While current unemployment numbers might suggest that it should be easy to find quality staff for virtually any position, anyone who’s attempted to hire and retain top employees knows that just the opposite is frequently true. Often it's because the employee you need is already working at another firm and not actively looking for a new position. And sometimes it’s simply because effective hiring is hard work. In either case, finding exceptional employees takes diligence, resources and time.

With these challenges in mind, and to help us better understand the needs of our clients, the Novo Group recently conducted our first annual Corporate Recruitment Benchmark Survey. Survey participants included both executives and candidates. Having the ability to gain insights from both sides of the hiring equation was extremely valuable and we are grateful to the survey participants for both their time and their honest answers.

**THE KEY TAKEAWAYS FROM OUR RESEARCH:**

- **Almost Half of Candidate Respondents**
  - weren’t actively looking for a new job but would entertain opportunities—what’s known as “passive candidates”

- **80% of Companies**
  - use outside recruiting help

- **Engineering, IT & Sales**
  - are the most challenging hires

- **≤ 2**
  - Most companies have fewer than two on-staff people handling recruiting

- **36%**
  - of companies either don’t know how they track hiring or don’t track it at all

**THIS REPORT**

What follows is a summary of our survey results, conclusions from the research and our recommendations for how to best apply these findings to improve the recruiting experience and results at your company. In addition to providing a benchmark of current recruitment infrastructures, processes and metrics, we hope that the insights gleaned from our decades in the recruiting industry will help your company to measure, track and improve your own human capital gains.
Who Took the Survey?
Recruitment Benchmark Survey Results

COMPANIES
Our survey targeted senior level employees. Participants came from a broad cross-section of industries and were evenly split among three company size categories. Total number of respondents: 313. All stats reflect the 313 survey respondents.

CANDIDATES
Novo conducts ongoing research with active and passive candidates and our 1,062 survey respondents were drawn from our most recent pool (December 2012). They represented a broad variety of industries and roles.

ROLE/TITLE
- 60% Executive level (CEO, VP, Director)
- 30% Manager level
- 10% Other

ANNUAL REVENUES
- 34% $0 - $100M
- 33% $1B+
- 33% $100M - $1B

CANDIDATE ROLE/TITLE
- 27% Executive level (CEO, VP, Director)
- 35% Manager level
- 18% Consultant
- 20% Other

CANDIDATE FIELD
- 20% Sales
- 12% Engineering
- 11% Marketing
- 9% HR
- 7% IT
- 4% Accounting
- 37% Other

WHAT BEST DESCRIBES YOUR INDUSTRY?
- 24% Manufacturing
- 19% Professional Services
- 9% Healthcare
- 8% Technology
- 7% Financial Services
- 32% Other

WHAT BEST DESCRIBES YOUR INDUSTRY?
- 25% Manufacturing
- 19% Professional Services
- 9% Healthcare
- 8% Technology
- 7% Financial Services
- 32% Other

WHAT BEST DESCRIBES YOUR HIRING OUTLOOK?
- 71% Currently hiring
- 9% Plan to hire in the next 3-6 months
- 7% Have no plans to hire
- 6% Plan to hire in the next 6-12 months
- 3% Don’t know
- 4% Other

WHAT BEST DESCRIBES YOUR INDUSTRY?
- 25% Manufacturing
- 19% Professional Services
- 9% Healthcare
- 8% Technology
- 7% Financial Services
- 32% Other

WHAT BEST DESCRIBES YOUR JOB SITUATION?
- 9% “I am happy with my job and not looking to make a career move.”
- 46% “I am happy with my job and not actively looking for another but would be open to other opportunities.”
- 25% “I am not happy with my job and I am actively looking to make a career move.”
- 15% “I am not currently employed”
- 4% “I am happy but actively looking”
- 1% Other

PROACTIVE SOURCING DEFINED
Throughout this survey, we use the term “proactive sourcing.” By this we mean reaching out to candidates who are not submitting their resumes to you. In this report we would consider 55% of the candidates to be passive, 29% to be active candidates who are currently looking for a job and 15% not employed.

