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## **16 More Things to Think About in 2010**

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Trend-spotting is a popular year-end sport that we play gamely along with many others. Much of the following comes from our own research and will hopefully be familiar, but because 2009 was such an awful mess, we weren't too proud to cast a wider net this year in search of wisdom and foresight.

### **1. Jobsite Optimization**

Increasingly important. For candidates, corporate job sites have become the hub of the Internet search process. Regardless of origin, everyone goes there eventually. Good sites inform, engage, brand, assess, filter, presell, and are huge recruiting assets. Poor ones do none of the above and are huge recruiting liabilities. If you have any discretionary funds, spend them here and get this right.

### **2. Employment Branding**

Madison Avenue thinking will increasingly change staffing practice. When was the last time you ran your job postings through an advertising agency? In effect, that's what world-class recruiting organizations are increasingly doing, using the sophisticated client targeting, product messaging, endorsements, public relations and competitive positioning long familiar to Madison Avenue product marketers but new to most staffing professionals. Effective branding will also require thoroughly integrating staffing and employment functions so that candidates' expectations mesh well with their experience as employees.

### **3. Talent Pools**

CRM-style recruiting will grow but from a small base. The traditional recruiting funnel – developing 100 leads to hire just 1 person – is enormously wasteful. CRM-based staffing improves the process by developing pre-screened “pools” of talent to fill openings more quickly, with higher “match” rates and with improved long-term retention. Those pools can be developed either by third-party employee providers or by companies themselves.

### **4. Outsourcing**

Staffing efficiently and effectively will continue to become more complex and challenging. Consequently, fewer and fewer companies will be able to achieve and sustain best practice. This will increase opportunities for sophisticated third-party vendors like recruitment process outsourcers who have superior focus and economies of scale, world-class expertise and technology, and a business rationale anchored in staffing excellence.

### **5. Business Alignment**

Pressure will increase. Tough economic conditions have raised the performance bar for staffing and the impending recovery will not lower it. Unfortunately, despite a decade of opportunity, few departments (<10%) have developed the complete set of operational metrics required to justify performance and demonstrate business relevance. Failure to prove that performance and relevance in 2010 will continue to limit executive regard for the staffing function and invite outsourcing.

### **6. Social Media Recruiting**

Will grow in relevance but right now more smoke than fire. Our thickest 2009 research file by far

as companies and vendors experiment and report results. Few conclusions yet because it continues to evolve rapidly. We do know two things: 1) that it offers job seekers the personal Internet visibility that job boards have long provided to employers; and 2) that it is a major source of intelligence on employer brands. If you don't choose to play in this arena yet, at least develop a skunk works project to keep track of developments and monitor what your competitors are doing.

### **7. Leadership**

Demand will increase. The continuing evolution of 20th century HR into 21st century Talent Management represents a worldwide professional opportunity on a par with any of those in manufacturing, marketing and finance over the past 100 years. The profession is changing and research confirms that the pace has quickened. Best practice will be a moving target for years to come as organizations reorganize, retask and reinvigorate their HR functions. The demand for leaders who can guide these changes will exceed supply for quite a while.

### **8. Technology**

A long time coming and almost here. The technology involved in locating, processing, assessing, and developing talent is emerging from adolescence and continues to evolve very quickly. In the next year or two multiple vendors will offer credible, affordable, end-to-end, talent management functionality or something close to it. When they do, the major issues will no longer be technical; they will be related to people, process and politics i.e. breaking a half century of outdated attitudes and habits.

### **9. Worker Mobility**

Whether on-shore or off-shore, the movement of work to where the most desirable workers are, and the movement of workers to where the most desirable work is, will continue. As they have been for the past quarter century, the drivers will continue to be communication technology, intense global competition and rapidly changing markets, plus workers' growing realization that their personal economic security rests in their hands, not their employers' or the government's. Continuing a long trend, average job tenure will continue to drop.

### **10. Contract Labor**

Will increase. Businesses' need for workforce flexibility will continue to drive alternatives to full-time, W-2 employment. Part-time, job-sharing, fixed-term, project-based, leased and other contractual arrangements will gain ground.

### **11. Structure**

Combination structures will increase. Continuing a long-term trend at mid-size and large companies, best in class staffing operations will continue to combine the strengths of centralization (technology, record-keeping, employment branding, talent management) with those of decentralization (selection, assessment, hiring and firing, training & development). For reasons of scale, small companies will retain the centralized staffing model.

### **12. Sourcing**

A still overlooked best practice that increasingly defines top recruiting organizations from also-rans, internal referrals will continue to be underutilized. Internal referrals are well documented as the most consistently effective (quality, performance, retention) and efficient (cost, time) source of new hires.

### **13. Workplace Diversity**

Increasingly a competitive advantage but not as commonly practiced. Narrowly defined, diversity about quotas and regulations. Broadly defined, it's about optimum workforce dialogue, i.e.

pulling the greatest variety of original viewpoints and ideas out of your workforce and translating the best ones into action. If you want business results from diversity, define it as communication, coordination and knowledge transfer. If you want staffing results, think of it as looking for talent in the under-recruited populations that others are overlooking.

#### **14. Talent Management**

Best in class companies have already merged traditional back office HR functions with front office workforce planning and corporate strategy. Talent management is the new umbrella under which all aspects of workforce planning – hiring, compensation, development, leadership and succession planning – are organized and executed. In these companies, the managers in charge of this function are equal partners with finance, sales, production, operations, legal and other C-suite executives.

#### **15. Quality of Hire**

Will replace cost and time as the top recruiting metric. Best in class companies have realized that the downstream productivity costs of mediocre hires far exceed the direct costs of hiring. Our research already foreshadows this change in priorities.

#### **16. Hiring**

The strongest and most forward-looking companies have used the past year to their advantage, luring the best active candidates from the labor pool and the best passive candidates from weaker competitors. One powerful effect of emerging social media will continue to be the prolonging of employment brand damage to companies that have handled their workforce adjustments poorly over the past several years.

So there you have it, just the few small things we suggest you keep in mind as we lurch into 2010. Please note none of them are dependent on the speed with which the United States exits the recession. They are long-term trends, driven by macro influences like globalization, demographics, and competition. We'll be following them all.