



Return on Investment of the Recruiting Process



Agenda

- ▮ [Overview]
- ▮ [Benefits of effective recruiting]
- ▮ [The recruiting process and its bottlenecks]
- ▮ [Stigmas associated with HR technology]
- ▮ [Executive-level messaging]
- ▮ [Key metrics to monitor and track]
- ▮ [Best practices in evaluating current processes, tools, and ROI]



Overview

- [Human capital management is a competitive differentiator.]
- [Time-to-hire, cost-of-hire, and quality-of-hire are key recruiting metrics.]
- [Technology helps address key issues.]
- [Costs must be measured throughout the process and optimized with the right technology at the right location.]



Benefits of effective recruiting

- [Minimizes hard costs]
- [Minimizes missed opportunity costs of not having a position filled]
- [Improves productivity and longevity]
- [Drives organizational improvements, productivity, and results]

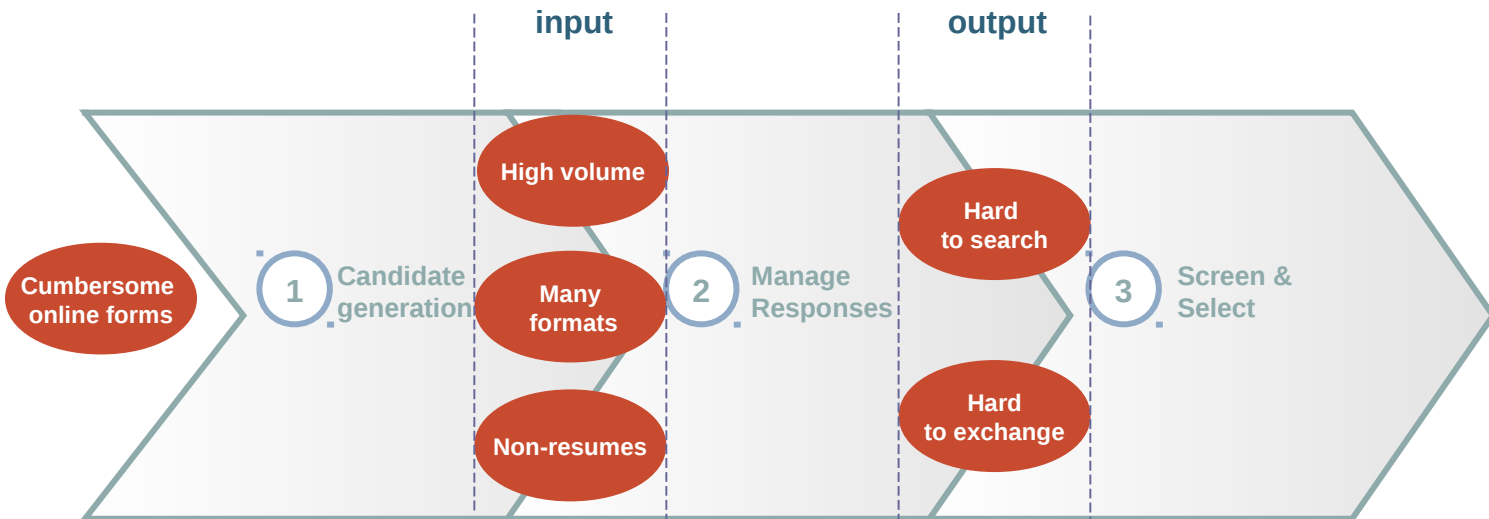
Recruiting process overview



Recruiting process bottlenecks

[Modify this diagram to describe your recruiting process or insert your own diagram.]

[Optimize the recruiting process by targeting known problem points.]





Stigmas of HR technology

- [Companies do not understand the entire recruiting process and miss critical steps in their analyses, resulting in incomplete analyses.]
- [Companies provide anecdotal evidence only and have no real data available to support their ROI arguments. The data is available; however, HR doesn't know where to find it.]