WHAT DOES THE DATA MEAN TO YOU?
Over half of the candidate pool is employed and not actively looking for a job—what we define as passive candidates. Does your company have the right recruitment structure in place to attract and hire top talent in this environment?

Visit www.thenovogroup.com to see case studies & learn more about The Novo Group.
Overall Hiring Trends: Challenges & Concerns
What’s keeping company leaders awake at night?

Disconnect between priorities & concerns causes companies pain.

**TOP CONCERNS:**
1. Finding qualified talent
2. Employee retention
3. Competitive compensation
4. Culture concerns
5. Lack of training and development

**TOP PRIORITIES:**
1. Succession planning
2. Employee retention
3. Recruiting top talent
4. Training and development
5. Employee engagement and culture

A disconnect between priorities and concerns can cause your company to misalign resources and time. Plus, it could ultimately cause you to miss out on the one thing your business most needs to succeed: top talent.

**FROM THE MARKETPLACE**

The ability to attract and hire quality talent will improve your succession planning and retention over time. A case study from Dr. John Sullivan & Associates, a professor of management for over 26 years at San Francisco State University, shows that companies improve their quality of hire by focusing on “game changers.” These top 20% employees have been credited with delivering performance that’s anywhere from 2 ½ to 1000 times that of the average performer and Sullivan believes that “…these difference makers will be a primary source for their future leaders.”

Plus, a recent white paper from Oracle found that the ability to retain top performers depends on hiring the right talent to start with and that “…employees who are a good fit for the position and perform well will want to stay with the organization.”

Finding top talent for these types of positions requires proactive sourcing and talent pipelining: developing a pool of candidates before you have a need.

When asked what the most challenging positions to hire for, the top three roles were:
1. Engineering
2. IT
3. Sales

**FROM THE MARKETPLACE**

According to a new report from Dice.com, IT positions continue to be extremely difficult to fill. In Q4, the Bureau of Labor Statistics showed that the country’s unemployment rate among IT workers was just 3.3%—far lower than the nearly 8% rate of the entire U.S. workforce. This stat reflects the fact that a percentage of IT workers are in contractor/consultant roles rather than being full-time employees. Actual unemployment in this category is likely even lower.

More about the survey data.
Of the 105 employed engineers who responded to our survey, only 10 said that they were happy and not looking for a job. And the numbers weren’t much better for IT: only 10 of the 64 polled (or 16%) said they were happy and not looking. These stats help to illustrate how critical it is to tap into the passive candidate market.

Visit www.thenovogroup.com to see case studies & learn more about The Novo Group.
A Closer Look at Recruiting Infrastructure

If you don’t measure it, you can’t manage it.

30% of companies are not tracking any recruiting metrics. Tracking metrics helps companies allocate time and resources.

We’ve found a strong correlation between companies that don’t track metrics and companies that don’t proactively source passive candidates. Both are critical to establishing and attracting an exceptional work force. No company can effectively manage their staffing challenges without metrics, and no company is reaching the best candidates if they only connect with those actively looking for a job.

### Hours a company spends sourcing per week for each position:

<table>
<thead>
<tr>
<th>Hours</th>
<th>Percentage of those companies tracking metrics:</th>
</tr>
</thead>
<tbody>
<tr>
<td>0 hours</td>
<td>36%</td>
</tr>
<tr>
<td>1-5 hours</td>
<td>65%</td>
</tr>
<tr>
<td>5-10 hours</td>
<td>71%</td>
</tr>
<tr>
<td>10-20 hours</td>
<td>88%</td>
</tr>
</tbody>
</table>

### FROM THE MARKETPLACE

The most-tracked metric is *time to hire* but that’s not the best way to determine the value of a hire. As Rob McIntosh, the senior vice president of global talent acquisition for Avanade, a business technologies company, so succinctly put it, “It’s time to blow up time to hire.” According to McIntosh, “The real issue is if we want to add business value then we must go beyond capturing backward-looking data and move to analytical reporting where we can identify the outliers of peak over- or under-performance.”

