



Strategic Guide to

# **TALENT ACQUISITION MODELS**

As leaders in human resources, we know that talent is an organization's most valuable asset. Strategy and tactics can be duplicated, but an organization's people are unique – a differentiator that can ensure a company stands apart and ahead of its competition. Leaders understand the bottom-line impact of bringing in top talent, yet the challenge often lies in determining which approach to strategic talent acquisition best addresses the needs of the organization today and into the future.

## **Are talent goals best met by building an internal team, outsourcing complex functions while keeping others in-house, or investing in a recruitment process outsourcing (RPO) partnership?**

For insight into what type of talent acquisition model may be most beneficial to your organization, this guide explores five distinct models – enterprise RPO, hybrid RPO, high-volume RPO, total talent acquisition and in-house recruitment – including vital considerations, such as technology, control, scalability and return on investment.

## TRANSFORMING TALENT ACQUISITION

Attracting and retaining talent remains the #1 internal concern for CEOs around the world, according to The Conference Board<sup>1</sup>. To address this longstanding issue, business and talent acquisition leaders typically consider build-it or buy-it alternatives, which means building internal recruitment capabilities or outsourcing some or all elements of the talent acquisition function.

### Outsourcing Recruitment To An Expert

RPO solutions were initially developed to allow an employer to outsource the process of recruitment, as a way to streamline, standardize and accelerate hiring at a reduced cost. They included the people, processes and technology organizations use to find, engage, attract, interview, select and hire job candidates. RPO has evolved, with providers partnering seamlessly with an organization to transform talent acquisition approaches to help you better meet organizational objectives and elevate your role as a strategic talent acquisition leader.

Despite the “O” in the RPO name, it is a solution that goes beyond traditional concepts of business process outsourcing. When your organization partners with an RPO provider, you do not simply remove talent acquisition from your core infrastructure; you transform it.

RPO providers are equipped to find, engage and recruit the best available talent. They bring exceptional recruitment expertise as well as innovative recruitment technologies – from powerful applicant tracking systems to candidate relationship management software to talent analytics and reporting and the latest in artificial intelligence (AI) and machine learning capabilities.

## WHY ORGANIZATIONS SEEK RPO PARTNERSHIPS

With a promise of transformation, employers look to an RPO partner to significantly enhance performance and results in a number of areas:

- Team scalability and flexibility
- Strategic focus for hiring managers and HR leaders
- Transparency into the hiring process with talent data and predictive analytics
- Advanced sourcing and recruiting expertise
- Centralized, streamlined processes
- Compliance
- Recruitment prevention strategies (i.e., ways to eliminate unnecessary recruitment)
- Talent performance metrics and benchmarking
- Technology access and capabilities
- Automated processes
- Cost savings
- Candidate quality
- Access to passive candidates
- Candidate and hiring manager experiences
- Diversity of candidates
- Inclusive hiring processes
- New hire and employee retention
- Employer brand
- Employee value proposition

### RPO Benefits

**Employers initially looked to RPO partners to reduce costs and speed hires. Those metrics still matter, although business leaders want more from RPO. According to Staffing Industry Analysts<sup>2</sup>, organizations today expect RPO partners to deliver results relating to:**

- Candidate communication, experience and engagement
- Diversity of candidates presented
- Inclusiveness of recruitment process
- Quality of hire
- Employee retention rates
- Quality and size of curated talent pipeline
- Application completion rates and status
- Candidate and hiring manager satisfaction
- Employer brand perception

## ENHANCED TECHNOLOGY CAPABILITIES

Talent acquisition operating models incorporate the people, processes and technology an organization uses to find, engage, attract, interview, select and hire candidates. The technology includes automated platforms that support every aspect of the hiring process today. For example:

- Identify and attract top talent
- Match candidates to position requirements
- Enable communications
- Facilitate self-service
- Streamline the hiring cycle

This technology reduces friction in the process, adds transparency and helps connect candidates, recruiters and hiring managers in ways that accelerate the hiring cycle and improve their experiences.

Most employers use one or a combination of point solutions to manage various elements in the hiring cycle. Others try to adapt aspects of their in-house HRIS or CRM systems to source and onboard talent more effectively. An ideal solution is one that provides a core platform that connects an ecosystem of best-in-breed tools. An RPO partner invests in innovation to provide this type of comprehensive functionality by integrating your technology with theirs and providing a flexible technology platform to facilitate your hiring requirements.

