

The Shape of Talent Acquisition Across Europe 2021



Table of Contents

Key Takeaways	3
Introduction	4
Demographics	6
Transformation in the TA Function	7
Data and Analytics	12
Technology	15
Community and Network	17
Employer Branding	19
Recruitment Process Outsourcing	21
Transforming Talent Acquisition for the Future	22
Appendix	23



Key Takeaways

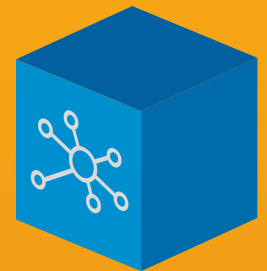


Growing Self-Confidence

Two-thirds of surveyed talent acquisition (TA) decision-makers describe their function as better performing compared to 12 months prior — when almost 50% thought they could improve.

A Need for Data-Driven Intelligence

Over six in 10 respondents believe they could use data to deliver better insight.

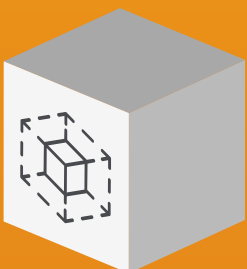


The Growing Power of the Employer Brand

Responses reflect a year-on-year improvement in the curation and deployment of brand in hiring. Over 70% believe their brand is working to attract talent.

An Emphasis on Talent Communities

Over half of TA functions foster an active community of talent — a massive improvement over the last year.



Potential Technology Shortfalls

Despite pandemic-enforced changes to digital models, very few functions are enabled by best-in-class technology.

A Focus on Transformation and External Partnership

Seven in 10 respondents are looking into continued transformation for their practice. Increasingly, they work with external partners to deliver on this.



Introduction

Talent Tops the Agenda

During 2020, businesses, economies and personal welfare have all been stress-tested by the COVID-19 pandemic. CEOs, tasked with guiding organisations through this difficult time, are now kept up at night by macro-global problems (e.g., climate change and geopolitical uncertainty), risks attached to digitally centric ways of working, and getting access to the skills and talent they need.¹

And talent will be the key to successfully navigating this tumultuous period. Josh Bersin, writing in a 2020 blogpost titled *Coronavirus Response: People First, Economics Second*, implicated that skilled individuals will not only help companies get through the pandemic but be best placed to navigate an uncertain future, too.²

Challenges Lead to a Transformational Opportunity for Talent Acquisition

Today, business decision-makers recognise that a focused talent strategy is a priority for success. In 2019, eight in 10 leaders were either extremely or somewhat concerned about getting access to the skills their business needs.³ In 2020, it has become a top executive concern — with at least one report indicating that the impact of COVID-19 has made attraction and retention the top priority for CEOs.⁴

And the TA function believes it is positioned to address heightened priorities and drive successful outcomes. According to data from Allegis Global Solutions (AGS) and *HR Grapevine*, two-thirds of the 2020 survey respondents described their function as better performing when compared to operations in 2019. In fact, some talent heads are saying that 2020 has accelerated a much-needed transformation and mindset shift in the function. Director of Resourcing at Nationwide Building Society, Chris Bleakley believes that TA has generally responded well to pandemic-enforced changes and is more confident as a result. “[Our] understanding of long-term [demands] is better than it was, and we now manage strategy, too. It’s not just about filling roles,” he says.

Four Key Challenges Moving Beyond the Pandemic

While TA is improving its strategic capabilities, there are hurdles. The function now faces unprecedented internal and external pressures.

1. Stalled Hiring Puts New Pressures on Talent Acquisition

The pandemic put a significant amount of TA on hold. Many organisations completely froze recruitment at certain points last year. There is also an impact on the mechanics of hiring. Government-dictated changes to where work can take place have impacted interview management and onboarding, and they have created issues for TA’s ability to measure likely candidate success.

2. Unemployment Does Not Reduce Pressure on the Critical Talent Supply

Despite large-scale redundancies suggesting the job market is now more favourable to employers, this analysis has limitations. Yinka Opaneye, HR Director at GameAnalytics, states that top talent will still be difficult to acquire — with remuneration still high and availability still low for coveted skill sets. In addition, top workers are frequently only available for roughly 10 days before being hired, meaning TA has to be embedded in its communities to even have a chance at acquiring that talent.⁵ As if that was not enough, demographic changes coupled with new models of business require skills that are in, as PwC describe, “short supply”.⁶ The global consultancy suggests that in-house upskilling, rather than hiring, is a potential better fix to organisational talent conundrums.

3. Passive Talent is Reluctant to Move

Passive candidates, those not actively seeking new opportunities, make up almost three-quarters of the market, and they present unique challenges for TA.⁷ As Group Head of Talent Jig Ramji at London Stock Exchange Group (LSEG) describes, without being able to show company life as it was, certain roles can be a more difficult sell. Perhaps even a different TA skill set is required to get candidates to move. “That deeply entrenched top talent, that is passive, that is an incredibly difficult challenge to get them to move. Now, it’s so much harder — and even if you get a chance the way you do it has shifted,” he says.

1. PwC, 23rd Annual Global CEO Survey

2. Josh Bersin, *Coronavirus Response: People First, Economics Second*

3. PwC, 22nd Annual Global CEO Survey

4. KPMG, 2020 CEO Outlook: COVID-19 Special Edition report

5. Talent Now, Trends & Insights in Hiring Talented Candidates

6. PwC, 23rd Annual Global CEO Survey

7. Talent Now, Trends & Insights in Hiring Talented Candidates

4. Reduced Internal Teams Make Execution Difficult

The resources that TA functions have at their disposal are also likely to have been cut, making a challenging task even more difficult. Furthermore, almost half of companies continue to experience layoffs on their TA teams. These include roles now essential to top-tier delivery, such as candidate experience managers and data scientists.

The Opportunity: A New Strategic Priority for TA

With reduced resources, TA is being looked upon to deliver differently, offering a more strategic and consultative partnership to the business. As Ramji explains, “The function has got to be more proactive and drive partnership. It must be consultative and offer advice.” This is a huge challenge, but it is also an opportunity that talent acquisition now has before it, as the business focuses on moving forward from 2020 disruption.

To become more strategic, the function must consider how it best utilises data, improves its focus on diversity, delivers a great candidate experience in a world gone virtual and drives digital transformation across the function.

Many business leaders see these challenges as an opportunity to have a more leading role. In fact, many top decision-makers believe that TA can become an influential function if it takes a strategic lead.⁸ As Nationwide’s Bleakley says, “Although there have been challenges there have also been opportunities as a result.”

Rising to the New TA Opportunity: A Perspective from the Ground

In light of the pandemic-transformed business landscape and uncertain outlook, AGS and *HR Grapevine* surveyed HR and TA practitioners to assess their organisations’ capabilities in addressing today’s priorities.

Survey questions covered key areas of focus where organisations are experiencing challenges and changing their talent acquisition strategies. These areas include strategic transformation, data and analytics, use of technology, management of talent communities, employer branding and candidate experience, and recruitment process outsourcing (RPO). This resulting report analyses the current state of TA in each of these key areas and allows comparisons between industries.



8. Harvard Business Review, The Future of Talent Acquisition

Demographics

AGS and HR Grapevine collected responses from 405 TA and HR practitioners, all drawn from HR Grapevine's readership. Throughout the report, mention of "the survey" refers to data collection, analyses and grouping of these responses.