Companies need to track key performance indicators (KPIs) to improve results-oriented metrics like *quality* and cost-per-hire. To determine the true effectiveness of the recruiting function, quality of hire is the most important measure. A new hire’s long-term value to your organization may outweigh the short-term investment in sourcing them.

Visit [www.thenovogroup.com](http://www.thenovogroup.com) to see case studies & learn more about The Novo Group.
A Closer Look at Recruiting Infrastructure
Are you making the most of your recruitment budget?

Centralized vs. Decentralized Recruiting

CENTRALIZED: Occurs at one place; delivers economies of scale.

DECENTRALIZED: Occurs in multiple places with fragmented expense tracking.

COMBINATION: Effectively the same as decentralized because benefits of centralization are lost.

INTERNAL CORPORATE RECRUITING STRUCTURE:

- 47% Centralized
- 11% Decentralized
- 30% Combination of centralized & decentralized
- 7% Do not have an internal recruiting structure
- 2% Outsource everything
- 3% Do not know

More about the data:
Not surprisingly, larger companies have a harder time centralizing recruiting (82% of mid-to-large companies have a decentralized structure vs. 30% in small) due to their number of business units and autonomous corporate culture. Also, of the companies that had a decentralized model or a combination, 32% of those in manager positions and above did not know their company’s recruitment spend. Of those companies with a centralized recruitment structure, only 23% did not understand their spend as a percentage of revenue.

Companies that neglect to track metrics—or track the wrong metrics—may lack the data they need to develop meaningful recruiting budgets that will set up the recruiting function for success.

Centralization allows business units to pool the dollars and time necessary to proactively pursue passive candidates and make high quality hires.

Visit www.thenovogroup.com to see case studies & learn more about The Novo Group.
A Closer Look at Recruiting Infrastructure

_In-house recruiting is running lean._

**NUMBER OF RECRUITERS**

65% of companies have two or fewer in-house recruiters solely focused on recruiting. This isn’t surprising considering today’s tendency to do more with less. But what’s the cost to your business?

**FULL-TIME EQUIVALENT, IN-HOUSE RECRUITERS**

- 27% 0 Recruiters
- 38% ½ - 2 Recruiters
- 16% 2-5 Recruiters
- 9% 6-10 Recruiters
- 10% 10+ Recruiters

More about the data:
Of 159 companies with recruiters who had more than 11+ requisitions, only 13% had more than 25% of their hires coming from passive candidates.

Plus, only 8 companies, or 5% of those responding, had time to proactively source more than 20 hours a week per position.

**RECRUITER ORGANIZATION**

WE ASKED COMPANIES “How are recruiters organized?”

- 50% By business unit
- 33% By functional area
- 15% By both business unit & functional area (majority only had one recruiter handling all requisitions)
- 2% Did not know

Recruiters organized by business unit have a better understanding of their departments and how to build relationships. However, this divided style of organization makes it difficult for companies to have a shared service approach where they can load balance recruiting resources and share candidates.

**FROM THE MARKETPLACE**

Recruiting departments are running leaner than ever. A still-uncertain economy makes it hard for HR departments to forecast long-term headcount requirements. This, plus overall budget cuts, means that companies are overloading the resources they have and hindering their ability to proactively source passive job seekers.

A recent talent retention white paper by Oracle found that “…organizations can identify top performers by analyzing the needed skills, experience, and fit, and matching those to the talent profiles of external candidates....the more specific the criterion, the better the company is able to calibrate the selection process and measure for a quality outcome.” This requires a keen understanding of the requirements of any position—knowledge that is most likely in the hands of the business unit.

