JOB APPLICATION PROCESS

Your referral process shouldn't be lengthy, complicated or require lots of clicks. Otherwise, you risk driving referrers away. Use a referral software program or platform that allows hiring managers and recruiters to send requests for referrals for particular positions. Some referral software systems enable employees to share open positions with their social network.

6 EXPERIMENT WITH REFERRAL TACTICS

Survey employees to find out what prompted them to refer (or not refer) and what suggestions they have to improve your referral programme. A successful referral programme continues to adapt by making use of a variety of initiatives.

referrals for potential hires by fulfilling task #2: Creating an employee-focused culture.

In fixing or enhancing your culture, you will not only be making your company more attractive to potential key hires, but you will also be making your existing employees happier. Happier employees usually stay longer and help you attract the best new hires by showing them that they could be happy there, too.

If your staff is happy, they might also be willing to be brand ambassadors and recruit new staff, especially if you show appreciation for their efforts with recognition of some sort, up

to and including signing bonuses.

So, before posting your position on job sites and thus opening the floodgates to countless unqualified applicants whose paperwork will consume your HR department's valuable time, tap in to your company's built-in chain of connections: Your staff.

Create "recruitment cards" touting the company's attractive culture and the benefits of working there, and hand them out to staffers along with the promise of some sort of reward for steering candidates your way (a cash bonus, gift cards, extra time off, etc.).

TEN HUMAN ANALYTICS TOOLS

Whatever Human Capital Management (HCM) system you have should control the trinity of talent acquisition, management, and optimisation — and ultimately, multiple mission-critical performance outcomes, according to HRTech-nologist.com. Choosing the right solution for your organisation is essential. Here is its line-up of ten HCM systems to consider:

1 e recruit *A comprehensive search and analytics tool*

Plugs into a variety of popular job boards. Processes data from thousands of job boards and companies to share vacancies right into employees' inbox. Claims that it drives placement by up to 30%. Offers automated reporting and extensive customisation.

2 Phenom People *End-to-end recruitment experience management with robust analytics*

Data on candidate, employee, recruiter, and manager experience. Experience-centric perspective. Native artificial intelligence capabilities, including a bot for assisted hiring. In-depth recruitment insights — real-time data, drill-down capabilities, and ROI evaluation.

3 Yello *Data analytics to help understand candidate expectations*

Tools to optimise recruitment processes at the candidate sourcing, engagement, and completion stages. Different business use cases. Essential KPIs. Centralised repository of recruitment-related information. Optimised for mobile.

4 Saba *Recruitment analytics for your unique industry*

Variety of industry types. Real-time insights. Fully configurable dashboards. Customised data sources and reporting fields. Trend identification, multi-device access, third-party connectivity, automated reporting features.

5 IBM Watson Recruitment

The power of AI meets recruitment analytics
An industry leader. Focused on diversity and inclusion. Analytics detect bias in hiring process. Predicts the success rate for a candidate profile. Prioritises job requisitions based on urgency.

6 Bullhorn Canvas *An advanced reporting and insight generation tool for recruiters*

Applicant tracking, executive search, candidate relationship management, and on-boarding. Build any report/dashboard you need. Reports easy to share.

7 Talismatic *Competitor hiring analysis to gain a market advantage*

Offers what your competitors are doing. Trending cities, hiring cycles, and the quality of candidates hired by industry peers can provide valuable insights into where your organisation stands on the hiring efficiency curve. A dedicated data analytics solution for recruitment. Not an add-on to 360-degree hiring software. Assess historical recruitment performance. Identify the right cities, job boards, and universities most likely to deliver high-quality talent. Dashboard gives historical insights on past hiring cycles, zeroing in on underachieving posts and overlong closing times.

8 Kallidus Recruit *Recruitment software with analytics at every step*

For in-house recruitment teams. The recruitment journey from application to on-boarding. Automates the admin-heavy parts of the journey. Shows data on active requisitions, available candidates, and closed requests. Also succession planning, targeted content, learning management, and performance reviews.