Operational Location

Among survey respondents

35%

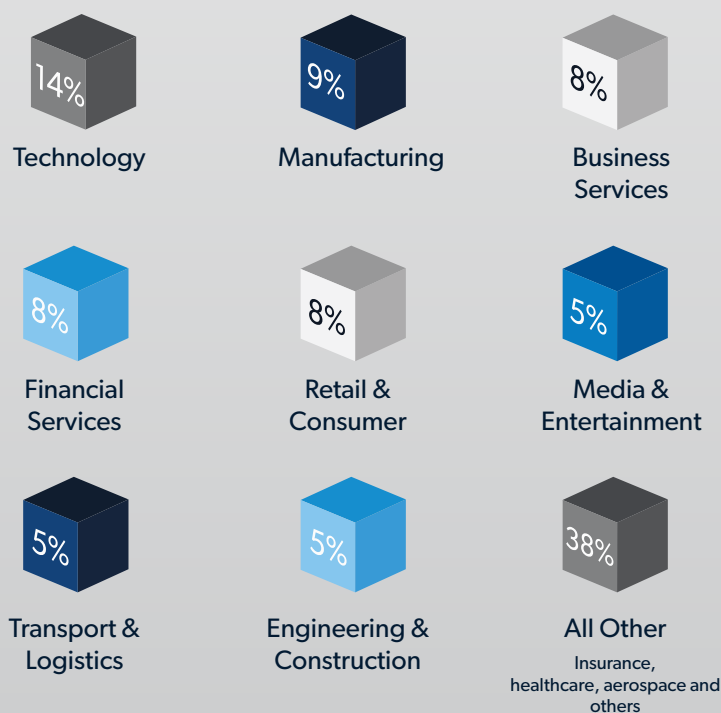
were from an organisation that operates solely in the UK

65%

were from organisations that had either global, EMEA or European operational spans



Industry



Company Size



22% Under 250 employees

251-1,000 employees

20%



26% 1,001 - 5,000 employees



5,001 - 10,000 employees **10%**



22% 10,001+ employees

Transformation in the TA Function

“There have been some real positives that have been identified during the crisis, for example the ability to move with more pace and to manage and embrace change remotely.”

Lisa Rickman-Orpen
HR Director at Audley Group

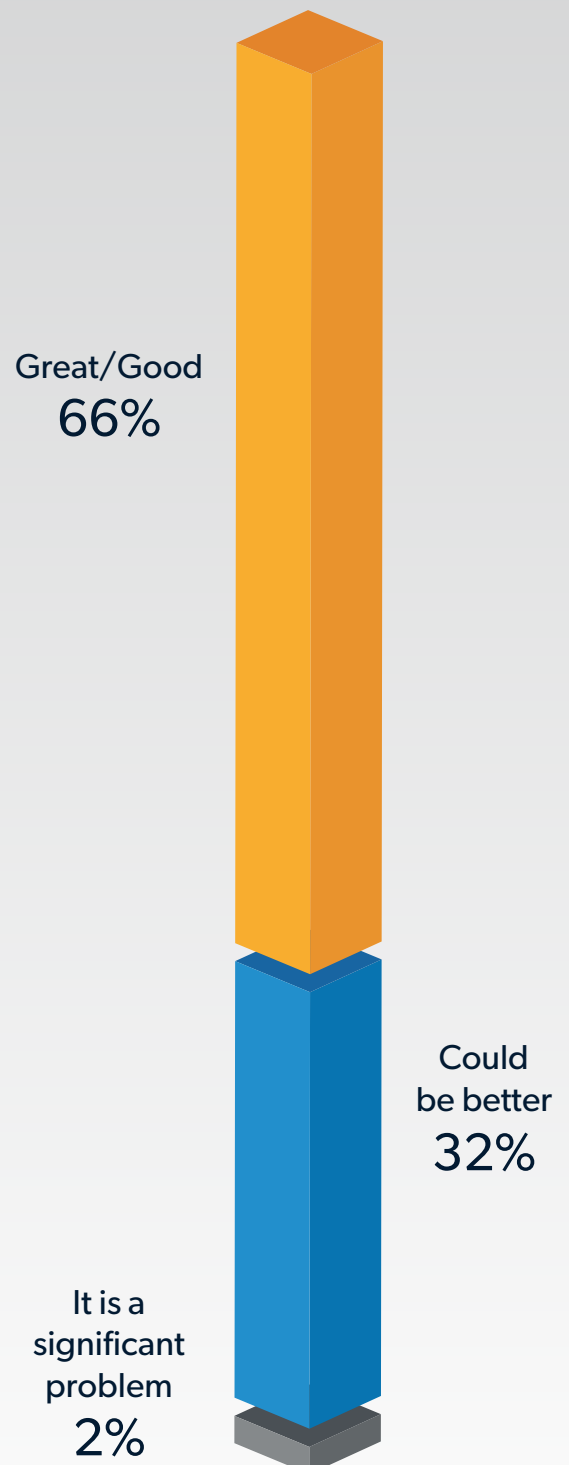
Throughout 2020, TA found itself under increasing pressure to partner in a strategic manner with the business, while navigating a period of total disruption. As a result, TA must transform from the old model of simply acquiring new workers to fill roles to a more long-term approach that positions the organisation for talent readiness in the face of changing business needs.

This appetite for transformation is what AGS’ Cat Halliwell, executive director of operations in EMEA, believes TA functions must embrace as they look beyond pandemic disruption. “Regardless of the unique adaptations that were needed to continue to hire and onboard during 2020, this shouldn’t be a one-time event. TA functions should hold a rolling strategic roadmap that plans for ongoing step changes in customer experience, process enhancements, technology advancements and data optimisation,” she says.

Current State: Progress Sets the Stage for Change

Though Halliwell warns against complacency, TA is gaining confidence in its own ability to drive transformation. When AGS and *HR Grapevine* surveyed TA experts in 2019, over half thought they had a significant problem with their capability or could improve somewhat. In 2020, roughly two-thirds believe that their approach and capability is either “great” or “good”. Only two per cent believe their TA approach and capability is a significant problem.

How would you rate your industry’s overall approach and capability in TA, compared to other industries?





This confidence can, in some examples, be attributed to transformations catalysed by the pandemic. As Nationwide's Bleakley notes, pressure to find efficiencies in 2020 did force necessary change around speed of recruitment and workplace offering. He also cites that, as the pandemic forced almost all functions to think about their strategic worth and value, there has been an improved understanding about how TA partners with those charged with creating the structures of work, how they impact the employer value proposition, and how they brand themselves as an organisation. "The past 12 months have changed us. We're now remote and virtual, and a whole raft of logistical things have changed because of that," Bleakley says.

Similarly, Head of Talent and Skills UK at Fujitsu Beth Rowlands notes how changes to day-to-day elements of the job have led to better strategic intelligence. In 2020, her function had to transform their digital capability and candidate experience, from interview to onboarding. She believes this has given the function a greater self-belief and a better grounding in data and analytics, as well as improved commercial and strategic sense.

Rowlands says, "We're more confident. We've recently improved how we predict our skills and people requirements via a new strategic workforce planning process. This has allowed the team to get a closer understanding of the commercial opportunities within our business. In turn, [that enhanced view of the business] has greatly helped our planning. This positively influences how we position our opportunities and our general ability to examine talent markets and prepare for acquisition activities as opposed to reacting."

"We have had to re-imagine how we engage with candidates. For example, we changed our interview and assessments to be held virtually. We made pragmatic changes like how to get laptops and joining kit to people that we will not physically meet. And we evolved how we build and maintain early engagement via on-boarding activities to ensure a new joiner gets a sense of Fujitsu's culture."

Beth Rowlands
Head of Talent and Skills UK at Fujitsu

Areas for Improvement

Despite growing confidence, there is still clear room for improvement. Key areas such as application of data to drive decision-making, use of technology, the candidate experience and diversity will be at the top of the agenda for TA improvement. As Ramji says, "It's something we've struggled with in the past, we've been too reactive." With over 70% of companies still viewing TA as a cost centre, there is clear room for better partnership of the function with organisational goals.