Visit [www.thenovogroup.com](http://www.thenovogroup.com) to see case studies & learn more about The Novo Group.
Recruitment Spend
Outside help is common— but could it be more effective?

WE ASKED
“How do companies do their recruiting?”

- 20% Handle all recruiting in-house
- 80% Use outside help

WE ASKED
“How do firms use outside help?”

- 56% Use contingency firms
- 42% Use executive search firms
- 36% Use independent contractors
- 26% Use a managed recruitment services firm

More about the data:
Sourcing is the biggest bottleneck in the hiring process. Companies often staff enough recruiters to handle the valleys of hiring, which means those recruiters are overloaded during the peaks. When recruiters have too many positions to handle, or it’s tougher to find passive candidates, companies resort to using search firms and contingent firms.

WHO PAYS FOR OUTSIDE HELP?

- 59% Business units
- 33% HR
- 4% Other
- 4% Do not know

WHAT DO COMPANIES SPEND ON RECRUITMENT BUDGETS?

- <1%: 61% of companies
- 1-3%: 26% of companies
- 3-5%: 6% of companies
- 5-7%: 2% of companies
- 6-10%: 2% of companies
- >10%: 3% of companies

INSIGHT
Not all positions are weighted equally within a company and therefore not all positions should have the same process or resources dedicated to recruiting them. A simple percentage isn’t the best way to allocate recruitment dollars. It’s better to monitor quality of hire, yet only 25% of the 313 companies tracked this metric. It is be more valuable to tie proactive recruiting metrics and quality of hire to turnover percentage and operational level profitability.

Visit www.thenovogroup.com to see case studies & learn more about The Novo Group.
Recruitment Spend
Spend smarter by knowing what you spend.

29% of companies aren’t sure what they spend on recruiting every year.

Larger companies understand their recruiting costs even less. Out of companies who don’t know what they spend on recruiting every year:

<table>
<thead>
<tr>
<th>Category</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>83% C-level executives</td>
<td></td>
</tr>
<tr>
<td>91% F&amp;A, General Management</td>
<td></td>
</tr>
<tr>
<td>30% Non C-level managers, directors &amp; executives</td>
<td></td>
</tr>
</tbody>
</table>

52% of those companies are in the $1 Billion+ category

Who knows their recruitment costs as they relate to revenue?

<table>
<thead>
<tr>
<th>Calculating Recruitment Costs as a Percentage of Revenue</th>
</tr>
</thead>
<tbody>
<tr>
<td>C-level Executives</td>
</tr>
<tr>
<td>F&amp;A, General Management</td>
</tr>
<tr>
<td>Non C-level Managers, Directors &amp; Executives</td>
</tr>
</tbody>
</table>

Companies that centralize recruiting have a better understanding of what recruiting really costs them:

<table>
<thead>
<tr>
<th>Centralized: Understand</th>
<th>Decentralized: Understand</th>
</tr>
</thead>
<tbody>
<tr>
<td>76%</td>
<td>68%</td>
</tr>
</tbody>
</table>

If you don’t know where you started, how can you tell when you get there?

A Look at the Cycle of No-Budget Woes

Unaware of the need, executives neglect to add recruiting to the budgets of business units.

Recruitment costs are fragmented and difficult to track in the general ledger, so the pain stays hidden.

When the need arises, hiring managers pull funds from other parts of the budget like professional services or training.

Without visibility how can you manage costs and make the most of your recruiting investments?

More about the data:
Many companies neglect to work recruitment into the budgets of individual business units. This lack of dedicated recruiting funds means that when departments need to make a hire, they pull the funds from elsewhere, making it fragmented and difficult to track within the general ledger. When these costs aren’t on the record, executives aren’t aware of the pain and will leave recruiting out of the budget year after year and thus the cycle continues.

The alternative:
Get these dollars recorded and find ways to pool these resources so they work smarter towards attracting top talent.

