



RECRUITING'S GONE STRATEGIC

New-Age Tactics to Overcome Critical Skill Shortages

Most recruiting is (and has been for some time) tactical in nature. The typical scenario is that a position becomes open - either because somebody has left, or a new job gets created. The usual process is that the position is specified, the recruitment method is chosen, the selection tools are put into place, and ultimately the new incumbent is hired.

This scenario has not changed to any great degree in anyone's living memory. It is conducive to 'third party recruiting relationships' where a fee-per-hire as a percentage of salary is the norm. As long as the position is filled, everyone is satisfied.

Candidate Demand & Supply – The Ever-Changing Demographics

However, there have been major changes in the last decade in the way that companies do business. This means that there have been major changes also in the way that Human Resources (H.R.) does its business. H.R. has now become a business partner instead of being just a provider of traditional human resources services. As well, the needs of businesses are changing at an ever-increasing rate. In addition there are supply and demand factors associated with staffing at a number of different levels which are new.

At the executive level, the supply of true talent is not keeping up with the demand. Companies are looking for leaders who are change agents, and strategic thinkers who possess technical and functional competencies, and business skills such as teamwork and 'outside the box' thinking. A tall order! In some industries like hi-tech, IT and pharmaceutical, critical skill shortages are having a major impact on a business's ability to actually compete; the hardest hit functional areas typically being technology and sales & marketing.

These staffing problems have clearly separated companies into two types: those who have responded to this new paradigm, and those who have not. The former have decided to be proactive instead of reactive, and to think strategically to find innovative solutions to the new challenges in recruiting. One motivation for many companies to enter into mergers and acquisitions is to gain new talent. Now that's expensive recruiting!

There are two very specific scenarios that provide challenges in recruiting. First, there is a scenario generated by a lack of talented people. One answer is to build a pipeline to future hires over a period of time, simply because people aren't always available in adequate numbers when you want them. The second scenario is generated by an anticipation of future needs, based on historical data, on a position-by-position basis. In other words, if a company knows it is likely to have attrition or growth in a certain area, then it makes sense to develop relationships with people who would be available to fill the appropriate positions as and when these positions actually become available, or as the needs of the business evolve. Smart companies that are not burdened by a cumbersome bureaucracy hire in an entrepreneurial fashion. When a "hot" candidate becomes available, they create a position around the person, and do whatever it takes to get them. However, few companies have this luxury, and need strategic recruiting.

Building Bench Strength for the Succession Plan

Anyone who has conducted a succession planning exercise will have identified specific areas of their organization where promotable talent does not exist, or does not exist in sufficient numbers. Building promotable bench strength is not a recruiting dilemma which requires immediate attention, but will haunt the H.R. professional who ignores it. Finely focused Strategic Recruiting™ has become an ideal way of reinforcing the existing organization with people capable of being promoted into key positions over a period of time. Again, a tactical approach to recruiting cannot solve problems which are essentially strategic in nature.

Recruiting Costs – Operating Expense or Capital Investment?

These above scenarios have been addressed by Alan Davis & Associates Inc. with a number of its key clients. A new product called Strategic Recruiting™ has been developed. Strategic Recruiting™ requires a radically different approach to recruiting. Based on the premise that a "pool" of staff resources can be identified for the future needs, it is a Strategic, rather than a Tactical approach. It gives a company the opportunity to make multiple hires over time, not just a 'single hire' now.

Strategic Recruiting™ requires that the recruiters have all the right tools to manage future hires over a period of time, rather than simply to manage today's candidates. It means that H.R. professionals must think in terms of investment in future human capital, rather than just the cost of getting people on board.

Strategic Recruiting™ recognizes the fact that most people change jobs 5 to 7 times during their careers (or more often, depending on which survey you read). Strategic Recruiting™ builds a bridge to key candidates so that when they reach those critical points in their careers where they are considering a career change, there is a path in front of them and an existing relationship with their future employer. They don't even need to look; they know that an interesting career awaits them.

This, of course, requires skilled Recruiters who are trained to do more than ask “are you ready for a job change?” It demands a softer approach in order to generate interest and to put the relationship on a sound footing. In many cases, the recruiter does not have the “hooks” of an immediate opening at their disposal, so the “selling approach” has to be at a much higher intellectual level.

Once a relationship has been established the recruiter follows up with each potential candidate, in accordance with a contact strategy agreed in advance with the candidate. Promises made (like sending information on a regular basis) must be kept and expectations have to be managed.

The beauty of Strategic Recruiting™ is that not only does it capture future hires, it also scoops up candidates who are available immediately. Thus immediate needs are met as well as future ones. In other words, Strategic Recruiting™ automatically includes the tactical recruiting component.

When Strategic Recruiting™ is used for either attrition or growth, it significantly shortens the time-to-hire, as the identification, recruiting and pre-selection components have already been done.

A Challenge to Traditional Recruiter/Client Relationships

Strategic Recruiting™ has had a huge impact on the relationship between Alan Davis & Associates Inc and its clients. The traditional industry relationships (fee-per-hire or fees based on a percentage of salary) are passé. The traditional billing methods are irrelevant and ineffective. Strategic Recruiting™ means that a company needs to have a partner in recruiting - as opposed to a supplier of recruiting services.

The New Paradigm in Recruiting

Strategic Recruiting™ has been widely and enthusiastically accepted across a variety of industries, and in many cases has been implemented on a world-wide basis. Companies such as Bombardier Aerospace, Nortel Networks, Pratt & Whitney, JetForm Corporation, Tundra Semiconductors, Lafarge Corporation and Noranda Inc. have incorporated Strategic Recruiting™ into their H.R. arsenal of leading-edge tools to tackle today's challenges.

It is interesting to note that all these companies are driven by technology, even though they are leaders in very different industries. Whether the focus is on product design, manufacturing, or service delivery, or when a lack of talent is having an impact on a company's ability to compete in an increasingly competitive marketplace, it's H.R.'s job to find viable solutions.

Strategic Recruiting™ is one of many “outside the box” initiatives which Alan Davis & Associates Inc. has designed in partnership with its clients in response to their evolving business-driven recruiting needs. Strategic Recruiting™ provides a company with the means to ensure that the right staff are in place within the time frames required to meet the objectives of its Strategic Business Plan.

Of course tactical recruitment is, and always will be, necessary. But it is only one of a number of tools in the toolbox of Alan Davis & Associates Inc. Tactical recruitment simply responds to the immediate need for a hire, which cannot solve all today's more challenging staffing problems.

Strategic Recruiting™ looks to the future to ensure that skilled staff are available when the need arises, e.g. when a new contract is won or a new product line comes out of R&D. Strategic Recruiting™ allows a company to “fast track” their hiring process, giving them a chance to maintain a business edge over their competitors.

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Alan Davis is a 22-year veteran in the recruiting and selection arena and has managed many recruiting campaigns, both in Canada and overseas. He was the architect of the 1992 Canadian Astronaut Recruitment Campaign. His company provides specialized services in recruitment, selection, and interview training.