More Data-Driven Decision-Making

Whilst data is mentioned as being widely available for general HR usage,⁹ over six in 10 survey respondents cite the need to improve, or have significant concerns with, how they are using data and analytics. In addition, 67% are not measuring the candidate experience, despite it being a top organisational priority. Over a third of respondents do not use data to help drive hiring decisions. AGS' Halliwell adds, "Getting the most from data still appears to be a challenge for many TA functions."

Better Use of Technology

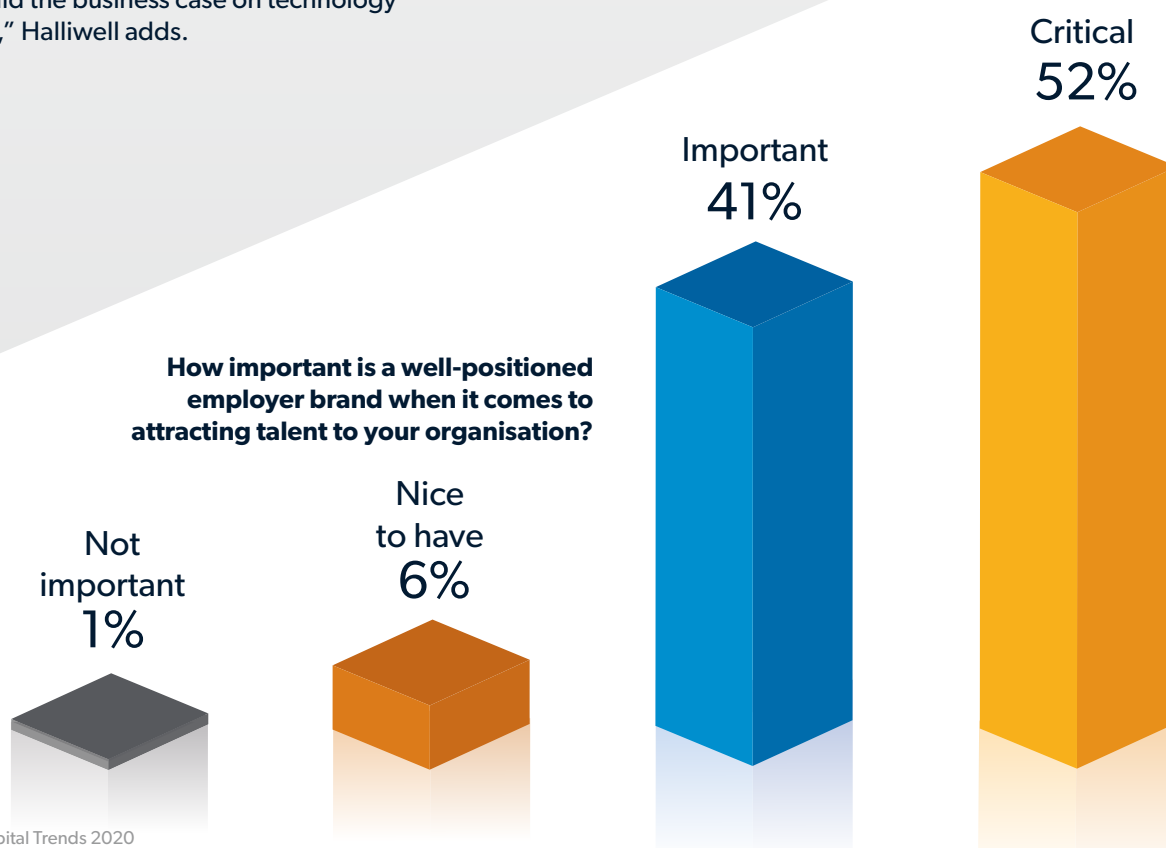
In addition, there is a mixed approach to application of technology, with over half of survey respondents saying they could use technology better or that it is causing them problems — with over seven in 10 respondents not using best-in-class technology. However, it is important to note that interviewing via a Zoom call because that is the only means of reaching a candidate is very different from serious expenditure on the best strategic solutions. "2020 presented challenges for TA to gain business approval on larger investments. It's common for organisations to struggle to build the business case on technology investment costs," Halliwell adds.

Improving the Employer Brand

Brand strength is also a growing priority for TA. Over 90% of survey respondents stated it was critical or important, a similar level from 2019. There has been clear improvement in this space, too. In 2019, circa four in 10 respondents said their brand's performance at driving direct hires was at least "good". In 2020, that figure shot up to over 70%. Today, many functions recognise a need to appeal to talent that their firm traditionally did not have to consider. However, in many cases, they find themselves struggling to position their brands in front of the right talent, usually due to digital transformation changing the hiring landscape, challenger brand competitors and evolving consumer habits.

Attracting Talent Outside Industry Boundaries

Speaking at the 2019 Chartered Institute of Personnel and Development (CIPD) Conference, Ex-Chief Human Resources Officer at the BBC Valerie Hughes-D'Aeth explained how the broadcaster now battles with Google and Netflix for talent as they "all need the same thing". Likewise, Nationwide's Bleakley explains that firms like his, perceived to only want specific industry skills, are now having to attempt to attract skills desired by multiple sectors. On top of this, firms now are having to advertise that they can offer stability whilst throwing off traditional perceptions of what their workplace was like. "It's a hard change, but we're a far more exciting space than people realise and far more forward-thinking. If you mix that with flexibility and stability, you've got an attractive option. We need to position ourselves ... as an employer of choice," Bleakley says.



9. Deloitte, Human Capital Trends 2020

Getting Strategic About Inclusion and Diversity

Whilst diversity is often used in branding exercises by organisations, it is also widely accepted that diversity correlates with better business performance. In fact, 2019 research from Bersin by Deloitte found that inclusion and diversity (I&D) is one of the most influential factors on delivering business outcomes.¹⁰ This understanding, as well as an increased focus on I&D in 2020, has increased pressure on TA to diversify their talent pipeline in a way that better reflects societal makeup.

As Bleakley describes, “if we want to reflect the society we work in, we have to see all our processes through an I&D lens, and TA has a key part in that.” Whilst Bleakley believes that data will be the key to this, LSEG’s Ramji understands that the function could improve its business leadership credentials if it takes the initiative in this area. “If talent leadership and diversity are the most important area that HR needs to move the needle on in the next five years,” he notes, “the function needs to say, ‘let me talk about that to you and describe the challenges.’”



Looking Past 2021

Whilst the pandemic forced many changes on the TA practice, there is still obvious appetite for change and room for improvement. In fact, 69% of TA functions are either looking to transform or planning to look into it. Data and analytics, technology, branding and diversity are the most obvious areas to make gains based on the survey responses. Yet, it is worrying that over a third of respondents still do not know where the talent they need is and how to engage it, a weakness that has not improved from 2019. This is despite obvious efforts to appeal to a more diverse array of talent that has the skills business needs.



Is your organisation planning to explore new and innovative ways to enhance the recruitment process over the next 12 months?