Stigmas of HR technology

[CONTINUED]

- [The ROI models are theoretical.]
- [Models are too complex and take too long to complete.]
- [Models do not use real client data.]
- [Models fail to address the critical business issues of executives in client organizations.]



Executive-level messaging

- ▣ [Identify issues and present solution options.]
- ▣ [Present a logical ROI model that flows easily.]
- ▣ [Use real data from the organization itself.]
- ▣ [Clearly state assumptions.]
- ▣ [Provide conclusion in terms of cost savings, productivity and process improvements, and results orientation.]



Key metrics to monitor and track

- [Time-to-hire]
[The total time required for hiring.]
- [Quality-of-hire]
[How satisfied an organization is with a hire.]
- [Number of vacancies outstanding]
[The total number of job vacancies the company has.]
- [Cost-per-hire]
[The total cost associated with a given position and hire.]



Key metrics to monitor and track

[CONTINUED]

- [Longevity-of-hires]
[How long new hires stay with the company.]
- [Recruit source effectiveness]
[The effectiveness of each source the company uses to generate candidates.]
- [Time-to-productivity]
[The time it takes for a new hire to become productive in their new role.]



Best practices for recruiting process

[Issue]	[Best practices to improve recruiting process ROI]
[Cumbersome online forms]	<ul style="list-style-type: none"><li data-bbox="649 512 1673 594">▫ [Implement electronic résumé processing to speed online applications through process.]<li data-bbox="649 611 1673 692">▫ [Standardize résumé data extraction to optimize effective data integration, exchange, and search applications.]<li data-bbox="649 709 1673 791">▫ [Do not allow upload of résumé—this has to occur in order for data extraction technology to be optimized.]
[Large résumé volumes]	<ul style="list-style-type: none"><li data-bbox="649 858 1673 939">▫ [Implement electronic résumé processing to speed online applications through process.]<li data-bbox="649 956 1673 1038">▫ [Utilize common data formats and database schemas to optimize data usage and value.]<li data-bbox="649 1055 1673 1136">▫ [Utilize technologies to process résumés effectively and efficiently through internal resources.]
[Many formats]	▫ [Utilize technologies that accept and process multiple résumé formats and languages.]



Best practices for recruiting process

[Issue]	[Best practices to improve recruiting process ROI]
[Paper and fax-based résumés and applications]	□ [Use third-party paper/fax résumé processing services that optimize the relationship between cost-per-résumé and data quality.]
[Hard to search]	□ [Implement and utilize résumé database search technologies that operate quickly, require little experience to use, and provide short lists of candidates.]
[Hard to exchange candidate data]	□ [Implement technologies that use common data exchange formats such as HR-XML.]



Best practices for recruiting process

[Issue]	[Best practices to improve recruiting process ROI]
[Understanding the process]	<ul style="list-style-type: none">□ [Interview people involved in the recruiting process to understand the entire recruiting process.]□ [Offer models that can be modified to gain a clear picture.]□ [Offer solutions that optimize the process and, hence, ROI.]
[Numbers not believable]	<ul style="list-style-type: none">□ [Develop before-and-after studies with customers as part of the justification process.]□ [Use study results as part of an aggregate data offering.]
[Tools to help executives sell]	<ul style="list-style-type: none">□ [Use executive contact to understand key business issues.]□ [Create and offer logical ROI models that allow clients to enter their own data and determine the resulting impacts.]□ [Provide models in word-processed or spreadsheet formats.]



Best practices for recruiting process

[Issue]	[Best practices to improve recruiting process ROI]
[Time-to-hire]	▫ [Determine items critical to business success.]
[Quality-of-hire]	▫ [Measure preprocess and postprocess or technology implementation.]
[Number of vacancies outstanding]	▫ [Compare vacancies against industry-leading benchmarks.]
[Cost-per-hire]	▫ [Have vendors work to provide models and tools for collecting and evaluating data.]
[Longevity-of-hires]	▫ [Report performance regularly as part of standard management reporting package.]
[Recruit source effectiveness]	▫ [Develop programs to address process deficiencies in individual benchmark areas.]
[Time-to-productivity]	