

Tips & Tricks:

For Recruiting Staff in a Talent Short Market



### **Tip #1**

## **Talent Pipelining**

Talent pipelining is one of the most important recruitment strategies you can have, irrespective of business size, or how often you need to hire new staff members.

In fact, it's often more important for a smaller organisation to have a better talent pooling strategy than that of a large organisation.

Why?

Simply because a larger organisation has more resources and can often mitigate the loss of a critical staff member better than a small organisation can.

Either way, having options available to you when the unexpected occurs will significantly enhance your ability to manage business continuity when you have a solid **Talent Pipelining Strategy!** 

Resignations often come at the most unexpected and inopportune times for many businesses so it's extremely important that you have a pipeline of talent already identified for when this occurs.

More than 60% of successful Australian businesses don't factor critical talent pooling into their business strategy. They focus on client acquisition/retention, effective P&L management, new technology and innovation, investment opportunities, key market differentiators and even staff retention but they forget about these critical ingredients.

What happens when a key member of staff resigns?

How quickly can we find a replacement?

What skills is our organisation losing, and how can we best combat this minimising our time to recruit a suitable replacement?

What can we proactively do to reduce the 'gap' between when this key member of staff leaves, and a replacement is found?

Who has the capacity (and more importantly the skills!) to fulfill these duties whilst we find a suitable replacement?

Another thing many organisations fail to analyse is the impact this has on existing staff.

A four- week notice period is common today, but that wasn't the case years ago.

Many organisations implemented this strategy years ago: believing a month was a sufficient period to find a replacement prior to the critical team member leaving the organisation.

And years ago..... this strategy worked..... until every other organisation also implemented a four-week notice period.

The END RESULT. The time to hire got much longer, the time with an employee that has already 'checked out' got longer (often resulting in companies letting the exiting employee to leave earlier) and the time to on-board a new hire went from 2-4 weeks up to 3+ months!!

So.... How do I mitigate this risk in a practical and cost-effective way without having an internal recruiter, a recruitment firm on 'retainer' with a database or spending a significant amount of money advertising EOI ads via job boards pooling candidates I might never want (or have) the opportunity to hire?

## Proactively build your talent pool!

### But how?

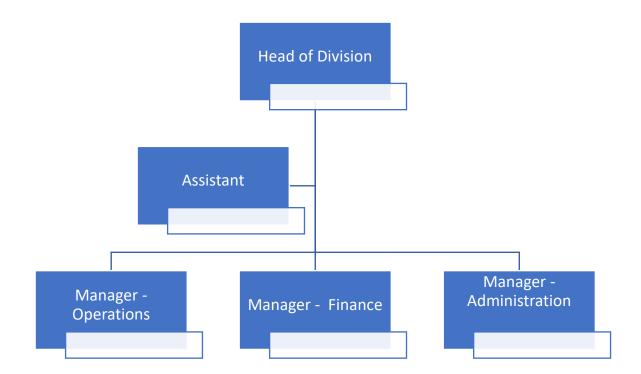
This is one of the simplest, and most cost-effective ways of doing just that!

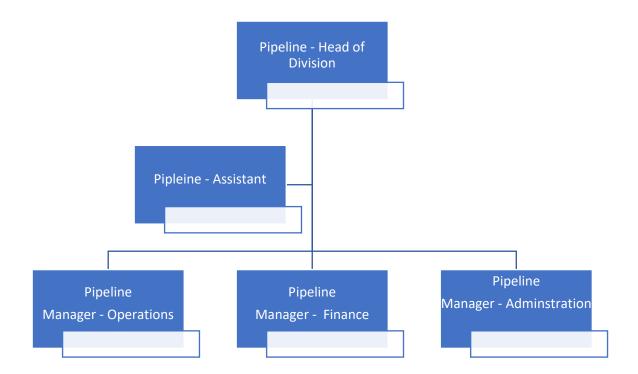
Sure, it'll take some time to develop, but like anything preparation is key to a great (and quick!) outcome when the time comes to find new talent.