Keep Reading >>

Visit www.thenovogroup.com to see case studies & learn more about The Novo Group.
Proactive Sourcing - Passive Candidates

Your best candidate is already working– for the competition.

Our findings point toward the growing number of passive candidates and the lack of proactive sourcing as two of the biggest issues facing recruiters. We further analyzed these areas to give more insight into where corporate recruiting is spending their time in contrast to what behaviors active and passive candidates are using to advance their careers.

LET’S REVISIT SOME OF OUR CANDIDATE OUTLOOK DATA

9% of our candidate respondents said “I am happy with my job and not looking to make a career move.”

46% of our candidate respondents said “I am happy with my job and not actively looking for another but would be open to other opportunities.”

PERCENTAGE OF PASSIVE CANDIDATES BY INDUSTRY

- 52% of Financial services candidates
- 49% of Healthcare candidates
- 48% of Technology candidates
- 47% of Professional services candidates
- 45% of Manufacturing candidates
- 43% of candidates in all other industries

PERCENTAGE OF PASSIVE CANDIDATES BY ROLE

- 36% of C-suite executives
- 47% of VPs
- 44% of Directors
- 44% of Managers
- 50% of Consultants
- 49% All other, non-management roles

With almost half of candidates in roles below C-suite execs open to new opportunities, HR execs need to focus on retention, internal succession and external talent pipelining—making connections that help you to develop a pool of future candidates.

FROM THE MARKETPLACE

Recognizing that a large number of baby boomers will soon be leaving the workforce—and that competition for top performers will be fierce—the University of California at San Diego recently took a new approach to succession planning. Rather than limiting its succession planning to internal candidates, the university is giving “all job seekers (including external candidates) the chance to learn, grow and compete for positions.” It hopes that this forward-thinking approach will help it build a better pool of job-ready candidates in the coming years.⁹

WHAT ARE THE TOP WAYS PASSIVE CANDIDATES KEEP THEIR OPTIONS OPEN?

- 66% LinkedIn
- 49% Referrals/Personal Recommendations
- 47% Recruiters

HOW DO COMPANIES PURSUE PASSIVE CANDIDATES?

- 66% Employee Referral Program
- 63% LinkedIn
- 57% Hiring manager relationships
- 44% Job board databases
- 21% Cold calling a researched list of names

What does the data mean to you?

It’s apparent that corporate recruiting departments understand that there are many (55%) passive candidates based on the techniques they use to pursue them.

Yet, their overall strategy may be flawed:

Only 13% said that more than 50% of their hires were passive candidates in 2012.

70% are reporting under 20% of their hires are coming from employee referrals.

Only 21% proactively cold call candidates.

KEEP READING >>

Visit www.thenovogroup.com to see case studies & learn more about The Novo Group.
Proactive Sourcing - Passive Candidates

Do your search methods match theirs?

How do passive candidates stay on top of job openings when not actively looking?

With corporate America leaner than ever, employed candidates are crunched for time. The reason many of them fall into the category of “passive” candidate is that they just don’t have the time to actively pursue a career move. To connect with these candidates, recruiters need to pay attention to where passive candidates spend time in their search. To bring in passive candidates recruiters need to pay attention to trends and have adequate time for sourcing proactively. They can’t rely on the “post and pray” method that can satisfy the “cost-per-hire” and “time-to-fill” metrics but doesn’t deliver good long-term results.

What motivates passive candidates?

Although compensation is one of the top reasons for making a job change, leading with this can backfire. Too often contingent firms use compensation to get a candidate interested, but can’t deliver at offer time.