9 SmashFly Recruitment Analytics *Data analytics for business users*

Minimalist dashboards with clear insights. View the ROI after every candidate journey. Predictive analytics to measure the health of your talent pipeline. Direct correlations between candidate personas and specific job boards.

10 TalentLyft *Deeper insights on recruiting campaign performance*

Identifies which campaigns and recruitment marketing tactics are the most successful. Support for inbound and outbound channels. Performance metrics on email campaigns, conversion tracking, and historical data analytics. Analyses your careers site with top-performing pages, call-to-action effectiveness, etc.

You could also expand your social footprint and get your brand in front of the right talent through content shared by your employees on their own social accounts. “Mobilise your employees into an army of brand ambassadors,” said Allison Kruse, social media director at staffing and solutions firm Kforce. “Consistently deliver content to them in a format that is easy for them to share with their networks. And when employees share content with their networks, they are shaping the perception others have about you as an employer. It will not only exponentially increase your company’s digital footprint, but the content will also perform better because people tend to trust their peers over brands.”

The unspoken and powerful filter in this approach is that no staffer is going to recommend someone who will make them look bad. Everyone will know who recommended the candidate and it’s their reputation on the line.

“A downside to referrals, of course, is that they can lead to a homogeneous workforce, because the people we know tend to be like us,” wrote Wharton’s Cappelli. “This matters greatly for organisations interested in diversity.”

MARKETING YOUR COOL NEW COMPANY CULTURE

Now that your company is irresistibly attractive, it’s time to market yourself, whether you’re in the market for new staff or not (actually, you should ALWAYS be looking for great people to build your portfolio of candidates so you’re not scrambling at the last minute and risking having to settle for less due to the pressure of time).

But you’re not going to start by taking out ads or doing any other traditional marketing.

“With more open jobs than people to fill them and the market at near full employment, recruiters are finding new ways to reach candidates where they are — whether that’s on Instagram or via text,” recruiting software company Jobvite VP/Marketing Matt Singer told SHRM.

“Employers are creating new roles dedicated to recruitment marketing to effectively promote their culture and values and attract well-fit candidates because recruiting is harder than ever before,” Amy Warner told SHRM.

“The candidate journey is influenced at every stage by marketing strategies — search engine optimisation, landing page conversion optimi-

sation, digital marketing, content marketing, social media engagement, reputation management,” Lori Sylvia, founder and CEO of Rally Recruitment Marketing, told SHRM. “Recruiters [in HR departments] who fall behind in using digital and social strategies are going to get left behind, not to mention put their employers at a huge disadvantage in the competition for talent.”

The top ways companies grow employer brand are through social media (47%) and their careers sites (21%), according to the most recent Recruiter Nation Survey from recruiting tech company Jobvite. LinkedIn is the most used channel for recruitment efforts, used by 77% of respondents (down from 92% in 2017 with more companies using other sources like Instagram), followed by Facebook (63%).

“Recruiters are turning to social media platforms where they know potential candidates are more active,” Jobvite’s Matt Singer said.

“This might explain why more recruiters are turning to Facebook and Instagram. Instagram’s popularity with job seekers is increasing its use with recruiters, especially millennial recruiters and those working at technology companies.”

WHAT ARE YOU PUTTING ON YOUR WEBSITE AND ON SOCIAL MEDIA?

“Content has the power to help potential candidates decide whether or not they are a fit for your company,” said Kforce’s Kruse. “Candidates are savvy internet researchers and use a number of sources when searching for jobs and evaluating potential employers.”

“By strategically creating and curating content that maps to every stage of the candidate journey, you can answer their questions, provide an inside view into your organisation, tell true stories, and more,” Kruse said.

“Companies with a competitive advantage are sharing compelling content (not just posting jobs) that adds value — including why working at their organisation is different from working at similar companies, which helps guide a candidate’s decision to apply or accept an offer,” Kruse explained. “Content can make or break your talent attraction strategy.”

But social media is not the end of what you need to be doing differently in marketing your company to potential hires.