10. HR Grapevine Magazine, September 2019 Issue, Hotel, Motel, Diversity's In

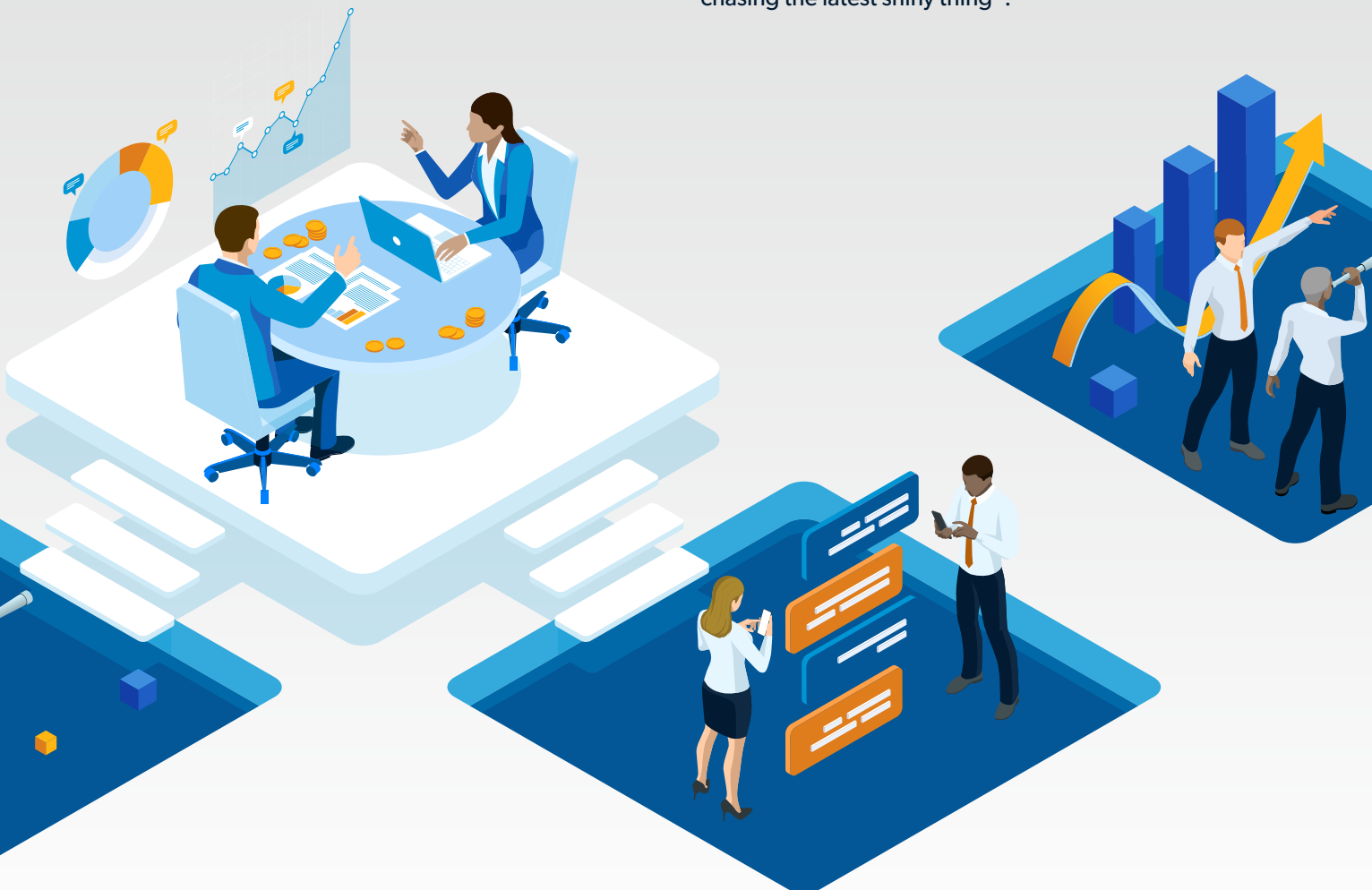
Does your organisation have an understanding of your critical talent, the personas, and where and how to target and engage with them?



Increased confidence from the function in its ability to foster continuous improvement is encouraging. However, as Audley Group's Rickman-Orpen notes, ensuring that the right decisions are made about how to improve the function will be crucial. "Transformational change is ongoing and it's more important than ever to consider all areas. This may mean considering organisational design, technological investments and engagement platforms ranging from the external proposition to the internal communication. It's important to keep momentum but to be confident about what is essential and will make the most impact. The right decision-making will ensure the right pace and investment," she adds.

Moving from Pandemic Survival to Long-Term Growth and Success

For those in talent acquisition, one of the bigger challenges will be moving past pandemic reaction mode and understanding what solutions truly add value. As Ramji describes, it is about moving past "a short-term risk management or mitigation strategy" and into a mode of operation that is entrenched in the business. TA needs to be able to offer solutions in consultation with leaders, while avoiding the misleading pitfalls of in-vogue HR trends offering immediate results. It is what Head of HR Gareth McGrane at The Chadwicks Group, which operate a range of well-known DIY and builders merchant brands across EMEA, described in 2019 as an understanding that "nothing ever stands still" but not being caught up in "chasing the latest shiny thing".



Data and Analytics

Data Not Being Utilised to Fullest Extent

At the start of the 2010s, data was being talked about as the next frontier for HR and business insights.¹¹ A decade later, progress in this area remains slow. Responses reveal examples of gaps in several areas, including measuring performance, capturing and communicating information, and connecting better data with TA and business outcomes.

Measuring Performance

The first area of improvement is simply expanding what is measured by the TA function. Candidate experience is one example of an unmet data demand. In 2019, over 75% of respondents indicated their function is not measuring the candidate experience through the hiring process. In 2020, this figure dropped to 67% who were not measuring the quality of the candidate experience. More functions are now using data, but it is hardly a revolution.

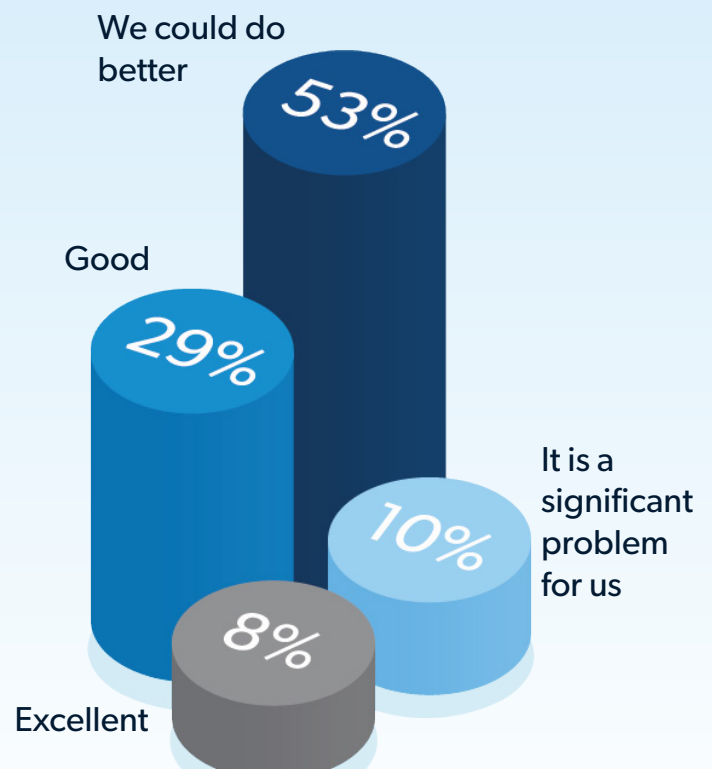
Capturing and Communicating Information

Supporting the desire to measure more of the TA process, including the candidate experience, respondents expressed a desire to do more with the data itself. Over six in 10 respondents believe they could do better with how they capture data and use it to drive insights, with roughly one in 10 believing their data capture is a significant problem. It appears that communication of that data is an issue too. According to Aptitude Research in 2019, less than 40% of hiring managers received the data they needed from talent acquisition to make decisions on talent. For candidates, this number dropped to 30%. This is despite known improvements that better data capture and analysis could bring.

Does your organisation measure the efficiency of your candidate experience throughout the end-to-end hiring experience?



How would you rate your organisation's ability to capture data analytics to drive efficiencies within your TA function?