FROM THE MARKETPLACE

Tools for the Landscape
CEB’s active-passive index tracks job search activity among employed workers going back to 2006. The index reveals a steady rise in the prevalence of passive candidates—the percentage of the labor market not actively searching for a new employer. Globally, the passive candidate pool is bigger than it has been in the past five years, with nearly 50 percent in the passive category compared to only 22 percent in 2006. vi

LinkedIn — 70%
Referrals or personal recommendations — 58%
Recruiters — 51%
Big job boards — 35%
Networking events — 19%
Corporate job boards — 18%
Niche job boards — 14%
Proactive interviews — 5.5%
Job fairs — 2%

LinkedIn — 70%
Big job boards — 35%
Corporate job boards — 18%
Niche job boards — 14%
Proactive interviews — 5.5%
Job fairs — 2%

Salary/compensation — 73%
Great growth opportunities — 59%
Type of projects/work — 44%
Financial stability of the company — 41%
Work-life balance opportunities — 40%
Job skills — 25%

Salary/compensation — 73%
Great growth opportunities — 59%
Type of projects/work — 44%
Financial stability of the company — 41%
Work-life balance opportunities — 40%
Job skills — 25%

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Proactive Sourcing - Active Candidates

All channels are not created equal.

44% of candidates are considered “active,” i.e., they’re looking for a new position.

### HOW ARE ALL ACTIVE CANDIDATES SEARCHING?

- 47% LinkedIn
- 40% Big Job boards (Monster, CareerBuilder)
- 36% Recruiters
- 32% Referrals/Personal Recommendations
- 20% Corporate Job Boards
- 10% Niche Job Boards (trade specific)
- 9% Networking Events
- 4% Proactive interviews
- 3% Job Fairs
- 3% Social Media (Twitter, Facebook)

### HOW ARE THE UNEMPLOYED SUBSET SEARCHING?

- 71% Big job boards
- 63% LinkedIn
- 48% Recruiter
- 38% Referrals or personal reference
- 27% Corp websites
- 17% Networking
- 13% Niche boards
- 10% Job fairs
- 8% Social media
- 7% Proactive interviews

#### FROM THE MARKETPLACE

Unlike passive candidates, those who are not employed spend most of their time on big job boards— which makes sense since they have more time to look and go through the volume of online opportunities. This is not to say that there aren’t high-quality candidates among the unemployed, but it does show that you may be missing a huge number of candidates (55%) unless you reach out to them.

According to leading recruitment strategist, Dr. John Sullivan, referrals will continue to produce the highest volume and quality of hires. The top firms will target 50 percent of hires from referrals in 2013. vi

LinkedIn Reaches 200 Million Members.

LinkedIn, the world’s largest professional network on the Internet, announced that it has now reached 200 million members worldwide. LinkedIn continues to add approximately two members per second – Q4-12 is now the eighth consecutive quarter that LinkedIn has added 11.1-15.4 million members. Between 2009 and 2012 the company added 145 million members. The LinkedIn site is currently available in 19 languages and approximately 64% of its members are located outside of the U.S.
Survey Conclusions & Recommendations
Take the first steps to better recruiting.

What’s Causing the Pain?

**DISCONNECT BETWEEN CONCERNS & PRIORITIES**
Examine your concerns and priorities to make sure that you’re focused on the big picture: bringing in top talent. People are your company's most important asset and once the right employees are in place, everything else will fall in line. Plus, attracting and hiring quality talent will help with succession planning and retention over time.

**MISALIGNMENT OF RESOURCES CAUSED BY LACK OF METRICS**
Neglect to track your hiring data and you’ll miss out on opportunities to improve the effectiveness of your recruiting function. Tracking key performance indicators (KPIs) and metrics also helps departments get the recruiting budgets they need. Too many business units fall into the vicious cycle of taking recruitment costs from other budgets, effectively hiding those dollars and keeping their budget pain a secret.

**LOOKING FOR CANDIDATES IN THE WRONG PLACE**
As it’s become more common to hire passive candidates, recruiters must focus their attention on proactive sourcing through networking and targeted cold calls. The days of waiting for the right candidate to come to you are over— it’s time to make sure your HR leaders have the time and resources they need to proactively source top talent.