“If you’re not leveraging technology and in-



**“WITH MORE OPEN
JOBS THAN PEOPLE
TO FILL THEM, RECRUITERS
ARE FINDING NEW WAYS
TO REACH CANDIDATES
WHERE THEY ARE — WHETHER
THAT’S ON INSTAGRAM
OR VIA TEXT.”**

Matt Singer Jobvite VP/Marketing

CRITERIA FOR A HUMAN ANALYTICS SYSTEM

Any HR analytics solution that will be used at scale must have certain components, according to HRTechnolgist.com. Here is its list of key features of an HR analytics solution:

- 1** Answer the business questions the C-suite asks. Choose a unified solution that can assess multiple metrics to answer each business question.
- 2** Easy to use by individuals who are not data scientists.
- 3** Cloud-based rather than on-premise.
- 4** Powered with statistical analysis and machine learning technology. This allows the

technology to learn and reason autonomously, revealing insights that data scientists can then analyse.

- 5** Based on predictive analytics. Ability to extract information from existing data sets to determine patterns and forecast future outcomes.
- 6** Powered with visualisation technology. Allows for better understanding of trends and events.
- 7** Available through a subscription model. They allow you to easily access the latest upgrades and eliminate the significant upfront expense of purchasing an analytics solution.

novation in your talent acquisition strategy, you risk being at a competitive disadvantage,” said Karissa Sachs, VP/Digital Strategy at Kforce. “Pixels, chatbots, AI — oh my! In theory, it’s quite simple; how can you get in front of the right candidates, at the right time, with the right message and make it easy for them to apply? Technology will continue to answer this question.”

THEN YOU’VE GOT TO MAKE YOUR MARKETING PERSONAL

Once you’ve identified the best places to go looking for talent, start personalising your campaign, to the point of creating personas to guide your content creation team.

“In-demand candidates are beginning to expect a unique and personalised recruiting approach,” said Sachs. “This means that recruitment will have to evolve from a transaction-driven activity to a relationship-building process with an emphasis on providing a highly customised candidate experience.

“Similar to how marketers use buyer personas as a representation of a business’s ideal customers, recruiters and talent acquisition professionals can create candidate personas to develop a strategy focused on exactly who you

need to hire,” said Sachs.

“From there, a highly targeted recruiting strategy can be developed to identify, recruit and motivate these individuals,” Sachs explained. “What type of content will best resonate with them? How can the job description be optimised to increase application conversion rate? What does their digital footprint look like so that you know where to advertise?”

Using data about your own and other professionals in different skill areas, you can include the unique interests typical of these target groups in your recruitment campaign. “A leading IT company once told me that one of their most successful recruitment ads for software engineers called for people who ‘could pull the ears off a gundark’ — an obscure Star Wars reference they knew would resonate with their target group,” said Richard Mosley, VP of Strategy at global talent research firm Universum. “These persona-oriented profiles make it easier to market content to specific target groups, and help you find the right talent.”

TRY TEXTING (SERIOUSLY!)

Everyone in the hiring process appreciates speed: Speedy applications. Speedy replies. Speedy updates. Speedy decisions. There is

nothing more speedy than texting. Forty-three per cent of recruiters responding to a Jobvite survey said they have texted candidates and applicants, and 88% report positive feedback from job seekers.

“Recruiters and job seekers both value their time, so the need for faster hiring has made text messages and chat even more important than the traditional communication channels like e-mails or phone calls,” Warner said.

Meghan McFee, a manager and recruiter for staffing firm WinterWyman’s technology division, slowly began using texts a few years ago, but the option has since become indispensable since her company implemented a texting platform that integrates with her business phone and applicant tracking system.

“It’s been terrific for scheduling and quickly getting in touch with people,” McFee told SHRM. “Especially for candidates who are working, it can be very effective in getting a faster response, and it’s gotten great feedback from our recruiters.” Before texting candidates the first time, you should ask permission, she cautioned.

DEFENSIVE MARKETING: WATCH YOUR BACK BY MONITORING (AND NURTURING) REVIEW SITES

In this super-connected world, part of your brand building (or brand destruction) is happening without any input from you... unless you decide to be proactive.

