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Hiring Process Management:

Resume

No Pain, All gain!

By Jeffrey Elletson and Diane Smith

Times they are a changin'...and so are a lot of enterprises' hiring programs — but are they changing for the better? Too many jump right into a major hiring process upgrade with questions like “what’s the best applicant tracking system on the market today?” After rushing into a technology evaluation, many of these same companies end up saying they found the whole exercise to be “overwhelming” and in most cases “painful.” Why?

It’s easy to get the technology cart before the business horse. While the right recruiting technology is indispensable in today’s competitive environment, even the best applicant tracking system (ATS) in the world won’t work miracles — especially when an enterprise hasn’t tied its hiring strategy to its business objectives. Many firms have come to realize that a well thought out hiring strategy, with a process map and associated steps, would have saved an immense amount of time and money — and heartache!

THE PROBLEM

Despite good intentions, companies sometimes shoot from the hip in making what amounts to drastic changes in their recruitment process. In some cases they are simply too eager to jump into the “new technical HR arena,” rather than take the necessary time to guarantee that this “improved” system is going to work in *their* organization. In

other cases, they fail to differentiate between aging and newer recruitment technology, and end up with a solution that is too inflexible over the long haul.

Many problems are avoided when an enterprise fully appreciates the importance of a few key principles in both the selection and implementation of a hiring process system. These principles play a vital role in the overall success and retention of the new system. They include:

- Developing a project plan,
- Including workflow as a crucial planning element,
- Setting realistic timeframes,
- Having key resources available and involved, and
- Implementing a tailored yet flexible technology platform.

These concepts may seem overly basic or trivial, but in reality they are ignored far too often. A good hiring process is not about simply building a colorful career page and adding to it a “Web-based” back-end system. It’s not about adding an “HR-XML link” so a company can outsource certain steps of the workflow. It is about understanding the organization and how the people and pieces within it come together effectively — internally and externally — for all the right reasons. For many organizations this can even mean taking on a “less is more approach.”

SET THE STAGE!

Good hiring process management starts with understanding our business objectives and the needs of every stakeholder in the hiring process (including the candidates). It is time to understand the types of positions that we are trying to recruit, and why. Technical versus customer service, exempt versus hourly — what are the business reasons for recruitment and how are we going to be successful?

Is our process basically sound, but better communication is needed? Should we be leveraging the Internet more strongly — not only with a career center and links to job boards, but also as a vehicle for marketing our company as an employer of choice? Is it time for a more thorough overhaul of our hiring process? How will each party respond and benefit by the recruitment system when it is chugging ahead at full speed?

Key process constituents include candidates (both internal and external), recruiters (on-staff and contract), and hiring managers — who often hold the purse strings and are really the customers we serve — and who ultimately judge our competency in completing the task at hand. Last, but not least, there is senior leadership, who get to take credit for the great successes that this endeavor will produce.

When considering which system will be the best buy, there is a tendency to focus on *analytics, ROI and total cost of ownership*. Clearly, cost is important, but we don’t want to buy a system just to measure a process that is inherently broken. A better purchase decision can be made if we know, for instance, that we need to hire 5,000 people and our attrition rate is in respectable single digits — versus having to refill the same old positions because we have a market perception problem or other revolving door issues that the company needs to face first.

In setting the stage, it is most important to develop a plan that is business-focused and centered on the desired workflow. Included in that plan will be the proper role of technology to bring leverage to the hiring process. Timetables will be realistic, and key resources identified for critical-path tasks. While a wholesale overhaul of the current hiring process may or may not be in order, the enterprise can profit immensely from expert guidance available from third party firms with experience in helping many similar companies deal with the same issues.

WHICH SYSTEM WILL WORK FOR MY COMPANY?

Back to the question of what is the best applicant tracking system on the market. The answer: **whichever system meets our company objectives!** To answer the question specifically we should understand how the ATS market has evolved from basic ATS through expanded ATS to today’s enterprise recruitment software (ERS).

BASIC ATS

The first entrants in the recruiting technology market were tools for improved recruiter productivity that evolved quickly into applicant tracking

systems. Central to their architecture is a database of candidates or applicants. As job seekers move through the application and evaluation process, recruiters can “track” their progress and plan next steps. One major issue with early ATS involved their client/server technical architecture. Expensive to purchase and hard to install and use, these products were overtaken by the industry-wide move to the Web. Overwhelmingly, the preferred backbone for recruiting technology today is the Internet, and few organizations are considering client/server ATS.