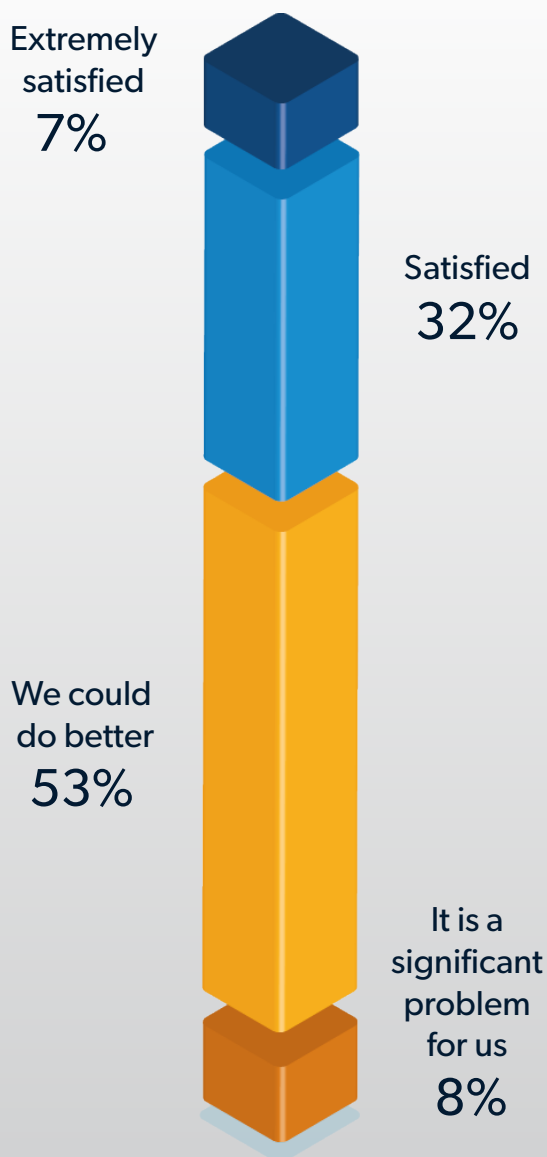
11. Deloitte, Human Capital Trends 2020

Connecting Data with Outcomes

Behind the question of what data can be collected, there is the question of why? The answer is a focus on delivering tangible improvements to the business. One US study concluded that advanced analytics, alongside other data-driven innovations, could be the second-best asset to introduce into the hiring process.¹² In fact, leading TA practitioners believe that data could give them the upper hand in core areas of TA practice, improving the candidate experience and bettering their own levels of diversity.

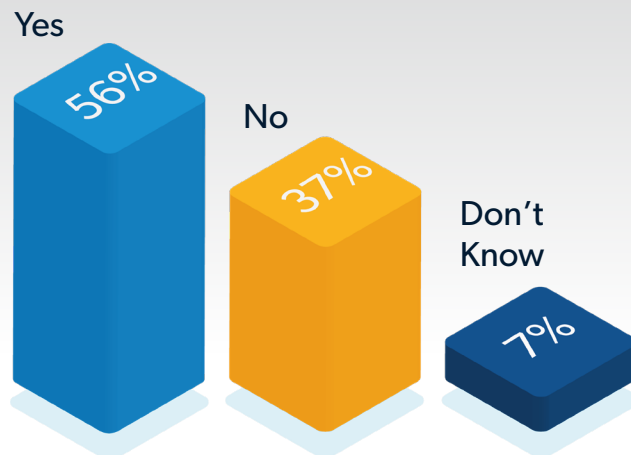
LSEG's head of talent believes that getting better with the figures would allow organisations to properly analyse their own shortcomings. Ramji adds, "If we get better quality, data-derived insight to hiring managers, functional leaders and CEOs about people who are naturally attracted to the organisation, we then get to ask: how diverse are we?"

How satisfied are you with your organisation's ability to interpret and translate the data you collect into meaningful insights across your TA function?



12. Forbes, How Much Data Do We Create Every Day? The Mind-Blowing Stats Everyone Should Read

Does your organisation use data to support its case for where and when you go out to source and attract talent?



Powering Talent Strategy with Data

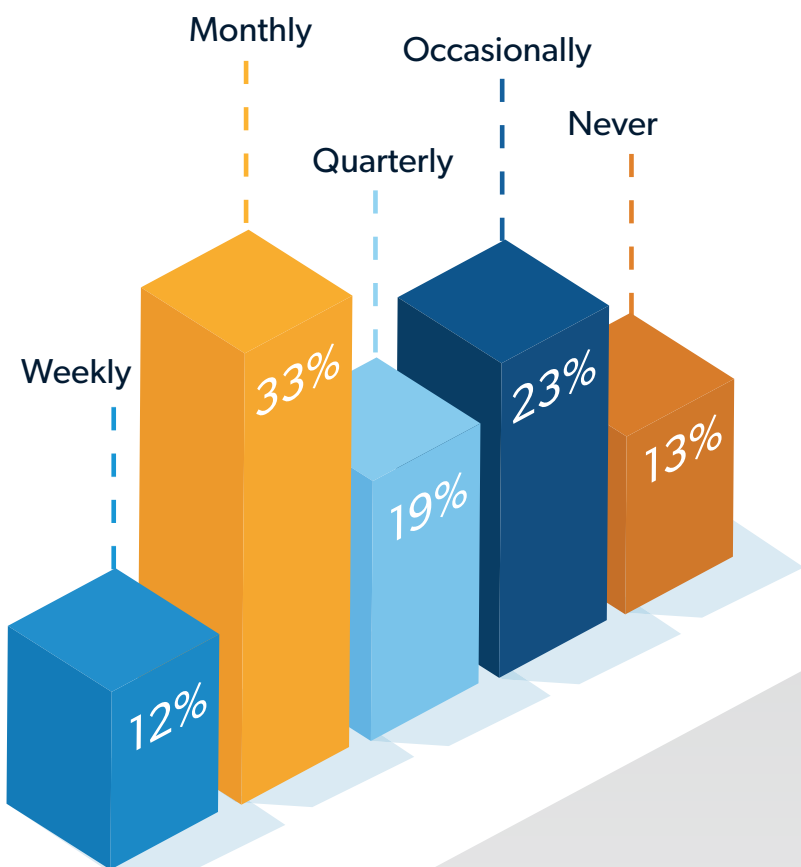
Ramji also believes that data creates better opportunity and could drive improvements to long-term strategy, allowing predictions about where to hire, when to hire and how much of a specific skill set is needed. "It [data] can really provide better insight for leaders and hiring managers," he adds. However, about four in 10 are not yet using data to support when and where they go out to hire, and levels of satisfaction are low. Even for those collecting data, less than four in 10 are extremely satisfied with how they are using data. Circa 60% believe they could do better.

According to AGS' Halliwell, the world of data can be complex, but TA can begin improving their use of data by simply starting a review process. By reviewing data alongside specific categories of time, quality and cost, it is possible to get a baseline view of performance and start to identify patterns and trends. Only one in 10 survey respondents is reviewing data weekly with a similar amount never doing so.

"Correlate changes in your results with any changes you've introduced," Halliwell advises. "These results may stem from a marketing campaign, changing team size or structure, or editing your job adverts. How often you analyse data will be led by the amount of hiring you do but start out with at least a monthly cycle of analysis on your data set. You can build from there to establish real-time reporting of hiring activity versus periodic dashboards of trends and deeper analysis."



How often does your organisation use data to measure against core talent metrics and KPIs?



“We have an in-house data and analytics team within talent acquisition that I work very closely with. Their role, essentially, is to be the guiding voices in talent acquisition. They’ve become a much more integral part of the business as we’ve opened up the talent pool piece, and I think having the right information is essential when hiring talent.”

Pieter Brummer
HR Director, Partnering & Operations at LEGO



Technology

Catching up with Digital Demands

It is undeniable that 2020 was a year of quick-pivoting digital change in the TA function. Many of these changes affected day-to-day tasks. As a result of the pandemic, according to a Gartner study, 86% of organisations began to conduct virtual interviews to hire candidates.