While you’re busy marketing your company’s cool new culture on Facebook, LinkedIn, and Instagram, your target candidates are cruising anonymous employer review sites to see what life is like inside your company.

Seventy-five per cent of recruiters told Jobvite that Glassdoor reviews are very or somewhat important in the hiring process. “While consumer brands quickly realised the power of reviews as either third-party endorsements or sound chambers for services and product features that needed fixing, employers have been a little slower to adopt this mindset,” Christopher Kurtz, CEO of employment brand PeerThru, told SHRM. “This can be especially true in companies that are run by executives who are not digital natives and have yet to fully realise the value of the insights and feedback being delivered for free.”

Third-party sites like glassdoor.com now

offer staffers, former staffers, and job applicants the opportunity to rate your company on all sorts of criteria, from overall reviews to specific topics such as salaries, benefits, and job interviews. Employees or former employees get to give your company a star ranking (from 1-5), rate the CEO, and answer the question: “Would you recommend the company to a friend?”. The respondents range from entry-level to top management. Applicants get to rank the interview process. The results are revealing and, too often, disturbing and damaging.

Here are some random examples of Glassdoor rankings of several publishing companies (these numbers were gathered in late December 2019):

GLASSDOOR.COM COMPANY RATINGS

COMPANY	Overall Rating (1-5)	Approve of CEO	Recommend to a friend	Negative or neutral job interview
Conde Nast U.S.	2.8	70%	36%	52%
Meredith Corp. U.S.	3.1	67%	48%	49%
Hubert Burda Germany	3.2	93%	36%	25%
India Today India	3.2	100%	68%	44%
Editora Abril Brazil	3.2	No ratings	62%	26%
SCMP Hong Kong	3.6	74%	48%	25%
Dennis Publishing UK	4.0	97%	61%	31%
Bonnier Corp. Sweden	2.5	45%	34%	27%
Mondadori Italy	2.8	31%	37%	67%
TVA Publications Canada	2.3	14%	20%	50%
Bauer Media Germany	3.2	47%	52%	26%

Would you agree that all but a few of those companies have a problem? If you were approached by a recruiter to work at one of the companies where only 34-37% or just barely 50% of the staff reviewers would recommend the company to a friend, would you even bother with an interview? Those companies might be doing a slam-bang marketing job and spending a good deal of time and money on a branding campaign to convince potential employees what a great place it is to work. But all that work is eviscerated by these ratings, cutting the legs right out from under any PR campaign.

It’s not all bad news: Those rating numbers aren’t just static grades with no context. Each current or former staffer or job candidate who writes a review ends it with a list of pros and cons, followed by their “Advice to Management”. Sure, some are negative and nasty, but some suggestions are solid and give managers

a clear picture of how they could improve their culture, conditions, benefits, training programmes, communication, etc. Free advice!

So, if you aren't aware of these sites, you could be getting stabbed in the back, undermined by unhappy employees or scorned applicants, and not even know how badly your marketing efforts are being torpedoed. (See sidebar on "Employee review sites you need to know about".)

HOW DO YOU WATCH YOUR BACK?

PeerThru's Kurtz suggests the following four-step process:

- 1.** Follow your profiles on Glassdoor, Indeed etc. and sign up to receive notifications of reviews as they come in.
- 2.** Develop a plan for responding to reviews both internally and externally. "Having a plan helps take the guesswork out of which reviews need to be triaged immediately and by whom, and which are OK to let simmer," Kurtz said. "And remember, if people outside of your company are reading reviews, your employees are likely reading them as well."
- 3.** Encourage more reviews by addressing and responding to them, not just by asking for them. "Blanketing the company with a request for reviews is not a good idea," Kurtz said. "People by nature are suspicious. Asking for specifically positive reviews is fundamentally flawed." You could talk to your employees about how valuable those reviews can be for potential

**ONE OF THE
FASTEST-GROWING
TRENDS IN
THE HR WORLD
TODAY IS KNOWN
AS "PEOPLE
ANALYTICS"**

new hires and suggest that if they are comfortable adding their reviews, you'd appreciate it.

