The Talent Management Arms Race

A boom in talent management technologies—and increased competition in the war for talent—has prompted human resources departments to do away with tradition and adopt new, mature software and services.
Talent Management Software: A Weapon in the War for Talent

Too many candidates and not enough skills—that’s the dilemma human resources managers are facing today.

In the post-Great Recession economy, lots of people are looking for work, but only a slim margin has the expertise that companies desperately need, such as engineering, manufacturing and data science skills. And even when these valuable candidates are found and brought on board, the work isn’t over. HR managers must constantly engage them to keep them happy. After all, if retention falls by the wayside, HR departments leave their key talent vulnerable to poaching by competitors.

Sounds like warfare? It is—at least colloquially. Many HR leaders and experts today describe the current labor market as a “war for talent.”

What, then, can companies do to win the war? While technology isn’t a silver bullet, it can certainly provide an advantage. For this reason, many organizations are investing in talent management software—tools for talent acquisition, performance management, corporate learning and compensation—to help them recruit, develop, reward and retain their top performers.

This three-part guide delves into the latest trends in talent management technology to help buyers make informed decisions. First, HR managers will learn how to harness the power of social recruiting in six steps. Next, we review the benefits and potential pitfalls of deploying social performance management software. We close with a look at the talent management system features that HR buyers everywhere are looking for.

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The power of social recruiting is undeniable. Recruiters and talent acquisition teams are using social media more and more as part of their overall strategies to find job candidate leads and usher the best prospects on board.

When carried out with foresight and authenticity, an appetite for engagement and a little patience, recruiters can maximize their efforts and build a pipeline of strong candidates now and for the future, according to experts in the field.

“Social media gives you a larger and louder platform from which to do your work,” said Paul DeBettignies, principal at Minnesota Headhunter in Minneapolis. “I can talk to so many more potential candidates than I could 10 years ago.”

With so many candidates active on social media—nearly three-quarters of online adults use Facebook, 18% use Twitter and 22% use LinkedIn—it’s no wonder that 94% of recruiters say they currently use or plan on using social media in their recruitment efforts, according to Jobvite’s 2013 social recruiting survey.

Facebook, Twitter and LinkedIn are still recruiters’ social networks of choice, but other sites—Pinterest, YouTube, GitHub, Stack Overflow and Instagram among them—are also emerging as channels used to source talent.

But recruiters shouldn’t dive into these sites with blinders on, experts warn. Use the following six tips to succeed with social recruiting.

1. **Create a strategy.** Every recruiter starting in social recruiting needs a plan, said Natascha Thomson, principal and founder of MarketingXLerator, a business-to-business social media marketing consultancy in Silicon Valley.

   “It starts with setting your objective,” Thomson explained. “What are you trying to do?
With recruiting, it’s really important to think about who you’re trying to recruit. [Is it] recent college grads or top-notch experienced engineers?”

2. Go where your candidates are. Once you have your target audience in mind, meet them where they are.

“I fish a lot. I could go out on a lake and pitch a bobber somewhere. Or I could figure out where the fish are and go there,” DeBettignies said.

He also recommended asking people in the field where they hang out online. “Is it Twitter? LinkedIn? Facebook? At the end of the day, it depends on who you’re recruiting.” And with the ability to use Facebook Graph Search and Twitter hashtags, there’s no reason a recruiter can’t find the audience and conversations he’s looking for.

3. Learn the rules of engagement. Once the audience is located, it’s time to engage. Authenticity is extremely important, said Kerry Noone, an employer brand manager at Amtrak.

“It’s important for Amtrak candidates to know a real person [is] answering their questions and that we do read their tweets and posts,” she said. “It’s not just us pushing out information.”

TweetDeck allows Noone to monitor her stream and search keywords. “Any time anyone is talking about jobs and Amtrak, I’ll reply to them and be able to give them more information about what we have to offer,” she said.

Amtrak focuses primarily on LinkedIn, Twitter and Instagram for connecting with potential candidates and uses a career tab on its Facebook company page. At this point, the Amtrak Careers account has nearly 2,000 followers on Twitter, where “we talk to candidates every single day,” Noone said.

“You’ve got to engage with folks. Talk with them, not at them,” DeBettignies said. “And whatever you do, don’t be boring.” Injecting some humor into communications reminds followers that there’s a person behind the brand. For instance, DeBettignies suggested posting about the weather or the commute. “Be human. Be yourself.”

Most recruiters are still using Twitter as a reactive tool. But DeBettignies said that’s the
wrong approach. “You can go out and meet prospective candidates [on social networks] before you even have a job to post. Then they won’t dismiss you as a spammer.”

4. **Produce and share great content.** “People now have a very high expectation that you give them relevant information,” Thomson said. “If you don’t, you lose credibility. There’s so much information out there, you need to be relevant.”

   So what is great, relevant content?