**When you rely on an RPO partner, you can keep pace with the latest advancements in talent acquisition technology, from AI to machine learning, without the need to invest in or maintain the technology on your own.**

### Scalable, Proactive Recruitment Platform

RPO solutions are flexible, scalable and responsive. They are built to scale up or down in response to fluctuations in requisition volume. Given recent rollercoaster trends in the job market, keeping up with recruitment demands can be especially difficult as organizations shift into recovery or rapid growth mode. This is particularly true in situations where internal recruiting teams are significantly scaled back in response to shifts in business demand or external economic factors. RPO resources are not captive to internal restructuring and can be scaled up quickly.

### Better Candidate And Hiring Manager Experiences

According to Jobvite<sup>3</sup>, 58% of job seekers say the top reason for a positive experience is great communication from an employer/recruiter. Conversely, 42% of job applicants say a lack of response is the chief reason for a negative candidate experience. Poor applicant experience can damage employer brand and market share. A poor hiring manager experience can contribute to missed opportunities, delayed decisions and higher vacancy costs. RPO partnerships promote better experiences through robust communications, strong promotion of your employee value proposition, rigorous brand standards, candidate-centric training for recruiters and dedication to service excellence.

HOW RPO OPTIMIZES THE CANDIDATE EXPERIENCE	
<b>One-Call Resolution</b>	Resolving candidate issues within a single touch point (call, text, chat or email)
<b>Human Contact</b>	Real people answer the phone and respond to instant messages, web chats and emails
<b>Higher Service Standards</b>	Applicants receive a response, regardless of intent-to-hire, with quick turnaround time
<b>Dedication</b>	RPO teams know client mission, values and expectations inside and out
<b>Flexibility</b>	RPOs implement technology that puts candidate needs first, such as interview self-scheduling, video interviewing and digital onboarding



### **Increased Candidate Quality**

Hiring managers know that a great candidate is much more than a combination of experience and education. They possess soft skills, such as character, professionalism and leadership potential, that align with your organization's culture and vision. Innovative RPO solutions rely on automated sourcing, AI matching and highly sophisticated screening protocols to proactively target the best talent. RPO recruiters are experts in behavioral interviewing skills that uncover an individual's acumen, aptitude and attitude. With access to a range of assessments and skills tests to provide an objective measure of candidate capabilities, RPO recruiters can make a holistic recommendation of candidate potential.

### **Actionable Talent Analytics**

In its infancy, talent analytics was typically limited to baseline reporting on quality, speed and effectiveness metrics familiar to HR practitioners. Greater facility led to analysis based on benchmark comparisons to the external market, the identification of new markers of success, and the ability to set more realistic goals. HR leaders also use predictive analytics to guide resource allocation and recruiting focus. Today, RPO providers use proprietary technologies to help businesses track activities and results in real time, making timely, tactical adjustments to optimize talent acquisition strategies. With a database of benchmark metrics from multiple client partners, RPO providers can offer exclusive insights and best practices in talent acquisition.

Many talent analytics solutions on the market today require a costly one-time fee or ongoing subscription before pulling, analyzing and presenting data. RPO providers have evolved this approach for their partners. Their recruitment teams have full access to talent analytics and the expertise to simplify complex tracking mechanisms, speak the language of business and share actionable insights with your teams.

## Protecting Your Employer Brand

Your employer brand is embodied in your corporate reputation, culture, mission, vision and values. It is what attracts (or turns off) top talent and should be reflected in all aspects of talent acquisition. When your employer brand is strong, you are better equipped to attract and retain high performers. An RPO partner aligns talent acquisition protocols and practices with your employer brand. It promotes your brand in a manner that is authentic and inspiring to ensure positive experiences that continuously reflect your values and reinforce the strength of the brand.

## Reducing Agency Spend

Rather than react to needs as they surface, as staffing agencies are often employed to do, RPO offers proactive candidate generation strategies. It builds talent pipelines and talent communities to maintain connections with great candidates and ensure your organization is prepared well in advance of any hiring needs. With an RPO partner, you have the opportunity to lower or even eliminate contingent agency spend by optimizing workforce planning.

## Ensuring The Right Focus

Dedicated RPO teams are built for one purpose: to transform the way you recruit talent. That laser focus brings you better talent faster. There is nothing to distract or hinder RPO recruiters from achieving your strategic hiring objectives. HR or generalist recruiters may have difficulty matching that intensity, as they are often pulled away from recruiting to address other tasks, which can negatively impact both the process and the results.