4. Other traps include trying to respond to every review or engaging in shady practices for gathering reviews. "Don't offer bribes for positive reviews," Kurtz said. "Along those same lines, do not pay a third party to write positive reviews for you."

HUMAN ANALYTICS: WHAT ARE THEY AND HOW SHOULD YOU USE THEM?

One of the fastest-growing trends in the HR world today is known as "people analytics," or the data analysis techniques applied to understanding and improving processes that affect employees, job-seekers, performance management, and everything human capital, wrote Isabella Lazzareschi, Content and Managing Editor at education tech company Degreed.

"When specifically applied to hiring, people analytics can help save you money, increase efficiency, and cut down on wasted time on recruitment efforts," she wrote. Here is her list of what human analytics can do for a company in terms of recruitment alone:

- Assess which talent pipelines are most successful, so you can appropriately allocate spending to optimise successful recruitment
- Identify recruitment cycles to help determine when to spend money actively searching for candidates and when to slow down
- Analyse market rates to remain competitive in recruiting and retaining top talent
- Keep a pulse on your current employees to examine racial, ethnic, and gender diversity in your existing workforce to ensure you're offering equal opportunities to all

"When applied to the hiring process, data analytics can remove human biases by isolating objective traits in applications and identifying candidates with appropriate backgrounds," wrote Lazzareschi. "And beyond just minimising prejudice, proper analysis tools can actually promote diversity within your company by finding applicants with appropriate skill sets, but atypical backgrounds or work experiences. This is along the lines of hiring for a 'culture-add' rather than a 'culture-fit', but using more direct techniques to ensure you're finding the best candidate for the job."

WHAT'S CAUSING THE RISE IN THE USE OF DATA ANALYTICS?

The rise in the use of analytics has been caused by three main factors, according to Ideal, an artificial intelligence-focused talent system company:

1. Improvements in technology and software has caused an explosion in data and data analytics. This adoption has been seen recently in the transformation of sales and marketing departments.

2. The need for measurable outcomes: HR departments are increasingly being asked to justify their decisions based on measurable outcomes. This has led to the push for business decisions to be made based on analytics and data rather than just using gut instinct and subjective judgment.

3. The stunning rise in the collection of staff data: Most HR departments are sitting on mountains of data about their employees including demographic data, performance data, job history, compensation, and training. Until recently, this data had yet to be effectively and strategically leveraged.

THREE MAIN TYPES OF TALENT-RELATED DATA THAT CAN BE ANALYSED, ACCORDING TO IDEAL, ARE:

1. People data such as demographics, skills, and engagement.

2. Programme data such as attendance, adoption, participation in training and development and leadership programmes, and outcomes of key projects and assignments.

3. Performance data such as performance ratings and data captured from the use of instruments such as 360 assessments and succession programmes.

“Recruitment analytics is defined as the use of statistical models to make sense of the vast amount of data collected across the hiring process, enabling meaningful data-driven recruitment,” according to HRTechnologist.com.

FIVE QUESTIONS TO ASK AT A “STAY” INTERVIEW

If you are doing what we suggested earlier (holding regular small-group and one-to-one “listening” sessions), one of those sessions should focus on how to get the employees you want to keep to stay. Here are questions that could help you make that happen from Catherine Thurtle of experience management company Qualtrics:

- 1** Which aspects of your job make you eager to come to work each day? Which aspects do you not look forward to?
- 2** How well do you believe your talents are being utilised? What skills do you possess that you feel aren't being utilised?
- 3** What are your career aspirations? How are we doing in helping you accomplish them here?
- 4** Have you ever thought about leaving the company? If so, what caused you to consider leaving? Why did you decide to stay?
- 5** What are the biggest challenges you face? Is there anything you'd like to change about your job? Are there things you would like to change about your team or department?

“You could have historical analytics (generating insights from past data), real-time analytics (in the moment notifications and alerts), predictive analytics (measuring future possibilities), and prescriptive analytics (suggesting the way forward),” according to HRTechnologist.