Although some of these evolutions came quickly, they will likely stick around for the long term. Almost six in 10 TA professionals stated that a major impact of the coronavirus will be a long-term shift from in-person interviews to virtual ones.¹³

Director of People and Planet at Quorn Tongwen Zhao noted that the pandemic made HR think about how comprehensive their technology needed to be. "We started fully leveraging technologies such as an ATS to enable our HR teams to access candidate information, track application progress and discuss next steps in a collaborative, remote environment," she says.

Audley Group's Rickman-Orpen notes that as a result of 2020, "we have elevated our plans to move to a predominantly digital platform internally and externally."

Investing in Better Technology to Drive Results

Nationwide's Bleakley sees this move toward doing more with digital as largely positive. "It accelerated technology implementation and instituted a behavioural change," he explains. He also notes that the rise in remote working has improved an employee value proposition to include

"We invested in new technology last year, which is supporting us to continually improve and adapt our TA method, [but] the biggest change has been pivoting to conducting entire hiring processes through video conferencing tools and remote onboarding."

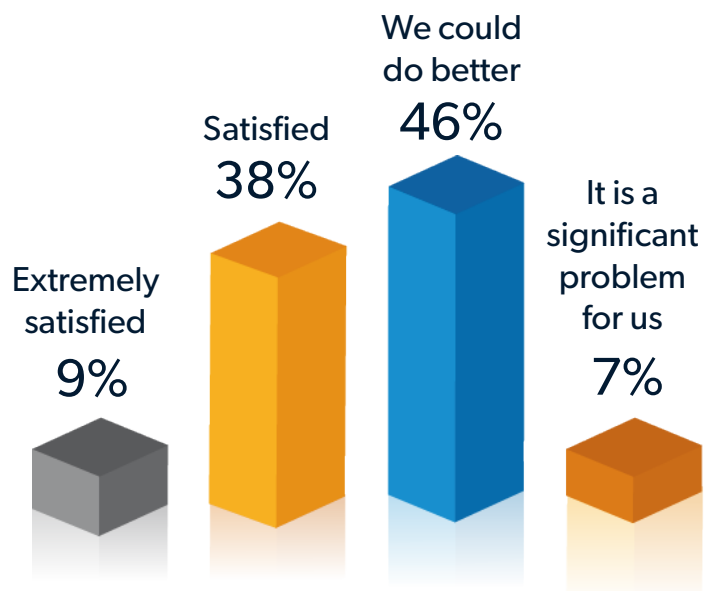
Sarah Roberts
Head of Recruitment at Mulberry

13. HR Grapevine Magazine, November 2020 Issue, Ice Cold Talent Acquisition
14. LinkedIn, The Biggest Challenges Recruiters Are Wrestling with Right Now

flexibility, a facet of work much sought after by today's workers. However, there remain many challenges.

One challenge will be getting executive backing to adopt best-in-class technology, not just technology that works as a patch during a pandemic. AGS' Halliwell explains, "Whilst organisations have unsurprisingly invested in video interviewing and digital onboarding technologies, 2020 will have no doubt presented challenges to gain business approval for larger investments."

How satisfied are you with the technology in place to support the end-to-end hiring process at your organisation?



Halliwell's comments dovetail with 2020 survey results. Whilst business news headlines throughout 2020 were seemingly all about the new and expanded uses of digital tools, it is clear that TA does not yet believe it is using the technology it needs. Over half of survey respondents (53%) find the technology they use for hiring either needs improving and is causing problems. According to LinkedIn, 46% of hiring professionals said the pandemic has negatively affected the candidate experience at their company. Implicated in this worrying figure is, of course, the technology used.¹⁴



However, dissatisfaction with hiring technology is dropping. 2020's response reflected a drop from nearly seven in 10 in 2019. The rise in use of video interviewing and digital onboarding are one potential reason for this year-on-year improvement as lockdowns increased demand for supporting technology to enable remote work.

Nevertheless, 70% believe they are still not using best-in-class technology today. In fact, the most widely used technology in 2020 was, like in 2019, an ATS, followed by remote interviewing and onboarding, both of which saw a rise in use since 2019. However, use of AI or automation is still low, with only one in 10 survey respondents citing use of these technologies.

Expanding the Use of Technology

Despite some exceptions, the survey indicates a general appetite to improve the use of technology by TA. Of those surveyed, 69% are either planning to look into new and innovative ways of recruiting or are already doing so, with technology a likely part of the plan. Beyond the core candidate journey, digital ways of working can help TA circumvent structural changes to work and deliver success in key strategic areas, such as a proper showcasing of employer brand. Companies should consider how they give employees autonomy with this whilst considering external digital platforms.

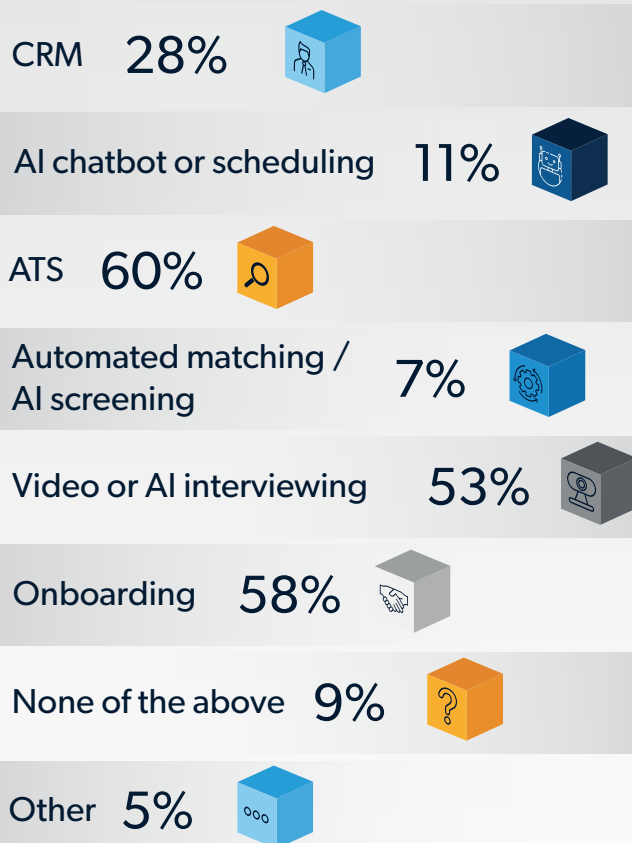
With more and more employees working from home and having enormous access to digital platforms, organisations' branding efforts have been under the microscope. Companies have the opportunity to shine in leveraging their employees to be brand drivers, amplifiers and influencers based on their positive organisational experiences. Using social media channels, including popular career forums and employee review sites, allows for users to share their experiences from interview to offboarding.

Using technology in this way should not take away from the human element of hiring. Digital automation and digital solutions are paramount to boost engagement and nurture strategy; however, it takes the team and a strategic talent attraction approach to ensure a personalised experience for everyone in the talent community.

Is your organisation using best-in-class technology to support its brand position and drive a tailored hiring experience?



Which technologies do you currently use?



Community and Network

Letting Employees Control the Brand

One way to create an active network is to let employees have a say in the way brand is leveraged, increasing reach across social networks and digital platforms. This approach is a core part of Mulberry's candidate engagement strategy. In fact, engaging an active community helps to diversify recruitment and overcome hiring hurdles. "We see fostering a talent network as a key element of our role in the business, looking at where we need to identify talent and to be connected and ready for when a role arises," Head of Recruitment at Mulberry Sarah Roberts says. "This is particularly important for us in areas outside London where the talent pools are smaller."

However, she admits community management can sometimes take a back seat as the function reacts to hiring needs. "I don't think there are many blockers to this, apart from sometimes finding the time to dedicate when there are more pressing activities, such as live vacancies to be focussing on," Roberts adds. "This is something we struggle to prioritise when we are busy, but we try to reach out regularly to future talent. It was much easier pre-lockdown when you could meet for a casual coffee and catch up."