## **Organisational Chart**

Every organisation should have one (unless a sole trader), irrespective of size.

Use your existing Organisational Chart and replicate it, as follows:





After replicating your existing Organisational Chart it's then time to identify how/where you can find potential replacements for each role within your organisation.

The concept is simple, but it may take considerable research (through initially making meaningful connections) via social media (LinkedIn, Facebook etc.), internal/external connections, referral programs and networking to build your Talent Pipeline for every role – but it will yield results.

Important: Find as many people as you can for every role and maintain contact with them on a regular basis. This can be as simple as sending them a quick email every few months, catching up briefly for a coffee or having them subscribe to company news so they can hear about the successes your organisation is achieving. It is also an excellent visual aid to help you keep on top of your pipelining activities in a simple and easy manner.

Talent pooling is a critical component of business success. It is (and always will be) a challenge to recruit top talent in a highly competitive market irrespective of location or population. Remote and regional areas face obvious challenges but equally so do high density metropolitan locations due to the plethora of choice. The skill set required for many roles is niche in nature, talent is scarce, and the best talent is often reluctant to leave a stable role where they're successful for the *possibility* of something better. Similarly, you may know of talent outside of your industry that has the transferrable skills but without pipelining these individuals they may continue to know very little about your industry, organisation and the benefits joining you entail.

Identifying those with the necessary skills and cultural fit is critical. Connecting with them and building rapport is equally important as it provides you the opportunity to get to know a little about them, how they align culturally, what their career aspirations are whilst also enabling you to demonstrate your Employee Value Proposition (EVP). More on that later.

By effectively building a Talent Pool when that resignation does come you are already in a much better position to source a quality replacement, and quickly.

### Tip #2

# **Employee Referral Program (ERP)**

Employee referrals can be one of the most successful and cost-effective methods of finding new talent to join your organisation. They are also simple to implement, boost employee morale and incentivise your team to refer other like-minded, talented individuals to your organisation.

The most successful Employee Referral Programs involve financially rewarding the referrer but there are other non-financial rewards you can implement if finances are tight.

Here is an example of a highly successful ERP implemented across countless organisations.

Example 1
Employee Referral Program - \$5,000 Referral Bonus

Payment Category	Payment Amount (to referrer)
Payment on Commencement	\$1,250
Payment on successfully completing probation	\$1,250
Payment after 12 months service	\$2,500

The total payment amount and incremental payment amounts vary from organisation to organisation.

These commonly range from \$2,500-\$10,000 depending on the size of the organisation, the role and often the difficulty a company has historically experienced sourcing the role previously.

Many organisations also consider what they would pay a recruitment firm as the benchmark for determining the value of the Referral Bonus. For example, the recruitment fee might be \$10,000. By offering a \$5,000 Referral Bonus the company saves money whilst also incentivising an existing employee. Referral bonuses often improve retention of existing employees in the process.

Some organisations tier the financial incentive based on the seniority of the role whilst others have a flat Referral Bonus for all roles across the organisation. How you structure it is completely up to you and your individual circumstances.

Example 2
Employee Referral Program – Non-Financial Referral Bonus

Incentive Category	Non-financial reward (to referrer)
Payment on Commencement	1 bonus day of annual leave
Payment on successfully completing probation	1 bonus day of annual leave
Payment after 12 months service	3 bonus days of annual leave

Other highly successful methods of implementing an ERP can consist of additional annual leave, career development training, holiday vouchers or travel to another branch location. If in doubt about what incentives will have the greatest impact on your business, survey your team!

### **Tip #3**

## **Employee Value Proposition (EVP)**

Investment in defining your Employee Value Proposition (EVP) is one of the most critical tasks every business should undertake.

Why?

Organisations no longer enjoy an upper hand in the recruitment and retention of talent. Today, employees have many options and are highly discerning when choosing a new role.