Research suggests that most companies are still using inefficient recruitment processes. Ac-

According to HRTechnologist, data analytics can:

- **Provide valuable insights on which talent sources are performing the best**, the effectiveness of internal versus external hiring, and any preventable costs incurred.
- **Redefine the candidate experience** by pinpointing problem areas and high-performing touch-points along the way.
- **Refine your talent acquisition and recruitment strategy** to the point where each recruitment effort is productive and optimised for measurable results.

Research featured in The Harvard Business Review found that using an algorithm increases the ability of recruiters to find the best qualified candidates by more than 50%.

The benefits of human analytics to recruitment include:

- Reducing time-to-hire by replacing manual processes
- Increasing quality of hire by avoiding unconscious biases early in the hiring process
- Collecting recruiting and hiring data that can be correlated with business outcomes such as increased revenue

“Of course, the final hiring decision will always come down to a human, but data and analytics can save a lot of time by narrowing the field down from maybe hundreds of candidates to the most suitable 10 or 20,” wrote business author Bernard Marr on Forbes.com. “This automation of certain processes frees up the HR team to focus on other activities.”

Analytics have also shown downstream benefits in HR:

- Attrition rates decreased by 35%
- Performance increased by 20%
- Revenue per employee improved by 4%

It would not be surprising to know that some HR departments resist using data-based recruiting methods for fear of having their expertise

questioned.

And there are concerns about the fast-growing field.

“A problem with machine learning approaches is that few employers collect the large volumes of data — number of hires, performance appraisals, and so on — that the algorithms require to make accurate predictions,” wrote Wharton School Professor Cappelli. “Although vendors can theoretically overcome that hurdle by aggregating data from many employers, they don’t really know whether individual company contexts are so distinct that predictions based on data from the many are inaccurate for the one.

“Another issue is that all analytic approaches to picking candidates are backward looking, in the sense that they are based on outcomes that have already happened,” he wrote. “As Amazon learned, the past may be very different from the future you seek. It discovered that the hiring algorithm it had been working on since 2014 gave lower scores to women because historically the best performers in the company had disproportionately been men. So the algorithm looked for people just like them. Unable to fix that problem, the company stopped using the algorithm in 2017. Nonetheless, many other companies are pressing ahead.”

Even if you use human analytics (and make accommodations for the above-cited weaknesses), you still need human beings to exercise their judgment and expertise to carefully analyse the data, to put it in the context of the company and the particular job, and then to decide how to use the data. Human critical thought and analysis cannot be replaced by algorithms, just enhanced by them.

Remember when we talked about crafting your mission and culture statements to make your company appealing to potential recruits. Data can help there, too.

In creating your mission and culture statements, you want to answer the questions:

- What do you want your company to stand for?
- How do you want employees to feel about working for the company?
- What makes you different from other employers?

Once you have your vision, you can use data and analytics to determine if your brand image actually matches the reality of the experience of working at your company.

“You can, for example, conduct sentiment analysis on interview and survey responses and social media posts to establish how success-

**YOU STILL NEED
HUMAN BEINGS
TO CAREFULLY
ANALYSE THE DATA**

5 SITES WHERE CURRENT AND FORMER EMPLOYEES RATE YOU

These employer review sites are both a curse and a blessing.

They are a curse because you don't have any control over the content, and because disgruntled employees or former employees can publicly air their grievances, whether they are legitimate or not.

They are a blessing because if you run a truly employee-focused business, your employees will reward you with great ratings, which then serve to attract potential new hires (these sites are one of the first places people go to when they are researching a company to work for or when a company approaches them about a job).

You should subscribe to many or all of these services so you will get notifications whenever a review is posted. With quick notification, you can respond to both good and bad reviews.

Look at these sites as one way of monitoring your performance as a good employer (analysis from FairyGodBoss.com, a women's career site):

1 GLASSDOOR

The best-known website for employee reviews. A huge number of contributors who rate their CEOs, provide open-ended reviews, list pros and cons, and leave advice for management.

2 INDEED

Best known for aggregating millions of job postings but it also provides job reviews, company ranking (a 5-star scale), and pros and cons.