RECOMMENDATIONS

The breadth of today’s job market makes it difficult to give general recommendations, but we see a few common themes in the results of our survey and with the hundreds of companies and thousands of candidates we work with every day.

**Recognize that good hires cost you less in the long run.**
Research shows that it makes sense to devote extra time on the front end to hire the right people. According to an HR study the actual cost of hiring a top performer is generally no more than 25% higher than the cost of hiring an average performer.

However, the performance differential between average and top performers is often 300% higher—and sometimes as much as 1000% higher.

**Recognize that the demands of passive recruiting are intense.**
It takes considerable time to cultivate relationships, from identifying a likely candidate to making contact, building rapport and getting referrals. Allocate several hours per week per search. Unless your HR team has enough time and capacity to do their jobs the right way, they’ll struggle to reach top candidates.

**Rethink workload allocation.**
Most companies assign their internal recruiting or HR staff far too many requisitions. In our experience, a good recruiter—especially one focusing on key positions—should only handle from three to 10 positions at any given time with research support. Unfortunately, we see many companies expecting their recruiters to work on 50 or more positions at once! Faced with an overwhelming workload, it’s not surprising that many recruiters default to the “post and pray” method or paying search fees.

**Follow the 10/100 rule.**
Allot more time to focus on mission-critical positions that drive the company’s top line. In our experience, it takes about 100 names to produce one hire for a key position and may take up to 10 hours a week on the front end of the search for adequate research. The good news is that the majority of your hires are not for key positions. Stratifying how your recruitment resources are deployed can help you stretch a limited budget.

**To better structure a recruiter’s workload, we recommend taking a closer look at the tasks they’re being asked to handle.**
Consider the number of searches, the complexity of the requirements, the relative availability of the desired skill set, the number of hiring managers involved, and the geography of the search.

MORE RECOMMENDATIONS >>
Survey Conclusions & Recommendations

Take the first steps to better recruiting.

RECOMMENDATIONS CONTINUED

Divide and conquer.
Many companies would do well to follow the example of Google, a company that reportedly intends to double its workforce in the coming years. Google recruitment personnel are divided into skill-based segments that handle different elements of the recruiting process. Among the separate functions that might be appropriate for a smaller company are research, sourcing, phone interviewing, and internal client management. Rather than expecting one person to handle all elements of the candidate development process, identify the different strengths on your team and assign aspects of the workload accordingly. Don’t expect one recruiter to be highly proficient at every touch point in the hiring process.

Pipeline now—or pay later.
Every organization has mission-critical roles that can’t afford to be left unfilled. However, ensuring that they’re filled requires an active, ongoing strategy. Make it a priority for the department and for the company and convince hiring managers to set aside time each week to speak with potential candidates. Set metrics for the number of proactive interviews to be conducted each week and document the time spent. That way, when it comes time for a critical hire, you will have candidates in the pipeline and not have to spend the time—and money—to conduct a complex search from scratch.

Consider the benefits of centralizing your corporate recruiting function.
Centralization lets your business units pool the dollars and time necessary to proactively pursue passive candidates and make high-quality hires. Although this change seems like common sense, it can be difficult for companies to make the switch due to their size and the autonomous culture of individual business units. In addition, the difficulty of measuring recruiting cost and quality metrics can hide the importance of this change.

Start small.
There’s no reason to make sweeping corporation-wide changes when you might not be able to invest the time or justify the funds yet to do them well. Switching to a centralized recruiting function can be an iterative process. Start by measuring metrics such as the productivity and results of top talent (quality-of-hire) and then KPIs against these numbers. This will help you to pinpoint the missed opportunities that occur if your team doesn’t spend enough time proactively sourcing top talent. If your recruiting function doesn’t have time to make those proactive calls and your competition does, imagine what getting the leftovers will do to the future of your business. No amount of training and development, succession planning or retention strategies will resolve not getting the right people in the first place.