Employee Value Proposition (EVP) has historically been defined as a **set of monetary and non-monetary benefits provided by an organization to its employees** in return for the skills, capabilities, and experience they bring and the contributions they make to the organisation.

However, this definition is rather outdated. The modern definition is better described as follows.

An effective Employee Value Proposition consists of an **ecosystem of support, recognition, and values** that an employer provides to employees to achieve their highest potential at work.

The key difference here is that EVP should not be looked at as a two-way transaction but as a **comprehensive set of employer offerings** that boost employee engagement and bring out the best in employees.

An effective EVP helps organisations and recruitment professionals in establishing a strong employer brand.

Since the emergence of the pandemic, many organisations started re-assessing their core Company Values. Re-assessing these values, along with their remote/hybrid work arrangements has reshaped the way people work, and people are looking for different benefits from their employers.

**Employer branding** is critical for an organization to attract top talent. Done right; an EVP offers a compelling answer to the question –

Why should a highly talented person choose to work with us?

Designing an EVP that is unique to your organisation will considerably improve your talent acquisition and retention, giving you an *employer brand* has an edge over your competitors.

The plethora of remote work options means that candidates can find higher-paying jobs that also give them a better **employee experience** in terms of flexibility and work-life balance.

But.... it's also recognised by employees, and employers alike, that not ALL roles can be effectively managed via a remote/hybrid work arrangement. This however doesn't mean you can't compete for the best talent available in market, nor does it mean you are overlooked. You simply need to find alternative talent attraction strategies that ensure your EVP is superior to your 'competitors'.

Having an EVP also doesn't guarantee success in recruiting in a talent short market. It, put simply, only enhances your ability to 'stand out'.

An EVP simply acts as a key driver of talent management and talent acquisition. Therefore, **consistent**, **and efficient communication** of an employee value proposition that enhances employer branding has become extremely important.

Defining your unique EVP is therefore all about assessing, and articulating, the core strengths of your organisation.

Here are 5 of the most important ingredients to developing a sustainable, and highly successful EVP.

- 1. **Financial Rewards** Whilst the most obvious this only addresses ONE aspect of an employee's decision making. On the face of it many organisations consider this to be the key motivator but in reality, it's only ONE piece of the puzzle when it comes to your EVP.
- 2. **Employee Benefits** An equally encompassing factor to consider is what non-monetary benefits your organisation can offer to attract key talent. Gone are the days of attracting staff based on 'Friday drinks', golf days and pool tables, long lunches, and corporate junkets. The modern equivalent consists of:
  - a. Health insurance
  - b. Birthday leave
  - c. Parental leave
  - d. Extended compassionate leave
  - e. Promotional opportunities
  - f. Safety First culture
  - g. Family days
  - h. Gym membership
  - i. Flexibility to attend school functions
  - j. Company shares
  - k. Additional annual leave for above expectation job performance
  - I. Company paid holidays for high performing individuals
  - m. Employer of the Year Rewards
  - n. Company vehicle
  - o. Other as it relates to your organisation

A benefits package works best when it's customised to the industry, the culture, the organisation, and the employees. So, feel free to get creative with it but check with your accountant on the treatment of benefits that attract Fringe Benefits Tax.

- 3. Career Development Employees want to join an organisation where they can achieve their growth potential. Before accepting a job offer prospective employee's want an understanding of how an organisation can contribute to their career development and what investment an organisation is prepared to make for this to occur. Here are some examples of what prospective employees look for:
  - a. Technical training
  - b. Leadership training
  - c. Mentoring and career development from someone that has risen through the organisation

- d. Defined promotional opportunities
- e. Internal education working within different branches, different States, different business units or cross-training
- f. Projects outside, but aligned to their current remit

For an organisation that is unable to offer salaries at par with its competitors, offering a clear **career development and growth plan** can be the difference between hiring and losing quality talent.