3 VAULT

Famous for its industry rankings based on employee survey answers. Offers access to premium research in exchange for employee reviews with "uppers" and "downers" and comments.

4 FAIRYGODBOSS

Aggregates female employees' job satisfaction. Also whether women think their company treats men and women equally and fairly, and would they recommend their employer to other women.

5 CAREERBLISS

Employee reviews (a 5-star system), and open-ended commentary, scores for company culture, colleagues, working setting, etc.

ful your employer brand really is," wrote Marr. "Short, anonymous pulse surveys can tell you how likely employees are to recommend the company to others. Crucially, instead of taking the temperature once a year in a big staff survey, or asking the question in exit interviews, pulse surveys allow you to ask employees once a week, one a month or once a quarter to get a stronger sense of how they're feeling throughout the year."

For more help on understanding and using human analytic systems, see the sidebars on

"Ten human analytics systems" and "Criteria for choosing a human analytics system".

AFTER YOU MAKE OFFERS, SOLICIT FEEDBACK ON YOUR CANDIDATE'S EXPERIENCE

"Companies that understand the value of soliciting feedback about their candidate experience,

know how to quantify and measure it — and perhaps most importantly, to frame their strategy around those insights — will beat their competition in the war for talent,” said KForce’s Sachs.

“Using tools that produce valuable feedback enables organisations to identify areas of improvement throughout the candidate experience, allowing them to strategise a plan to become an employer of choice,” she wrote.

MEASURE, MEASURE, MEASURE... AND ANALYSE

“Few employers know which channel produces the best candidates at the lowest cost because they don’t track the outcomes,” wrote Wharton’s Cappelli. “Monitor recruiting channels and employees’ performance to identify which sources produce the best results.

“It’s impossible to get better at hiring if you can’t tell whether the candidates you select become good employees,” he wrote.

You must measure which hiring practices and platforms produce the best employees.

“Why is that not getting through to companies?” asked Cappelli. “Surveyed employers say the main reason they don’t examine whether their practices lead to better hires is that measuring employee performance is difficult. Surely this is a prime example of making the perfect the enemy of the good. Some aspects of performance are not difficult to measure: Do employees quit? Are they absent? Virtually all employers conduct performance appraisals. If you don’t trust them, try something simpler. Ask supervisors, ‘Do you regret hiring this individual? Would you hire him again?’”

“Organisations that don’t check to see how well their practices predict the quality of their hires are lacking in one of the most consequential aspects of modern business,” he concluded.

RETAINING

It’s a human capital double whammy.

In addition to the massive recruitment challenge, media companies are also facing an employee retention crisis.

More employees than ever before are voluntarily leaving their jobs. In the United States, for example, the most workers since 2001 —

3.58 million or 2.4% of the workforce — quit their jobs in July 2019, according to the Job Openings and Labor Turnover Survey. That’s almost 115,484 a day. Or almost 4,812 an hour! In the U.S. alone.

What’s going on?

At least five forces are at work:

1. A strong labour market. In many countries, there are more skilled job openings than there are people with those skills.

2. Poaching: Census data shows, for example, that the majority of people who took a new job last year weren’t searching for one: Somebody came and got them.

3. Employee dissatisfaction: Half of all employees feel like they only have jobs, not careers, and 32% of all employees plan to leave their jobs before the end of 2020, according to a recent CareerBuilder survey.

4. Greater job mobility: Related surveys report that 73% of employees are “thinking about another job” and that 43% were more likely to consider a new one than they had been a year earlier.

5. Lack of loyalty: Millennials are far less loyal to their employers than their parents were. In the U.S., the Bureau of Labor Statistics reported that workers now stay at each job, on average, for 4.4 years, but the average expected tenure of the youngest workers is about half that.

Why is retention so important?

“People often underestimate the cost of turnover: the more information- and interaction-intensive the job, the greater the threat to productivity when good people leave it, and the more time and money must be invested in searching and on-boarding,” wrote McKinsey’s Keller and Meaney. “And if competitors poach your talent, they get an insider’s understanding of your strategies, operations, and culture.