   “Provide content that’s not always just job-related,” DeBettignies said. “It could be articles related to the field that show you’re involved with your industry and with the people you’re recruiting.”

   Repurposing content from other areas of the company is a useful shortcut with its own benefits. At Amtrak, “we talk about things we’re excited about, like our new career portal and applicant tracking system, hiring events and benefits, but it’s also important to make sure potential candidates know about the culture of the company,” Noone said.

   For example, Amtrak uses the hashtag “#TeamAmtrak” on Instagram as a way to curate posts created by Amtrak employees that show what it’s like to work at the company.

5. **Don’t approach social recruiting as you would a job board.** Perhaps most important is to avoid treating social media simply as another job board.

   “Don’t just spam people,” DeBettignies said. “Don’t just post and pray. It’s the lazy way out.”

   Erin Osterhaus, HR analyst at media company and consultancy Software Advice and managing editor of its blog, The New Talent Times, in Austin, Texas, couldn’t agree more.

   “Actually engaging with potential candidates is necessary if you’re going to use social media in the best way possible and take advantage of what it has to offer above and beyond the traditional recruiting tactics,” she said.

“People now have a very high expectation that you give them relevant information.” —NATASCHA THOMSON, principal and founder of MarketingXLerator
And as companies become more and more transparent, candidates want to know about things such as company culture even before they apply for jobs, Osterhaus said. “Once they know who you are and enjoy your posts, then they are more likely to apply once you do post a job.”

6. Manage your expectations. If done right, social recruiting has the potential to grow recruiters’ audiences exponentially. But building an audience takes a long time to cultivate. “If you’re a well-known brand, it may be somewhat easier, but this stuff takes time,” Thomson said. Recruiters need to be specific about their goals and have realistic expectations, she added.

“It’s very important to be patient,” Noone said. “You’re not going to build a network overnight. You’ll win people over one at a time.” Eventually, a strong pipeline of passive candidates will emerge.

Recruiters also need to have realistic expectations about cost. “That’s one of the biggest misperceptions,” Thomson said. “People think social media is free, but it’s actually one of the most expensive tools because it’s time-consuming.”

But, as she put it, it’s an investment, and it should be treated as such. —Aaron Lester
In the summer of 2011, when Leah Coyne took the reins as the first human resources director at Opower, the company’s employee performance review process was nearly nonexistent.

“After I’d been here for a few months, it was clear that it was time to invest in the people,” Coyne said.

Opower, a publicly held Software as a Service company, was adding 100 new employees a year, many of them Millennials—“the Facebook generation”—who wanted frequent feedback, Coyne said. For a performance review program to be successful, it needed to incorporate the behaviors and culture that the new employees brought with them to the enterprise, she said.

In other words, a performance review program needs to be social, fast (close to real time), transparent and nonhierarchical.

With the recent emergence of social performance management tools like SuccessFactors, GloboForce, 7Geese and Work.com, companies have been able to get a more holistic view of employee performance. These platforms can help advance goal settings, increase motivation through real-time public recognition and facilitate coaching and training in increasingly young, collaborative and far-flung work environments.

“Traditional performance reviews are formal. They’re top-down. And it’s a very uncomfortable practice,” said Jacob Morgan, co-founder of Chess Media Group, a social management consulting firm. “Nobody really enjoys performance reviews and companies are realizing the traditional way of doing them isn’t effective,” Morgan said.

But before diving headfirst into a new social performance review process, there are key missteps to avoid and critical questions every forward-leaning company should ask itself, said experts and professionals in the field.
Do you have a plan? “With any technology deployment,” Morgan said, “the organization needs to decide what they hope to get out of it.” Do they want badges or other kinds of social recognition? Do they want goal-setting capabilities?

A company must ask itself why they want the new technology and how it’s going to work, Morgan said. “Then ask, ‘What capabilities do I need from this piece of technology [in order] to use it the way I want to use it?’ ”

From there, a company can start to look for vendors that fulfill those needs, he said.

Is integration possible? “It’s not really part of the DNA for most companies to move toward these social platforms,” said Nigel Fenwick, an analyst at Forrester Research.

“You have to change the work process to make them a part of the daily workflow,” Fenwick explained.

If the social technology isn’t integrated, you’re only going to get the highly social people engaged in the process, he added.

And if an organization is already using a collaborative environment such as Yammer or Jive, it will have to decide how the new process will fit in, Morgan added. “They’ll need to play nice together,” he said.

For Opower, which began using Work.com in January 2013, the vendor of choice was a logical one. The company was already using Salesforce and Chatter. And because Chatter—the enterprise social network—and Work.com are both Salesforce companies, the integration was potentially seamless.