In today’s ever-changing world, candidate behaviors are constantly evolving. Companies must be proactive and take control of their recruitment process to obtain top talent. You need leaders who can take your company into the future. You won’t find them with yesterday’s recruiting models.

For future updates, please visit the Novo Group blog at www.thenovogroup.com/resources

Look for our follow-up blogs on: technical recruiting, finding manufacturing candidates and proactive sourcing best practices.

We welcome your feedback and future topics for next year’s study.
Email cindylu@thenovogroup.com

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About Novo
Rethink. Reshape. Recruit.

Our clients count on the Novo Group to deliver the best in talent. Here’s how we do it.

EDUCATION.
Knowledge is power. We are committed to helping our clients understand the challenges of the current hiring landscape and the best ways to address them. From the behaviors of top talent to the inherent downsides of traditional external recruiting models, the importance of tracking metrics to the value of proactive sourcing, we’ll take the time to bring you up to speed in every area and develop a strategy that reflects the realities of the current marketplace.

www.thenovogroup.com/services/enterprise-recruitment-solutions/

UPFRONT DUE DILIGENCE.
Our success starts with yours. We’ll only take an assignment we feel certain we can deliver on for a reasonable fee.

www.thenovogroup.com/services/search

RESOURCE PLANNING ALIGNMENT.
We know how critical it is to match our resources to your culture. Our highly detailed planning process brings clarity to hiring managers and HR alike and serves as a seamless extension of your internal team.

www.thenovogroup.com/about/our-people/the-novo-team/

AN HOURLY BILLING MODEL.
Our unique process ensures complete transparency and creates an environment that holds the entire team accountable to results. Plus, in most cases it delivers exceptional hires for less than 50% of the cost of traditional search.

Our billing model also allows us to bring the retained search model to middle management. Our process is highly scalable and delivers a proactive, deliberate search process to mid-level knowledge positions.

www.thenovogroup.com/resources/employers/case-studies/

A FOCUS ON COMMUNICATION AND RESULTS.
We capture and share a variety of metrics and maintain a dashboard that is updated regularly to ensure that you’re always in the loop on the status of your project.

www.thenovogroup.com/resources/employers/tools/recruitment-dashboard/

ABOUT NOVO
The Novo Group, Inc. is an integrated corporate recruitment advisory firm that helps organizations attract top talent. By leveraging a proprietary recruitment framework, we’ve raised quality-of-hire metrics while decreasing enterprise recruiting costs for our clients. Novo delivers these customized recruitment solutions with one of the most effective teams of wickedly smart recruiters in the country. Because of Novo’s unique hourly pricing model, Novo’s clients hired over 1300 professionals in the last three years with over 50% of the candidates being passive and a cost-per-hire of less than half of traditional search firms. Novo is a national company headquartered in Milwaukee, WI with offices in Chicago and St. Louis and remote workforces in Arizona, California, Pennsylvania, and Texas.

To learn more about The Novo Group visit www.thenovogroup.com

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Recruitment Benchmark Survey Results


2 Oracle white paper, “Talent Retention: Six Technology-Enabled Best Practices” (June 2012)


4 Oracle white paper, “Talent Retention: Six Technology-Enabled Best Practices” (June 2012)

5 UC San Diego, “HR Succession Planning: Recruiting and Hiring” (blink.ucsd.edu, Jan 17, 2013)

6 Donna Weiss, Corporate Executive Board, “Post and Pray Recruiting” (www.talentmgt.com, February 13, 2012)

7 Dr. John Sullivan, “New Year’s Recruiting Headlines, Trends, and Next Practices” (www.drjohnsullivan.com, Nov. 5, 2012)

8 Dr. John Sullivan, “The ‘Big Secret’ Top Performers Are a Bargain” (www.ere.net, April 29, 2002)

9 Dr. John Sullivan, “Google Continues to Innovate in Recruiting and Candidate Assessment” (www.ere.net, Jan. 8, 2007)

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