“And the scarcer top talent becomes, the more companies that aren’t on their game will find their best people cherry-picked by companies that are,” they wrote.

In addition to the time and effort of hiring, Wharton Business School Professor Matthew Bidwell found that outside hires take three years to perform as well as internal hires in the same job, while internal hires take seven years to earn as much as outside hires are paid, wrote Professor Cappelli.

A close-up photograph of a person's hand pointing at a laptop screen. The person is wearing a light-colored shirt and a smartwatch. In the background, another person's hands are clasped together. The scene is set in a meeting room with multiple laptops on a table.

**“FEW EMPLOYERS
KNOW WHICH
CHANNEL PRODUCES
THE BEST
CANDIDATES AT
THE LOWEST COST
BECAUSE THEY
DON'T TRACK THE
OUTCOMES.”**

Peter Cappelli Wharton Business School

Bidwell also found that outside hiring also causes current employees to spend time and energy positioning themselves for jobs elsewhere, wrote Cappelli. “It disrupts the culture and burdens peers who must help new hires figure out how things work.”

THE VERY SERIOUS COSTS OF NOT RETAINING YOUR BEST PEOPLE

According to the Work Institute’s Retention Report, 75% of those people who resigned from their role could have been retained.

The cost of not retaining them: From 90% to 200% of annual salary.

“The true cost might even be higher due to training/on-boarding, lost productivity, recruitment, and decreased morale among other employees,” according to a report by the enterprise analytics and mobility software company Microstrategy. “Losing an employee that’s in the top 1% of performers could mean the difference between growth and decline.”

CAN DATA COME TO THE RESCUE HERE, TOO?

As in recruiting, human analytics can help with retention:

According to Microstrategy and Keller and Meaney, HR analytics can help improve retention through churn analyses that look at data points like:

- Current churn rate
- Attrition by department
- Attrition by estimated commute time
- Participation in training and development
- Similar attributes of employees with longer tenure
- Outcomes of key projects and assignments
- Similar attributes of employees who leave within one year
- On-boarding experience
- Attendance
- Skill sets
- Performance ratings
- 360 assessments
- Survey data
- Qualitative data such as employee interviews

- Employee performance data to forecast future attrition

“Through this data-driven approach, HR analytics can illuminate the major causes of attrition, and new policies, along with training programmes, can be put in place to help mitigate the problem,” according to Microstrategy. “For example, data might show that high-aspiration employees are not challenged or employees are frustrated with a certain management style.

“Human resources analysis will reveal these issues, and then it will be up to leadership to act,” they wrote. “It’s also possible to spot an at-risk employee before they leave, so preemptive actions can be taken to resolve issues. For example, a once high-performer may not be as productive because he feels he or she is underpaid. An analysis of productivity alongside a comparison of market-value salaries can help spot this.”

On a macro scale, Glassdoor Chief Economist Andrew Chamberlain, Ph.D., examined data from 5,000 job transitions from a sample of thousands of resumes on Glassdoor from 2007 to 2016. Some moved to a new role at the same company while others moved to a new employer.

“By combining the data on real-world job transitions with Glassdoor company ratings and salary information, we were able to pinpoint which statistical factors push workers out the door and which motivate employees to stay and grow in their existing organisation,” Chamberlain wrote in the Harvard Business Review. “We looked at how job turnover correlated with pay, company culture, how long an employee has been in their current job, what industry they’re in, and more.

“Candidates who have stagnated in roles for a year or more are statistically more likely to be receptive to recruiter inquiries than candidates who are rapidly climbing their company’s career ladder,” he wrote. “Workers who don’t see a clear progression from their current role to a better position in their company ultimately turn to opportunities elsewhere. And that suggests an easy solution. By providing clear paths for employees, moving them through job titles on a regular progression over time, employers can help boost perceived career opportunities and limit this type of harmful stagnation.”

“And candidates whose current employers have low culture ratings or who are underpriced relative to the market are statistically more likely to consider offers at new employers,” wrote Chamberlain. “When employees switch employers, we find they usually move to companies with higher Glassdoor ratings.”