"We actively engage with our talent communities to drive and promote our employment opportunities by keeping our candidates regularly updated. Along with proactive engagement, we host a number of forums and roundtables to articulate opportunities across the organisation and support this with the use of social media."

Karl Porter
Director of Recruitment at
Metro Bank

Fostering a Talent Pool

Survey responses suggest that many, like Roberts, are fostering an active community of talent. Over half do (51%), which is up from 37% in 2019. Indeed, many are taking to digital means to do this, contacting individuals on social media and actively reaching out online.

The increasing use of digital talent engagement should come as no surprise. Talent pools and talent communities are highly effective for ensuring a consistent and unique candidate experience throughout the recruitment process. It is an opportunity to engage with potential future workers and ensure a positive brand experience for each candidate who interacts with the organisation.

Does your organisation manage, nurture and engage a defined talent community to support its hiring needs?



Talent communities are crucial not only to supporting strategic sourcing and pipelining, but also to helping to amplify employers' brands authentically, through regular and relevant engagement. Talent communities of today have little resemblance to the talent pools of the past, as organisations are recognising the necessity to provide relevant information, detail and content to specific and targeted talent segments within the community. Next-gen talent are seeking relevant information on what benefits employers have to share with them.

For the third of respondents who still do not know where their critical talent personas are, or how to engage with them, fostering a community could help build a better understanding of the talent landscape. It could also help alleviate the passive candidate issue, which many function heads are struggling with as life goes digital and remote.



Does your organisation have an understanding of your critical talent, the personas, and where and how to target and engage with them?



Employer Branding

“The ‘people promises’ and brand strategy we developed have really come to life during the pandemic, which tells us we got it right. For example, one of our promises was ‘join Fujitsu to work your way’. Our flexibility around location and working practices has always been something we are immensely proud of in Fujitsu. This year, we’ve had to live up to this more than ever.”

Beth Rowlands
Head of Talent and Skills UK at Fujitsu

There are also improvements in how TA believes the brand is working as a talent attraction tool. Over 70% now believe that their employer brand acts as a key attractor for talent — up from 60% in 2019.

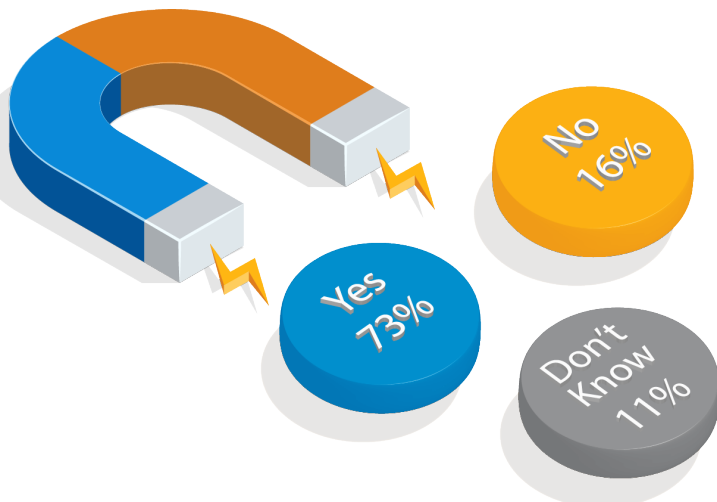
“At the same time, brand awareness can have pitfalls. The speeding up of digital transformation results in more information about an organisation being accessible by potential candidates, meaning the function has more to consider when trying to curate a positive brand. Given the current digital transformation, more and more information is readily available,” says AGS’ Halliwell. “This proliferation of information highlights the importance of not just a strong employer brand, but strong brand loyalty and the engagement experiences of candidates, too.”

In fact, the candidate experience is a central part of an effective employer brand. “I really see the role of TA as searching for the right talent but also creating an experience that makes people think of the values of an organisation,” LSEG’s Ramji explains. “It’s about creating an experience that people talk about for the rest of their lives. But there’s still so much we can do. The unintended impact of not getting this right is the impact it can have on other organisational priorities.”

Looking After the Brand

There is historic understanding in TA that the employer brand is crucial to hiring. In 2019, 89% of AGS and HR Grapevine survey respondents believed that brand was either an important or critical utility in talent attraction. In 2020, that figure rose to 93%. What this shows is a deep understanding in talent acquisition that what the company does impacts who it can hire. As LSEG’s Ramji describes, “It always felt like our recruiters and TA are guardians of the brand.”

Does your organisation’s brand position act as a key attractor for talent to your business?



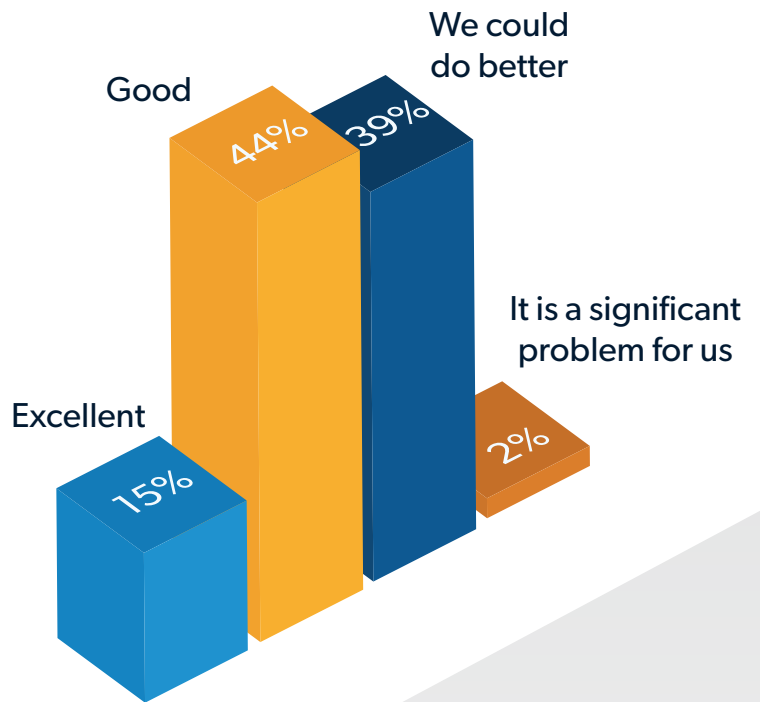
How satisfied are you with the level of engagement and excitement that applicants and candidates display when going through your organisation’s hiring experience?



There is clear work to be done in the area of branding and candidate experience. Recent data shows that certain types of candidates do not receive any communication through their hiring experience whilst only one in five companies send a personal communication to rejected candidates.¹⁵ And only 15% of survey respondents believe that their brand is performing at an excellent level when it comes to driving direct sourcing of hiring.

Such employer brand shortfalls can also influence the consumer brand. Nationwide's Bleakley explains that every potential candidate is a potential customer. It is an area that TA has "more work to do to live up to that recruitment perspective". With almost a third (32%) of respondents saying that they need to make improvements to ensure that their brand delivers as a candidate attraction tool in the future, it is certainly an area for continued or renewed focus.

How would you rate your organisation's TA strategy in terms of clearly positioning its brand to drive direct sourcing of hires?



"If you show candidates that they matter and you care about their experience, it will pay back tenfold for your employer brand."