Some enterprise-level needs not addressed by basic ATS are:

- Scalability issues: many basic ATS were not designed to handle the volume of applicants and traffic that larger corporations need. Response time deteriorates severely as the candidate database grows;
- Limited facilities for communicating between recruiters, hiring managers, and candidates: reliance on “cut-and-paste” operations for forwarding résumés, and no capability to bulk-forward résumés to interested parties;
- Limited concept of workflow and few ways to vary workflow rules by department or business unit;
- Limited or no linkage to the corporate career center on the company’s Web site. Little support for online applications or self-service;
- No direct links to key Internet job boards, unless an extra-cost outside service is used: the job posting process, when it exists, is cumbersome; and
- Limited or no built-in reporting capability, with few meaningful metrics being accumulated.

EXPANDED ATS

Basic ATS filled an important need at a time when recruiting technology was young, but many organizations felt restricted by their limitations. This led other entrants in the ATS market to deliver broader solutions that close some of the gaps noted above.

Virtually all Web-based, these systems usually include some concept of workflow, self-service, and links to the outside world such as Internet job boards. Their ways of delivering these capabilities vary widely. A major issue

with expanded ATS involves the business model used by their vendors. Most of these systems were developed and delivered during the “dot-com” funding mania of the late 1990s, when revenues and market share were king and few vendors worried too much about profits. Using an application service provider (ASP) business model, the vendors host the system and “rent” it month-by-month to customers.

While this model was popular in the “dot-com” days, one consequence for the vendor is that revenue must be deferred over months of the customer’s contract. This created a major problem for these vendors: as their businesses grew and more customers had to be supported, expenses outstripped income. Most of these vendors responded by “taking over” the implementation process from the customer, and pushing additional fee-based customization services.

However, from the customers’ point of view, this causes the implementation project to mushroom and often forces them to purchase services that they may not actually need. When confronted by a proposal with a large consulting component, customers need to ask, “Do we really need this much consulting just to realize benefits from our new software? Why? Do we need to use the vendor’s consultants or can we use a third party? How much does this vendor’s business depend upon professional services?”

Another issue with expanded ATS is limited adaptability. Most large enterprises need software with two kinds of adaptability. The first is the ability to change the way the system works without having to do any custom programming. The second is the ability to vary the way the system works by user, department, business unit or country. Because most expanded ATS offerings are linked to a vendor-specific methodology, they are resistant to this kind of change, which often makes them too inflexible for a company’s specific needs. The unfortunate result is that recruiting can get out of step as the business grows because of limitations in the software they use.

While expanded ATS is an improvement over basic ATS, the high services cost and inflexible architecture

common to these systems make them more expensive and less useful over time, particularly in a dynamic business environment where hiring processes need to change along with changing business priorities.

ENTERPRISE RECRUITING SOFTWARE (ERS)

Enter a new category that solves the problems of basic and extended ATS. Flexible enough to be personalized at the individual recruiter level, it can also enforce a company’s hiring workflow processes while allowing variations for individual business units and multinational operations.

ERS is a major advance because it:

➤ **Is Future-Proof:** Changes to workflow, processes and functional options can be made overnight, without any programming — just by changing configuration options. As business needs evolve, the system keeps in step.

This kind of adaptability is a huge element that applicant tracking systems miss, and it is exactly what the nimble modern enterprise needs to have. Without a future-proof technology like ERS, companies will struggle with recruiting software that limits their options, and remain on the treadmill of having to bring in new ATS technology every few years.

➤ **Delivers a Fast-Path to ROI:** Implementation consists largely of tailoring the system’s options to the way the company wants to conduct its hiring process. There is no need for custom programming projects. One possible benchmark for implementation is 30 days: if it takes longer than that to get up and running then you may not have an ERS. With ERS, corporations save money over the services-heavy extended ATS business model, and begin to realize ROI much faster.

➤ **Is Feature-Rich:** ERS is based upon the notion that the hiring process is a continuum that begins long before a candidate applies for a position and extends through the on-boarding process. During that time, a company’s internal resources need to be coordinated with outside vendors, agencies, and entities such as Internet job boards.

What gives ERS the ability to deliver these benefits? In a word, architecture. ATS and ERS are, at their core, software products. While outward features may

sometimes look alike, their respective technical architectures either deliver flexibility and high performance, or set rigid boundaries that restrict customers. Unfortunately, a system’s user interface is easy to see, but its architecture is not. Yet it is architecture that endures the longest and limits how far a product can really evolve.