- 4. **Work Environment** You can offer the best remuneration, the best employee benefits, and the most advantageous career development opportunities but if your business doesn't support what is most important to your new employee then it all amounts to nothing. A great work environment isn't what you think matters most: it's about what your employees VALUE most. The most successful organisations implement the following:
  - a. Flexible working hours
  - b. Genuine work-life balance
  - c. Reward & Recognition
  - d. Best in class technology or at the least, highly functional
  - e. Professional and regular internal communication channels
  - f. Ergonomic and environmentally friendly workplace design
  - g. Genuine employee wellbeing programs

Organisations must recognize the importance of creating a work environment where employees thrive and can deliver meaningful work without constraint.

5. **Company Culture** – In essence, your company values are the beliefs, philosophies, and principles that drive your business and underpin your company culture. They impact the employee experience you deliver as well as the relationship you develop with your customers, partners, and shareholders.

Your company values are your **company's DNA**, and they help you differentiate your business from the competition. That's why you can't make any important business decisions without having them in mind.

However, having company values doesn't mean having a polished communication plan around nice values and principles.

You must **truly honour your company values** in everything you do and set the right example for your employees. It's the only way you can build trust in the workplace and a best-in-class Company Culture.

Key considerations when developing your Company Values and your Company Culture includes things like:

- a. Trust and collaboration
- b. Positive relationships between team members across hierarchies
- c. Team communication and support
- d. Alignment of employees with company goals and aspirations

Having now identified the main components of an EVP, it should make the complex task of building one much easier.

Here are the six steps to building a great EVP for your organisation:

- 1. Assess what you currently offer
- 2. Interview your existing employees and conduct exit interviews with employees who resign moving forward
- 3. Define the key components of your EVP
- 4. Write your Employee Value Proposition
- 5. Promote your EVP through multiple communication channels
- 6. Review the results

## Assess what you currently offer

EVP development should start with the basics. You must assess **what your company currently is and what it isn't**. You should be clear about your branding.

Make a checklist of all the components of EVP in the above section. Go through each item in the EVP checklist and determine the extent to which your company currently offers each.

It's important to be completely objective while carrying out this activity. That's why it's useful to take opinions from your employees about how well these are being met.

## Interview your existing and exiting employees

Knowing what your company can and cannot offer is crucial for building a strong EVP.

Use employee surveys to collect feedback from focus groups that include current employees and any new hires.

Include exiting employees as well in employee surveys and understand what the organisation could have done to help them stay. Lastly, follow this by researching your prospective employees.

In the employee surveys, ask your current employees questions like:

- Why do you like working here?
- What motivates you at work to engage more?
- What improvements would you like to see?
- What's the single most important need that you have related to our company?
- What kind of support do you expect from the company to help you achieve your professional development goals?

Use the responses given by different focus groups to find out **what motivates your top performers** and incorporate this feedback to build a better job offer for your potential employees.

## Define the key components of your EVP

Now it's time to evaluate your findings and arrive at your company's new employee value proposition.

This is how you will attract and retain top talent.

Use the research from the previous steps to answer questions like:

- What salary range and employment benefits will attract my target candidate persona?
- What career growth opportunities is my target candidate looking for?
- What kind of company culture will help my target audience succeed at work?
- What constitutes an ideal work environment for my target candidate persona?

Your EVP should also be segmented for different roles and levels. For example:

- The **EVP for recent graduates** to fill an entry-level position will highlight things like career growth, fun office environment, positive employee experience, and employee perks.
- The **EVP for professionals** who are not recent graduates will highlight things like career stability, child-care support, and work-life balance.

Once you have determined what you will offer, translate it into statements that candidates can quickly understand and relate to.

## Write your Employee Value Proposition

Once you've identified how your company differs from the competition and what employee experience you can deliver, the next step is to write a **strong employee value proposition statement**.

Make sure that your EVP statement is clear, unique, and inspirational. That's the only way it will help you attract and retain top talent.

Also, make sure that your EVP is aligned with your employees and the company's expectations.

### Promote your EVP through multiple communication channels

Now you have a winning EVP in place it's time to communicate it.