## Leveraging Data To Transform Process And Results



### Using Data To Find And Evaluate Top Talent

RPO providers leverage innovative recruitment technologies to discern vital characteristics about candidates and the talent market. These technologies focus on:

- Talent Supply/Availability
- Skills
- Experience
- Qualifications
- Education
- Compensation Trends
- Competitive Market/Benchmarking
- Job Titles and History of Previous Titles
- Certification and Specialties
- Leadership Potential



### Using Data To Measure Program Performance

Data tracking offers a means to measure program efficiency and effectiveness, control process variations and build quality assurance into talent acquisition. With a goal to continuously improve performance, HR leaders rely on quantitative metrics, such as:

- Quality of Hire
- Stakeholder Satisfaction
- Diversity Percentages
- Time to Fill or Cycle Time
- Candidate Acceptance Ratio
- Interview-to-Offer Ratio
- Timeliness, Availability and Accuracy of Data
- Recruiting Efficiency Ratio
- Employee Retention



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## Different Talent Acquisition Models

Talent acquisition seems to grow more complex with each shift in technology, rising workforce trend or emerging demographic. And since every employer has unique needs, there are several different types of innovative, scalable recruitment solutions that can help you rethink your approach to talent acquisition. The preceding discussion detailed many of the features and benefits associated with RPO solutions. What follows are specifics about different types of recruitment solutions and how the unique benefits of each compare to a more traditional, in-house function.

# TALENT ACQUISITION MODELS AT A GLANCE

**ENTERPRISE RPO** Full cycle outsourced talent acquisition for permanent employees

**HYBRID RPO** Talent acquisition partnership between RPO provider(s) and in-house recruitment team, with each partner responsible for different aspects of talent acquisition

**HIGH-VOLUME RPO** End-to-end talent acquisition focused on hourly jobs

**TOTAL TALENT ACQUISITION** End-to-end talent acquisition for all traditional, full-time hires as well as all contingent hiring (e.g., temporary, freelance, contractor)

**IN-HOUSE RECRUITMENT** Traditional internal talent acquisition process

## ENTERPRISE RPO

**Enterprise RPO solutions consist of a full-service, end-to-end talent acquisition process that addresses every aspect of the hiring cycle, from initial job analysis to candidate screening to on-boarding traditional, full-time talent. They are customized in partnership with clients to help you fill positions faster, with higher-quality candidates, while delivering awesome experiences and an efficient hiring process.**

End-to-end solutions are highly scalable and flexible. They can be spun up in any and all disciplines, experience levels or geographic regions in the world. Enterprise solutions offer a comprehensive and disciplined talent acquisition process, featuring teams of dedicated recruiters

focused on the specific talent needs you dictate, governed by local market standards and legal requirements. These recruiters work seamlessly on your behalf, promoting your employer brand and ensuring a strong talent pipeline to support your growth.

## HYBRID RPO (CO-SOURCING)

**Hybrid RPO is ideal when you want RPO support for a specific location, business unit or critical position or family of positions within your company. It is often chosen when an organization is hesitant to outsource the entire talent acquisition process.**

When you co-source with one or more RPO providers, combining both in-house and RPO models, you have the opportunity to leverage selected RPO benefits while maintaining in-house ownership in other areas. In this type of partnership, the RPO provider complements your current recruitment processes with a dedicated team of recruiters. They live and breathe your culture, mission and values while giving your HR team the flexibility it needs to focus on strategic business objectives.

Hybrid solutions can also:

- Provide a deeper well of expertise in critical areas
- Mitigate cost
- Control risk
- Drive higher value based on competition among RPO partners
- Elevate your entire talent acquisition function

## HIGH-VOLUME RPO

Industries such as retail and hospitality are powered by hourly workers, as is the customer service function in almost every industry. Often wielding the power to determine a customer's experience single-handedly, these workers are the backbone of many organizations.

Yet turnover in the hourly ranks can reach as high as 49% or more<sup>4</sup>. The dilemma of high value vs. high turnover is a strong rationale for partnering with an RPO provider to address the challenges of high-volume hiring.

High-volume RPO solutions tend to be mobile-first. They combine ease of use and convenience for the candidate with mobile technology and intelligent automation, powering the typically time-consuming processes of screening, assessing and interviewing.

This speeds up and streamlines the entire process. It ensures the hiring manager only sees those candidates who are most qualified and a great fit for the role. The process delivers a better candidate experience while freeing up hiring managers to focus on more strategic activities. High-volume RPO hires hourly workers at the speed, scale and cost you need without sacrificing qualified candidates.

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reach as high as  
49% or more.**

## TOTAL TALENT ACQUISITION

**RPO solutions were initially designed to help employers optimize the hiring of traditional, full-time employees. The workplace today, however, is not necessarily traditional.**

Field Nation<sup>5</sup> estimates that more than 40% of the workforce is comprised of nontraditional workers. Independent contractors, freelancers, statement-of-work consultants, temporary staff and other contingent workers play an increasingly large role in the global workforce. Total talent acquisition is a broader, more comprehensive solution that takes a holistic view of the workforce. It offers a means to optimize talent recruitment, regardless of employment category.