The architecture of an ERS will often include these five technology enablers:

➤ **Runtime Fusion:** ERS separates the company’s business rules from the application, and brings them together only when business is being done. This is in contrast to ATS that “hard code” rules into the product. Because all ERS options can be configured without any programming, the recruiting system can adapt quickly to changes and evolve as the business evolves.

➤ **Intuitive Processing Architecture:**

ERS works the way recruiters do. It automates administrative chores while helping recruiters to work at a higher, more business-focused level.

➤ **Collaborative Workflow Engine:**

Recruiters, sourcers, hiring managers, and HR professionals all have a role within the hiring process. ERS is configured to reflect their roles and the specific process in place at a given business.

➤ **Event-Based Action Triggers:** ERS automates many functions that must be done manually with competitive systems. Virtually any hiring cycle event can “trigger” a variety of actions.

➤ **Enterprise System Adapters:**

Hiring doesn’t happen in a vacuum. Hiring software must interact with other key applications, such as ERP and HRIS systems, job boards, agencies and other third-party systems.

ERS is a true breakthrough in recruiting software technology. It frees recruiters from low value taskwork and enables them to make a highly leveraged contribution to the business. It is future-proofed and can accommodate changes to the business as well as technology. It gives HR executives a strong set of metrics whereby recruiting programs can be assessed and refined.

THE SOLUTION

The level of recruitment system will be dictated by the company’s size, business objectives, and plans for technology leverage in the hiring process.

Once that is known, we must focus on the key principles discussed earlier. A thorough project plan is often the most critical element of success, yet one that generally receives the least amount of attention. How can you realistically purchase a recruitment system and then force your hiring process into it — without a plan?

The project plan needs to be established very early on and should be used to define the project scope and tasks. Key issues the plan must address are:

➤ **Who is the project sponsor or project advisor?**

Changes to process or methodology must be embraced by the entire organization, not just a handful of decision makers. The project sponsor is the leader and must be viewed as the driving force. He or she sets the pace and is ultimately accountable for any scope creep or delays.

➤ **What “task competent” resources do we need?**

It is important to assign the best resources to each task. The resources must be available to meet their deliverable deadlines. The organization must face the fact that adequate resources for a given task may not be available in-house, and plan accordingly. The timeline needs to be realistic in light of corporate objectives and resource availability.

➤ **What is our project communications plan?**

Regular status discussions between key players are essential. There should also be a milestone document that communicates progress on major tasks, including individuals assigned, issues encountered and targeted completion dates.

➤ **What is the training and adoption plan?**

Often an afterthought, this important area should be part of the plan from day one. Even before implementation begins, the new system and hiring process can be promoted by giving the overall project a name. A well-branded project will enhance company pride and make training and adoption much more successful.

IMPLEMENTATION

Many enterprises have heard horror stories about companies “burned” by

the expensive, monolithic, full-blown implementation approach to new recruiting technology. Thus, we are seeing a desire to employ a phased approach. The implementation plan should reflect the company’s needs and be consistent with a planned and effective hiring workflow. Certainly, if the chosen recruiting technology is highly configurable — without requiring custom programming on the part of the vendor — then a phased approach can be easily supported because the system can simply be reconfigured as necessary to support the enterprise’s evolving experience.

A key issue here is control. In too many cases a company will make a purchase decision and then be at the mercy of the system vendor’s capabilities and methodology. It is vital that the company takes the lead in setting the game plan, and requires the vendor to meet its objectives (rather than vice versa).

Testing throughout the implementation project by the appropriate personnel leads the way to an efficient, successful outcome. All too often, testing of the new system happens towards the end of the implementation process, long after many milestones have been completed. Testing towards the end of an implementation project does not allow for the early detection and isolation of any problems.

An implementation plan that includes scheduled testing after each milestone ensures that each step completes properly, verifies new data and confirms the readiness of the system to meet the next implementation phase.

Today, most enterprise software implementations involve multiple migrations of data from one or more existing software systems into the new system’s database. Once the tool’s transfer process has been tested and verified on a test database, then the data migration will be done on the actual, or “live” data.

When the new system’s database is populated, it is ready for the end-user testing cycle. One excellent method of testing is to run the new software in tandem with the existing software system. While this method does require more effort and resources, it easily provides for the comparison of data tracking, plus the monitoring of

transaction functions and reporting results. On the other hand, when the new system is radically different from the old, parallel testing may be an unnecessary overhead.

CONCLUSION

There has never been a better time to revamp your enterprise’s hiring management programs. By developing a plan that is solidly grounded in your company’s business objectives and reflects the workflow you want — and choosing configurable software technology that meets your needs — you can make your recruiting capabilities a key to competitive business advantage.

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COMMENTS?

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