“Getting [Work.com] integrated into Salesforce was a huge win for us,” said Lee Wright, senior director of global sales at Opower. Now, with Chatter, for example, an employee can send public recognition to a colleague in the form of a “thanks” badge. Each customizable badge has particular significance and meaning tied to specific skills. When it comes time to evaluate performance, all of that public recognition is available to use for performance reviews.

And, Wright said, because Work.com isn’t disconnected from other technology that employees use day to day in their jobs, employee and manager buy-in has been outstanding.
Do you have full buy-in? “At the end of the day, the success [of the program] comes from whether or not people actually use the technology you deploy,” Morgan said.

Morgan recommended asking employees and managers what they think of traditional performance reviews. Would they prefer if the company did something in a more social environment?

But organizational change is hard, Fenwick said. “You’re talking about a massive cultural change for most organizations. It’s hard to get people to change if they don’t see the benefit,” he said.

Fenwick said leadership can make a big difference in adoption and buy-in. If leadership uses the tools, it sends a message, he said. It’s also important to have dedicated staff to help drive adoption, Fenwick added. “Having someone whose role is a social manager or social evangelist can make a huge impact.”

At Opower, Coyne knew from the results of a survey she conducted at the outset of her planning process that employees wanted more feedback more often. She was confident she’d have the majority of employees buy in to a new social performance management process, so she decided to experiment with adoption.

“I sort of did a viral campaign,” she said. “I secretly gave access to about five people and sat back and watched it multiply.”

Adoption was created and driven at a grassroots level, she said. People had to want the new social-driven process to get it. “Instead of me telling people they had to be involved, they were telling me they wanted to be involved.”

To be sure, not every company has employees and managers who are as social-minded and tech-savvy as Opower’s. “You’re going to have pushback against any type of change,” Morgan said. “But the second people start to realize that either there’s a better way to do things or the way they’re currently doing things is broken, then they’ll start looking for a solution.”

What should you avoid? Steer away from a command-and-control approach, Fenwick said. “If you post something that’s critical and someone jumps down your throat, you’re never going to get honest feedback. It’ll kill the social community.”

The culture of the organization has to be
open to people posting about problems and people trying to solve them, Fenwick said.

Also avoid making your social performance review program a technology project, Morgan said. “It’s not just about the tech. It’s about people, process improvement and evolution in how the organization is going to work,” he said.

There’s a huge shift happening in the way we work, Morgan said. “And organizations are struggling to adapt. The change isn’t just around technology. It’s around behavior, culture and hierarchy.”

“The traditional performance review is a rigid and often dreaded ritual; it’s frozen in time,” said Eric Mosely, CEO of Globoforce, a social recognition software vendor in Southborough, Mass. But as social technologies increase in importance, Mosely said, “it will empower employees to have a greater voice and end the inflexible, top-down review structure that has plagued organizations for decades.”

“You’re putting your finger in the dike if you’re not doing something like this already,” Opower’s Wright said. “If organizations embrace it, they’ll see how much easier it makes life, not how much more difficult.”

—Aaron Lester
Integration Tops HR Managers’ Tech Wish Lists

**Considering that nearly** 60% of companies are planning to buy a new human resources information system or talent management system in 2014, according to Bersin by Deloitte research, there are going to be plenty of buyers in the HR technology market. So what are these buyers looking for?

For one, integration continues to be an important consideration for HR systems decision makers. According to survey data reviewed by analyst Katherine Jones at Bersin by Deloitte’s Impact conference in Fort Lauderdale, Fla., 35% of buyers would like to move from disparate systems to a more unified, global approach, and 29% are seeking to consolidate around a single vendor.

But this single vendor probably won’t be the one they’re currently using. Bersin research revealed that of survey respondents planning to replace their human resources information system (HRIS), 26% are doing so because of vendor dissatisfaction, and 67% plan to switch vendors for their new deployments.

In Jones’ opinion, integration is a smart goal. “I’m an integration bigot,” she said. “I think [systems] should be stuck together—not with chewing gum and not with duct tape—but really integrated.” She also noted that integrated systems are easier to manage and can lay the groundwork for better analytics.

Other top buying criteria for HRIS and talent management systems included improved analytics functionality, better user experience
and a Software as a Service deployment model. Jones also noted that cloud computing has jumped in importance since 2013—while it ranked seventh as a buyer criterion for 2013, it took fourth place for 2014.

Jones also noted features that are “in” and “out” in the world of HR systems.

Desirable aspects included good interfaces, solid analytics, mobile-first design, social as an underlying feature of software, a single view of the employee and core HR systems that are integrated with talent applications.

Features that were called out on the negative side included new on-premises technology deployments, siloed talent management applications, screens that resemble forms or processes that require more than six clicks, and onerous job applications.

To this last point, Jones suggested an exercise to attendees.

“I want every one of you to go to your career center and apply for a job at your company and then tell me how happy you are with that because I suspect you will not be,” she said. “Try it and then think about your candidate experience.” —Emma Snider
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