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Talent Acquisition: Emerging Trends

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Talent attraction and pipelining are foundational activities for a talent acquisition function. As hiring organizations focus more on building strong brands and delivering positive candidate experiences, spend is shifting more toward solutions that help with identifying, recruiting, and onboarding candidates. As HR departments implement new technology, their role within the organization can change from support provider to business partner.

The following questions were posed by Jobvite to Kyle Lagunas, research manager for IDC's Emerging Trends in Talent Acquisition and Staffing service, on behalf of Jobvite's customers.

Q.   **What are the most notable changes in the scope and function of talent acquisition in the past five years? What might they tell us about what's coming in the next five years?**

A.   Talent acquisition is no longer a cost center, but it hasn't evolved into a business function either. In a lot of ways, talent acquisition operates like a think tank, a start-up, or a nonprofit — it's not about revenue growth as much as it's about hacking a solution to the next talent need in a super lean environment. But after years of doing as much as it could with as little as it had, talent acquisition remains underresourced and overburdened. And the recruiters themselves are feeling underappreciated and overworked. This situation isn't likely to change anytime soon.

Over the past five years, highly competitive hiring environments have remained very chaotic and disruptive. Talent acquisition has been limited in its ability to break out of the cycle of "source, hire, repeat" and hasn't had much time to focus on building the requisite skill sets and putting in place the right systems and infrastructure to sustain the constant grind. This is changing somewhat as businesses reconsider the impact that talent acquisition operations have on business operations, but much is still needed to ensure that the organization maintains processes and strategies that scale in a digital enterprise.

Given this situation, talent acquisition leaders have their work cut out for them. They must constantly stay on top of the latest wave of innovation, which requires investing in competitive capabilities such as analytics, marketing, advanced sourcing, and collaboration as well as continuously driving adoption of new technologies and best practices. It also requires integrating the technology stack and underpinning operations with robust automation with artificial intelligence (AI) frameworks. Further, it requires operationalizing best practices with efficient processes and effective strategies.

Striking that balance between investing in infrastructure and innovation is not easy and often poses some significant challenges. Many companies prioritize one initiative over the other, yet over the next five years, companies will realize that they must invest in both infrastructure and innovation.

Q. **Candidate experience has been a major topic of discussion for several years now. How has this conversation evolved, and what's driving that evolution?**

A. Candidate experience has given us a much more complete understanding of the importance of employer brand and the power of social media. During the last recession, many HR and recruiting practices took advantage of the fact that candidates and employees needed their jobs more than employers needed workers. In highlighting these practices and their impact on employee and candidate experience, we've brought some much-needed accountability to all stakeholders in the hiring organization — recruiters as well as hiring managers and business leaders. This is a good thing.

As the economy has become stronger, companies have started to course correct (some with more determination than others). Candidate experience is now an important factor as companies consider the newest wave of innovation in talent acquisition technologies — specifically as it relates to candidate *engagement*.

And that's because there's more to candidate engagement than just whether your career site is mobile optimized. Candidate engagement is quickly becoming a highly sophisticated component of modern talent acquisition. In particular, there has been a lot of interest around artificial intelligence and machine learning.

Capabilities such as chatbots that field common questions and connect candidates to additional resources, automated status updates and invitations to hiring events sent via SMS, and streamlining the interview scheduling process are moving the needle in candidate engagement one interaction at a time. On the operational side, a company leveraging robotic process automation (RPA) and machine learning together effectively can manage and nurture a larger pipeline with relative ease. Many talent leaders are considering how these technologies can directly impact candidate engagement, but it's important to be mindful of how AI solutions are integrated and deployed.

It's true that AI has immense potential as a catalyst for positive change in talent acquisition, but if these capabilities are deployed haphazardly, they threaten to undermine the effort to improve the candidate experience and damage an organization's reputation as an employer of choice. Moreover, as labor markets remain extremely pro-candidate, the stakes are just too high to take that risk lightly.

Q. **Talent acquisition continues to draw best practices from marketing. Is it accurate to say recruitment is marketing?**

A. It's true that talent acquisition has a lot in common with marketing these days, especially in terms of building compelling brand and nurture campaigns to generate leads. As talent acquisition continues to evolve, we're seeing a notable increase in the number of specialized talent acquisition professionals who have marketing expertise — professionals who have branding and experiential marketing savvy, an understanding of personas and digital marketing campaigns, an eye for design, or a knack for social media.