Bridging the divide between permanent and contingent labor sets the stage for an approach that is more efficient and cost effective than single channel solutions. It allows you to:

- Expand your access to talent
- Create more opportunities for candidates
- Promote greater consistency in both branding and candidate/hiring manager experience
- Centralize your talent acquisition function
- Develop true transparency across the total workforce
- Generate more meaningful data
- Strengthen your ability to align talent to business strategy

## IN-HOUSE RECRUITMENT

**When talent acquisition is handled internally, HR or in-house recruiters are responsible for every task in the recruitment lifecycle. For example:**

- Talent planning and market mapping
- Participate in job scoping
- Develop job descriptions
- Post jobs
- Screen applicants
- Identify candidates
- Perform skills and personality testing
- Evaluate work style and cultural fit
- Actively engage candidates
- Interview candidates
- Conduct background and reference checks
- Advise on compensation
- Negotiate terms with candidates
- Manage onboarding
- Handle all post-employment tasks (e.g., evaluating performance, efficiency and hiring manager satisfaction)

## INTERNAL TA FUNCTION: PERCEPTION VS. REALITY

Building an internal talent acquisition function for any large, global organization with substantial hiring needs is a significant undertaking. Before deciding whether this is the best approach, compare the ideal to the actual to avoid any misperceptions.

PERCEPTION	REALITY
<p><b>Recruiting Is the Top Priority</b> Ideally, in-house teams will focus exclusively on recruiting activities.</p>	<p>The realities of day-to-day business often require a split focus on a variety of HR activities that may have little to do with talent acquisition. RPO providers are single-minded in their pursuit of recruiting excellence.</p>
<p><b>Accountability Will Rise</b> Having an internal team increases accountability.</p>	<p>Accountability is a key feature of RPO solutions with service level agreements that detail key performance indicators.</p>
<p><b>Greater Visibility Enhances Cost Control</b> An internal team knows the organization better than an outside party, allowing for greater cost control and process discipline.</p>	<p>Recruiting expenses are often hidden in multiple cost centers and obscure line items. RPO solutions providers offer unprecedented enterprise visibility, along with extensive experience identifying and calculating all direct and indirect, soft and hard costs linked to new talent acquisition across an organization.</p>
<p><b>Internal Recruiters Know Culture Best</b> Building an internal recruitment team can ensure that all hires are aligned with the organization's culture, mission and values.</p>	<p>Truly strategic RPO partners are deeply integrated with your organization, seamlessly serving as stewards of your employer brand.</p>
<p><b>In-house Teams Hit the Ground Running</b> Once you hire and train an internal team, it can start sourcing candidates immediately.</p>	<p>Just like beginning an RPO partnership, new internal team members will require time to immerse themselves in your organization. And reaching the proficiency levels of expert RPO teams will likely take significant time and investment in tools and technologies.</p>
<p><b>Internal Teams Have More Development Opportunities</b> Organizations can provide opportunities for their internal teams to learn and develop as recruiters.</p>	<p>Since recruiting is the core competency of RPOs, they are constantly introducing best and next practices that extend knowledge and capability to their team and yours. RPO partners consult with internal teams in ways that enable them to learn best practices, continuously improve and make more strategic decisions.</p>

## WHAT MODEL IS RIGHT FOR YOU?

Across all industries, organizations are taking advantage of RPO to transform talent acquisition, improve talent quality and reduce costs. However, launching any talent strategy requires careful consideration. Use the questions that follow as a starting point in your deliberations. Any number of “yes” answers may signify RPO as a solution to consider for your organization.

YES	NO	
		Are internal resources overextended?
		Do you experience fluctuations in hiring demand?
		Do you have difficulty scaling recruiting resources up and down as needed?
		Are you anticipating any significant growth events?
		Is your organization’s use of contingent staffing agencies excessive?
		Has hiring manager dissatisfaction reached the executive ranks?
		Is your organization in need of greater accountability with regard to talent acquisition?
		Is cultural fit important to your organization?
		Are roles vital to your organization slow to be filled?
		Is the cost of upgrading processes or technology substantial?
		Are quantitative and qualitative talent acquisition metrics minimal or non-existent?
		Are you seeking change or transformation within your recruitment function, including support and consultation on how to get there?

Are you interested in learning your talent acquisition strengths, improvement opportunities and whether RPO might be right for your organization? **Contact us today to explore the possibilities.**

## Endnotes

- 1 The Conference Board, C-Suite Challenge 2021
- 2 Staffing Industry Analysts, 2021 Staffing Trends Include D&I As Top Strategic Concern
- 3 Jobvite, 2020 Job Seeker Nation Survey
- 4 HRE Daily, Turnover and the Hourly Workforce
- 5 Field Nation, The on-site contingent workforce: Key Trends (and strategies) for 2019



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