Leverage the different **internal and external communication channels** you're currently using in your organisation to get the word out.

**Internally**, you can promote your EVP through company blogs, newsletters, email, town halls, and any other internal communication tools you have available.

The way you communicate with your employees has a direct impact on the employee experience you deliver and, by extension, your employee value proposition.

**Externally**, you can promote your EVP across social media (LinkedIn, YouTube, Facebook), website careers pages, job advertisements, recruiting videos and employee referral programs.

Get your **brand ambassadors** to promote the employer brand using their social media platforms. There are many communication tools available to help you promote your EVP across various touchpoints of the candidate journey.

The key is to ensure it is integrated into your corporate communications plan and employer branding strategy.

#### **Review the Results**

The first step in the review process is to measure how key talent is responding to your new EVP.

Check **metrics** such as:

- Higher engagements via social media on job-related posts
- Increase in applications
- Increase in responses from passive candidates
- Falling attrition
- Quicker time to hire

Keep reviewing your EVP from time to time - at least once a year. People's expectations change over time, and even if your current EVP is extraordinary, fresh takes are always important for it to keep working.

Therefore, keep taking employee interviews in focus groups to understand what people are looking for.

This will ensure your EVP is still strong to attract and retain the right talent.

In this tough market, it is important to attract the right talent. But **retaining high-performing employees** is equally important, if not more. Losing talented employees means losing **productive people who are hard to replace**. It's time-consuming and expensive.

Firstly - if your company's employee value proposition is compelling, you will get more applications from **talented candidates**.

Consequently, your human resources team will need to spend less on recruiting agencies, job ads, social recruitment strategies, marketing, and other talent acquisition expenses.

Essentially, your cost per hire will fall.

Secondly - because an EVP also helps retain top talent, it saves on *additional* recruitment and training costs. This translates to a sizeable amount as many company resources are poured into educating and training new employees.

### Tip #4

# **Advertising & Recruiting**

As a hiring manager or business owner the hiring process is no small undertaking and attracting the right person can be a challenge.

So much so, that sometimes, it can be tempting to cut corners and hire for speed rather than quality. You reach a point where the business is booming, you've got enough (if not surplus) work on your own plate and now you need talent fast to action everything.

Is it ever worth the trade-off?

Investing time into hiring the ideal candidate should never fall to the bottom of your priority pile. It may take longer than you had hoped, but the additional time and resources spent on getting it right the first time is invaluable and will only lead to better long-term results.

Remember, a bad hire can hinder a business more than it can help it. By hiring with a short-term mindset, you not only put at risk the culture of your business and your overarching company mission, but your bottom-line will consequently take a blow.

Writing a strong job ad is an effective way to reel in the strongest prospective candidates, and from the outset reduce the temptation of hiring for the sake of hiring.

Here are six things to think about when you're working on the perfect job ad for your business:

- 1. Write a strong headline
- 2. Don't oversell
- 3. Be succinct
- 4. Company Culture is key
- 5. Don't ask for skills or qualifications you don't need
- 6. The Application Process

#### Write a Strong Headline

'Attract all' job ads will cost you time filtering through a sea of resumes. An ad with a strong headline is attention-grabbing and will encourage potential employees to stop scrolling and read on. Making an ad easy to digest with key information clearly outlined is vital to attracting savvy candidates.

The sub-heading is just as important. Be creative here. Adapting the business' tone of voice to give a short, sharp overview of the position with more detail. Never include the job description in the sub-heading of an ad, this will only overwhelm the reader.

#### Don't oversell

Transparency is key. Don't oversell the role because candidates remember the details.

This helps filter the wrong applicants too.

Clear expectations of a role including salary and benefits put you and your potential employee on the same page from the beginning.

#### Be succinct

When it comes to writing the job description, keep it as short, and clear, as possible. Avoid long paragraphs and complex wording. Instead, pick out key points that convey your message succinctly. Chances are, your prospective applicant is not just applying for one job, so you want to make yours memorable.

