

RESOURCING – HOW HR'S CORE COMPETENCE IS EVOLVING

“ Recruiting high-quality talent is as important as ever to business success, and an area where HR can make a substantial strategic contribution. The way organisations source and select employees is changing, driven by an explosion of technological innovation, ubiquitous social media and shifting candidate expectations. However, the fundamentals of good resourcing – having well-defined criteria for success and building a fair and robust process to assess against those – remain the same. ”

Dr. Tomas Chamorro-Premuzic and Gillian Pillans, Report Authors

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EXECUTIVE SUMMARY

“CANDIDATES TODAY EXPECT A MINIMUM STANDARD OF CANDIDATE EXPERIENCE IN A DIGITALLY ENABLED WORLD. IT HAS TO BE SLICK, IT HAS TO BE MOBILE, AND IT HAS TO CREATE A WOW FOR THE CANDIDATE.”

Wendy Cunningham, Global HR Technology, Analytics and Talent Acquisition Director, Experian

1. Finding, developing and retaining the talent needed to execute strategy is a key business priority. Competition for top talent is stronger than ever, and organisations are having to become ever more inventive in developing resourcing strategies, employer branding and employee value propositions to engage the best candidates.
2. On the one hand, technology innovation in the recruitment space, the connectedness afforded by social media and the rise of resourcing platforms such as LinkedIn have made it easier than ever to identify talented people, resulting in a shift in the recruitment market towards more direct sourcing of candidates and reduced reliance on agencies. On the other hand, the job market is changing, making it harder to persuade talented people to join or remain with the organisation. The balance of power is shifting from employers towards candidates. At any time, it is likely that a majority of your employees are either actively or passively seeking opportunities elsewhere, and self-employment is becoming the preferred career option for many.
3. Successfully navigating these challenges requires a strategic approach to resourcing that addresses the following questions.
 - What capabilities are required to execute the strategy and how can we acquire the capabilities we don't have or can't develop?
 - How should we competitively differentiate our organisation in the market in order to attract the talent we need?
 - Where should we invest disproportionately in our resourcing process? This might mean investing in the latest recruitment technology, reinventing the employer brand, or upskilling internal recruiters in the latest candidate attraction techniques.
4. CRF's Strategic Resourcing model sets out the key features of a strategic approach to resourcing. This means:
 - starting with the business strategy to identify needs
 - taking a proactive approach to resourcing through strategic workforce planning
 - building robust resourcing processes that assess candidates on the basis of evidence of what's needed to succeed in a role
 - evaluating outcomes to identify opportunities for process improvement and increasing assessment validity.
5. Sound, evidence-based job analysis is essential to successful recruitment outcomes, and enables recruiters to:
 - identify the factors that differentiate the highest performers in a role from others
 - choose accurate selection tools and measures
 - demonstrate the fairness of the selection process.
6. Technology is transforming the way employers and candidates interact, with sites such as Glassdoor making the recruitment experience more transparent. We identify the following key trends in employer branding being adopted by forward-thinking organisations.
 - Viewing the employer brand as a source of competitive differentiation.
 - Creating a more authentic employer brand, particularly through the use of storytelling.
 - Using the employer brand to help candidates self-select.
 - Focusing on the candidate experience as a key element of differentiation.
 - Blending the corporate and employer brand.
 - Building communities to engage passive candidates and develop external talent pipelines.

However, we find that job analysis is often the weak link in assessment and selection in many organisations.

“RECRUITING IS UNDERGOING A PERIOD OF REVOLUTION AND RENAISSANCE ENABLED BY TECHNOLOGICAL DEVELOPMENTS. AT NO TIME IN HISTORY HAS IT BEEN AS FAST, EASY, AND INEXPENSIVE FOR ORGANISATIONS OR INDIVIDUALS TO LEARN ABOUT EACH OTHER. TECHNOLOGICAL ADVANCEMENTS MAKE IT POSSIBLE FOR ORGANISATIONS TO SOURCE AND REACH QUALIFIED APPLICANTS ANYWHERE IN THE WORLD – AND VICE VERSA. WHEREVER THERE IS ACCESS TO THE INTERNET, PEOPLE CAN LEARN ABOUT JOB OPENINGS OR APPLY FOR A JOB.”

Ployhart, Weekley and Dalzell, 2018

- Focusing on company purpose as a way of drawing in candidates.
7. An effective selection process should be able to predict, with some degree of accuracy, which candidates are likely to be the highest performers. This means answering the following questions: what should we assess, and how should we assess it? Decades of scientific research have provided insight into the first question by identifying three core elements that predict high performance in a role.
 - **Intelligence** is the best single predictor of high performance and career success.
 - Certain **personality traits** are linked to career success: conscientiousness, low neuroticism and openness to experience.
 - **Motivation** is critical in determining whether an individual’s raw potential is translated into achieving work and career goals.
 8. In choosing how to assess, there are trade-offs to be made among four factors.
 - The **accuracy** of the selection method.
 - **Cost** of developing or purchasing, and administering selection tools.
 - The **candidate experience**, which will affect the likelihood that a preferred candidate will accept a job offer.
 9. Organisations can improve the accuracy of their assessments by choosing selection methods with high predictive validity. These include structured interviews, assessment centres, work sample and ability tests, and personality tests. Unstructured interviews, which form the bedrock of recruitment practices in many organisations, have much lower validity and are much less effective at identifying potential high performers.
 - The **fairness** of the process.
 10. Innovative technologies are profoundly changing the selection landscape. On-demand video interviewing, automated applicant sifting powered by machine learning, and gamification are on the increase and are enabling employers to speed up the decision-making process, standardise assessment techniques at scale, reduce hiring costs, and improve the candidate experience. However, it’s important to note that many of these technologies are relatively untested and have not been scientifically validated to the same degree as more traditional selection techniques.
 11. We conclude by summarising some key recommendations for improving the practice of resourcing in organisations.
 - *Focus resourcing on supporting the business strategy.* The resourcing function can play a more strategic role by providing talent market intelligence to assist in strategy formulation. Closer integration between business and resourcing strategies allows talent acquisition to be more proactive about sourcing the talent needed to execute the strategy.
 - *Make sure talent acquisition integrates seamlessly with other people and talent management processes.* How is the information gathered in the selection process used to improve onboarding? Do succession plans take account of external talent pools?
 - *Build a robust approach to resourcing, and apply it consistently.* Rigorous job analysis should be at the foundation, and the process should be driven by evidence and rooted in science. Investment in assessor training and quality control will improve outcomes. The effectiveness of the process and the validity of selection activities needs to be regularly evaluated. Consistently deploying an objective, evidence-driven resourcing process can also help organisations achieve their diversity goals.

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