Cat Halliwell
Executive Director of Operations in EMEA at Allegis Global Solutions



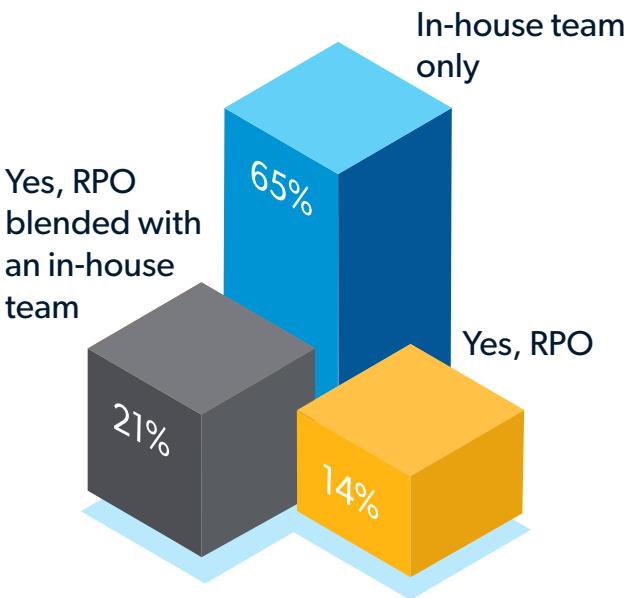
15. HR Grapevine Magazine, August 2020 Issue, Getting Past D&I as Branding

Recruitment Process Outsourcing

Partnering for Flexibility and Expertise

Year-over-year results found a doubling of organisations using an outsourced recruitment model (i.e., recruitment process outsourcing [RPO]) as a result of the pandemic, yet, most firms are still only relying on in-house hiring teams. Only 14% of respondents solely rely upon an external partner whilst almost two-thirds do everything within their function. However, there is a slight trend toward partnerships. In 2019, only six percent were using an external partner whilst over seven in 10 did everything in-house.

Does your organisation have a resourcing partner or RPO in place that manages your hiring process?



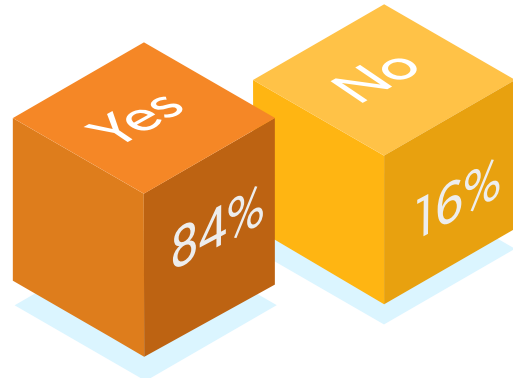
With many talent acquisition functions facing budgetary pressures and personnel cuts, increasing RPO usage could be the result of the need for the flexibility that partnerships can provide. “Over recent years, we have seen more organisations turning to RPO providers for increased flexibility,” says AGS’ Client Engagement Director Victoria Fernandez. “There are still end-to-end service demands but also a growing tendency for organisations to choose the elements they need to complement their in-house team.”

Coupled with growing demands for TA to deliver more advisory insight, there are clear examples where organisations are turning to partners to help with specific elements of their delivery process or to guide them through transformation. At Audley Group, for example, they use external partners in certain instances to advise on

the speed and direction of change. Metro Bank also turns to external partners when it needs to transform elements of its process and deliver on business initiatives, or even just for more common tech-based solutions. “Where needed, we work with external partners to utilise their services and implement big changes. The most recent is a new ATS platform,” Metro’s Porter explains.

With so much change during 2020, AGS’ Halliwell sees the type of partnership whereby external partners are used when needed as a model that could work going forward. “Many TA teams are operating under restricted budgets to support business stabilisation,” she explains. “So once hiring reaches normalised levels again, be mindful not to lose the traction gained during the time of disruption. That may be where on-demand external support in delivery or change services could be of most benefit for TA functions moving forward.” As the data shows, whilst the majority of survey participants are confident of being able to transform in-house, a significant proportion are not.

Does your organisation have the capability and support to develop and enhance your hiring process?



Additionally, many in-house teams feel that as they’ve delivered short-term fixes in the pandemic they now have the ability to transform in the long-term. For LSEG’s Ramji, there is still a predominance of “short-termism” within TA so long-term transformation, despite an increase in confidence during 2020, might be beyond the function’s current capability. Areas that need improvement, but in-house teams might not always have the time or skills to deliver on, could also be boosted by an external partnership. At Almarose Hotels & Resorts, Chief People Officer Bobby Davis notes how the firm used an external partner to help transform their approach to pipelining new, diverse talent. Fujitsu do similarly. “We use online survey reporting with our partner agencies to track the diversity of applications and performance of our partner agencies,” the technology firm’s head of talent adds.

Transforming Talent Acquisition for the Future

The 2020 economic disruption brought about a year of transformation for both business and TA. Yet whilst TA appears to have pivoted quickly and successfully to pandemic-catalysed changes to structures of work, the function cannot rest on its laurels. From utilising data and implementing technology, to fostering talent communities and leveraging the employer brand, there is significant room for improvement in how it delivers on key demands and partners with the business.

Positively, most functions are up for this challenge. TA functions are still looking to transform, or are planning to look into it, despite wholesale evolution in 2020. And organisations now feel they have the ability in-house to deliver on this — perhaps buoyed by delivering reactive, digital transformation over the last 12 months. However, strategic partnerships with external experts can also deliver when it comes to needing a clear route forward.

This appetite for change, and ability to see a route forward, will be key. “As the organisation’s strategy continues to refresh,” says AGS’ Halliwell, “the TA roadmap should be updated and strategically aligned to the changing needs of the business. If you don’t have a mindset for continuous improvement, you will soon find your processes have stagnated and user experience start to wane as competitors find new and improved ways of engaging talent.”

As Halliwell notes, it is the experience of candidates that many practitioners are keen to improve. And whilst going forward might require different skill sets and specialist knowledge, even incremental improvements can deliver big wins. Halliwell adds, “Each change to improve talent acquisition will make a positive impact on the chances of success, where key differentiators will fundamentally link back to how easy, fast and enjoyable the process is.”

The key, as ever, is getting started. As Nationwide’s Bleakley notes, “It’s amazing how much traction you get when you move.”



Appendix

Financial Services, Insurance, Asset & Wealth Management, Banking and Capital

In these sectors, 78% of respondents believe their TA approach and capability is good or better than other industries. With the largely office-based nature of work in these sectors, it is possible they were able to pivot quickly to digital or remote ways of delivery.

Firms in these sectors also reported being better at their data and analytics capabilities and saw brand as more critical than a cross-sector average of responses.

Retail & Consumer

Retail and consumer brands were more likely to see their TA ability as good when compared to a cross-sector average. Responses were also more likely to come from enterprise-sized firms. Worryingly, they were a lot more likely to see the technology they have in place as a significant problem in the hiring process. However, they were much more likely to see their brand as a key tool in talent attraction.

Technology

It will come as no surprise that TA functions in technology firms were satisfied in greater numbers (60%) than the cross-industry average (49%) when it came to how technology supported their hiring. Respondents from this sector also stated they were using high-tech hiring solutions, such as AI and chatbots, in greater numbers than the average. They were also more likely to see their brand as a key component of hiring.

Pharma and Life Sciences

Responses in this sector came, overwhelmingly, from firms with a global operation span. Respondents also had a lot more faith in their approach and capability in talent acquisition than the average, similar to the responses in 2019.

Generally, these organisations are also more likely to nurture an active talent community. As AstraZeneca previously told *HR Grapevine*, they proactively curate a talent pipeline years in advance. "Football teams always do succession planning with their scouting and pipelines, and we're exactly like that," explains the company's Vice President of Talent Acquisition Maggie Spong.

Manufacturing

For the second year in a row, respondents in manufacturing responded that brand was critical for them, when it came to attracting talent, in greater numbers than a cross-industry average. Anecdotally, HR leaders have discussed how their sector struggles to make itself noticed compared to those in technology, retail or financial services. Therefore, it follows that those who can make their brand stand out will have an advantage.

Yet, they were also more likely to respond that their brand was not working to attract the talent they need and cited more need for improvement in terms of positioning their brand.



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