Short paragraphs and bullet points are highly recommended. Make the format of the ad approachable with key-qualifications outlined. Candidates will scan for keywords before reading the whole description, so they must stand out.

### **Company Culture is key**

The ideal candidate will suit your workplace culture. This means they share the same values and align with your company vision, so it's essential to include this in the job ad. Outlining the business' mission as a driving force will set the tone for your prospective employee, and ensure it defines the purpose of their role.

This is the perfect forum for articulating your EVP and is key to fostering a healthy workplace. The best candidate will smoothly adapt to business growth so you must promote professional development benefits and explain what they will get in return for their skills and experience.

Your job advertisement is the perfect opportunity to personalise your message. Talk about the person they'll be reporting to, their tenure in the organisation, what promotional opportunities they've been afforded and what makes them great at their job. Applicants want to work for aspirational people so painting a clear picture of your people and culture are paramount to you receiving quality applications.

Studies show that <u>73%</u> of professionals have left a role that wasn't a good cultural fit so it is important to be transparent from the beginning. At the interview stage, re-iterate this point. Ask your candidate what they value most in a company's culture to determine if they're a good match.

# Don't ask for skills or qualifications you don't need

Key qualifications are essential to finding a suitable candidate, but they must be well considered. Isolating prospective applicants by overstating required experience will cancel out potentially suited people. Make the expectations of the role realistic to target your audience.

### **The Application Process**

It is essential to make the application process easy. Spell out how and where to apply and save yourself an influx of unwanted emails and phone calls. You don't want to miss your prime applicant because of an overly complex application process. If you application takes longer than 10 minutes to complete you risk losing 50% or more of your target audience.

Ensure your advertisement has a closing date for applications but DON'T wait until the closing date to begin reviewing applicants. **Review them as soon as they come in**.

Prospective employees are likely applying for multiple roles so your best chance of securing their talent is to communicate quickly and effectively by letting them know if they've been shortlisted or unsuccessful on this occasion. Moving a shortlisted candidate through the hiring process whilst your advertisement is still live is highly recommended. Top talent expects and appreciates a definitive and swift recruitment process. Ensure you liaise with internal stakeholders that are going to be involved in the hiring decision and obtain commitment from them to allocate the time necessary to make this a priority. All too often I've seen businesses miss the perfect candidate because they were slow to react only to contact the candidate to find out they've accepted a role elsewhere.

It is also equally critical to have a **clear hiring process**. Draft your hiring process and then share it with key internal stakeholders, refine accordingly, agree, and then MOST importantly follow it! Let shortlisted candidates know what your process entails, how many steps there, what they consist of and when you intend on making a final decision. This will keep your candidates engaged and present them with a professional view of your organisation from the outset.

## Tip #5

## **Promoting your Organisation**

Building a talent pipeline, creating an Employee Referral Program, your Employee Value Proposition and having an effective advertising and recruiting process are all ways of your promoting your organisation – but they're not the only ones.

Hosting career days, attending school expo's (explaining your industry and the career paths available), exhibiting at trade shows, sponsoring a sporting team, networking at industry events, and posting company videos on social media are just some of the many other ways you can promote your organisation and assist with your Talent Attraction Strategy. So, get creative and make this a regular agenda item at team meetings. You're not in this alone and often your team will have some excellent ideas.

### Tip #6

# **Consider hiring an apprentice or trainee**

Hiring an apprentice or trainee is another effective way of attracting new talent to your organisation.

The Federal Government offers a range of employer incentives that are designed to encourage both the onboarding and retention of apprentices and trainees across Australia and the financial incentives provided in many cases can be significant.

State Governments also provide additional incentives which may include payroll tax rebates, exemption from workers compensation insurance premiums and financial contributions towards learning and development.

To understand what is available for your organisation Google Australian Apprenticeships Incentives Program or contact a Registered Training Organisation (RTO) located near you.