This trend shows no signs of slowing. There are many areas where talent acquisition can effectively adapt best practices originating in marketing functions. Candidate relationship management (CRM) systems are being rapidly adopted, presenting opportunities to automate some of the more labor-intensive components of outbound recruiting practices and

scale out some best practices. Yet many talent acquisition professionals don't know what metrics to measure. They don't know what success looks like beyond, say, improved quality of hires or reduced cost to fill positions. Many are looking to their marketing counterparts to better understand the journey from a passive candidate to an active prospect to an applicant and eventually to a new hire. These folks are working hard to identify sources of influence and quantify the impact that CRM practices have on improving recruiting key performance indicators (KPIs).

Yet marketing and talent acquisition remain distinct business functions. Just as we're seeing more practitioners with marketing skills join talent acquisition teams, we're also seeing people with operations and analytics expertise. The talent acquisition function is evolving on all fronts and will continue to do so.

Q. **What opportunities exist for talent acquisition to deliver better outcomes for all stakeholders, including candidates, hiring managers, and executives?**

A. Delivering better outcomes begins with delivering better insight. In many instances, friction exists between talent acquisition and its key stakeholders because of a lack of communication. Hiring managers often have a limited understanding of the amount of work involved in finding enough interested candidates who meet their standards. Business leaders often have no idea of the level of sophistication and collaboration required to build compelling employer brand and recruitment marketing operations. In addition, candidates have little appreciation for the efforts recruiters make to ensure things go smoothly for them.

Talent acquisition professionals can proactively address these blind spots, align priorities, and improve relationships by consistently delivering data-driven insights to their stakeholders. This starts with better measurement and analytics practices. Recruiters should begin by measuring what they can, demonstrating to stakeholders that they are doing their best even when the outcomes don't meet expectations. Maybe they track response times for candidate emails or the number of outbound emails versus responses. Maybe they track the performance of job postings for a specific function (such as sales) before and after a big brand campaign. Whatever it is, they need to capture it and then share it.

Once recruiters begin sharing more reports and discussing efforts versus outcomes, the conversations with stakeholders shift, and they start to get a better sense of what data matters most to each of them. This may require some uncomfortable conversations, but it is business critical if we're going to get the support and resources we need to evolve. Talent acquisition must first step out of its comfort zone, talk to colleagues in the business and find out what information is most valuable to them or even just more valuable than what they have now. What do hiring managers really want to know, and what does talent acquisition need from them to do their own jobs more effectively?

If talent acquisition is to evolve into a business function, it must operate like one. This means delivering better insight into business performance.

Q. **Where should talent acquisition leaders plan to invest both time and resources over the next several years, and what should be on their priority list that maybe isn't?**

A. As organizations prepare to embark on digital transformation journeys, acquiring talent has become a critical success factor and having the right systems in place to enable more modern practices is essential. However, in general, HR and talent acquisition are frequently not included in digital transformation discussions. Instead, these functions are left to facilitate initiatives after decisions have been made by others.

This is a lost opportunity to drive more impactful talent strategies that support future business objectives. Talent acquisition leaders should study digital transformation trends and get a stronger understanding of their business' plans and priorities. Entire industries are pivoting to respond to new market opportunities or to address imminent threats, and talent acquisition should know what's around the corner. With regard to the role that talent acquisition plays in supporting business objectives, no objective is more important than digital transformation.

In the digital enterprise, having the right talent in the right positions at the right time isn't just a marketing message. If talent acquisition remains completely in the dark about digital transformation plans and priorities, this function will remain reactive. Talent acquisition will move from one requisition to the next, from one candidate to the next — essentially treading water. Instead, talent acquisition should work with business to get ahead, and this is possible only with an understanding of digital transformation plans and priorities.

A B O U T   T H I S   A N A L Y S T

Kyle Lagunas is research manager for IDC's Emerging Trends in Talent Acquisition and Staffing research practice. In this role, Kyle leads IDC's research on the dynamic world of talent acquisition and engagement. His work focuses on technologies and services — how they are evolving, what they are addressing, and how organizations are successfully leveraging them to navigate the complexities involved in attracting, hiring, and engaging talent in a digital world.