Tech-enabled talent acquisition

A strategic investment for success

CIELO

Talent acquisition operates at the speed of the market, shifting based on external indicators to address candidate and business expectations. 2020 pushed this concept to the limit, forcing organizations and their TA functions to adapt at unprecedented speed. We were challenged to simultaneously reconstruct workspaces, rethink workflows, redesign hiring processes and adopt new technology.

Explicit or implied, the expectation is that talent acquisition leaders, like the rest of the business, are rethinking their approach, leveraging technology and addressing market conditions to emerge more flexible, more cost effective and ready for the future.

In the past two years, most TA functions have made at least one major technology purchase. However, two out of five companies are either dissatisfied or indifferent to their current provider, according to Aptitude Research. Now, TA leaders face sunk costs, suboptimal technology, and a rising expectation that more innovation and increased efficiency need to come from their tech-enabled TA strategy.

In this guide, we'll cover what you need to know about the current talent acquisition technology market and the core concepts you need to consider on your journey to build a future-proofed approach to tech-enabled talent acquisition.

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The new expectations for strategic talent acquisition

The last few years forced organizations and individuals alike to evolve at an extraordinary rate. HR and TA leaders were given a new reality to consider for their future strategies, delivery models and technology structures. Talent acquisition leaders are expected to educate the business on how external trends impact

strategies and the important role technology plays in how a company interacts and engages with candidates and current employees. Simply put, there are a lot of expectations regarding what talent acquisition is doing to transform, above and beyond flexing, scaling and meeting the ever-changing demands of the business.

But that brings tremendous opportunity for those TA leaders that can address and build on a new vision for tech-enabled talent acquisition to exceed the business expectations.

This is a list of the common new expectations that we're seeing within the TA leader community:

- Establish a roadmap for evolving talent acquisition, inclusive of technology that aligns with the business' future vision

- Identify areas of improvement and build a business case to drive transformation and deliver on new expected business outcomes

- Actively divest or shed outdated practices and processes to redefine what good looks like in the dynamic marketplace

- Assess strategies and processes across both permanent and contingent talent practices to create strategies that streamline or simplify ways of hiring and working

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The current state of tech-enabled TA delivery

Before looking inward, you must take a minute to understand what shifts have happened in the TA tech space over the past five years. While some seemingly small changes have occurred, there have been shifts in investment and focus, impacting how we think about tech-enabled talent acquisition.

After years of ATS (applicant tracking systems), CRM (candidate relationship management systems) and point solutions entering the market, TA tech has begun to stabilize and improve versus break new ground. Innovative ideas are now starting to translate into processes and experiences that work at scale. The winners will be organizations who are the first to use tech to activate the process and drive business outcomes.

In light of these trends, you should be looking for areas to capitalize on strategies that have stalled or best practices that have faced internal change management hurdles. Is your business stuck on face-to-face panel interviews when the best practice is a phone screen and hiring manager interview? Now is the time to make that change.

Talent acquisition teams must rethink technology and processes around both internal and external hiring. The business is evaluating how to eliminate out-of-date practices as the rules are rewritten, and the leading TA organizations will be doing the same. The best place to look for this is your own team.

Uncovering and aligning your opportunity

In HR and throughout organizations, the last 12 months have brought new technology to enable a contactless way of working and operating, leaving a lasting impact on customer and candidate expectations. Organizations that were once hesitant to adopt new technology now accept practices like video interviewing and virtual onboarding. Consider following this four-step process to uncover and align your opportunity to transform.

Trend	Example	Implication
• More consolidation with large players acquiring point solutions to improve their all-in-one offering	• SmartRecruiters acquisition of jobpal • HireVue's acquisition of AllyO	• Alignment with the solution providers' technology strategy or new solutions aligned with your business strategy
• Fewer point solutions, more expansion across multiple recruitment steps	• Phenom People investing in workflow in addition to core CRM capabilities	• Reliance on a single partner for innovation across the recruitment process
• Less configurability, more standardization across large products	• Workday offering less flexibility in status, fields, workflows	• Less agile to respond to market change and new needs
• Less "new ideas" and more second- and third-gen products	• Eightfold AI is ATS and CRM reimagined	• Harder to differentiate your hiring experience and process and win in the war for talent
• Strategic alignment and deeper capabilities in diversity and inclusion embedded in technology	• Profile masking/redaction for improved unconscious bias • Structured interviews for consistent candidate experience • Job description optimizations for gender balance	• Technology can support DEI strategies but cannot replace the importance of defining a strategy and improving business behavior

Expose the challenges

Inventory & uncover tech requirements

To gather honest feedback, go to your team and key stakeholders to ask the tough questions including:

- What have been the biggest issues with your current TA approach and recruitment process?
- Where do you lose candidates in the hiring process?
- What do hiring managers complain about the most?

Take that list of pain points and aspirations that may have seemed unachievable in the past and think about how technology can enable those ideas. With technology, it's often not the most innovative or groundbreaking activities that materially improve the function, it's doing things more simply, better and at scale with your desired outcomes in mind.

No one knows more about where you are on your journey than you and your team. To articulate your biggest areas of need, you must have a clear map of where you are. An inventory and requirements framework can help you organize what you have versus what you're likely to need.

Your inventory list should be mapped across the key phases of your hiring process and include the following:

- Vendor name
- Implementation & contract renewal date
- Features/functions that are available vs. leveraged
- Documented SLAs
- Fixed annual costs or per-user costs
- Admin and end-user satisfaction
- Vendor partnership satisfaction
- Vendor feature/benefit roadmap

Take the time to inventory every technology solution you currently have across the entire lifecycle of the hiring process. You should assess current adoption or utilization, overall user satisfaction, and any gaps in expected performance or value delivered. Use this to identify redundancies in solution offerings or gaps in terms of unaddressed hiring process steps.

For each stage in the hiring process, you may have multiple point solutions involved, so in addition to assessing by each vendor, you should look at the hiring process stage holistically and rank overall process effectiveness and overall process gaps. Consider using this activity as an opportunity to engage your HR businesspartners or some of your key hiring managers – they'll bring a unique perspective, and this is a chance to strengthen relationships and start to build advocates for change.

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Scope the opportunity for improvement

Understanding the size of the opportunity will help you better prioritize the urgency of change and investment.

Once you've exposed the challenges and taken stock of the tech you've implemented that may fall short due to lack of adoption, bad process or lack of connection to the larger process, you should build your requirements list for a successful tech strategy going forward. To scope the vision, decide which statement best reflects your current state and the opportunity you have for change.

- We leverage technology thoroughly and are successful with all of our hiring needs.

- We have some issues but, for the most part, can deliver to the business needs.

- We have substantial workarounds to ensure we can deliver, but technology is just a part of the problem.

- We are working harder than ever to meet the expectations through manual and workaround processes because the technology is the problem.

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Consider the requirements for future-proofed TA technology

The final step looks beyond your current state and the gaps driving the size of your opportunity. Consider these future-focused technology requirements to push you to think past the next 6 to 12 months and instead, focus on what's possible.

Intelligent automation:
Candidate sourcing and matching are automated to enhance speed and quality of hire. Administrative process and tasks are automated to remove humor error and focus people on the process where it matters most: building relationships with candidates and hiring managers.

Connected data:
Predictive analytics and real-time data drive decisions and actions, prioritizing requisitions based on time and resources required to fill the role. Process improvements are automated or enabled based on benchmark insights and performance data, supporting informed data-driven decisions about quality, fit, speed and spend.

Stakeholder experience:
A personalized digital journey lets candidates interact with your company and jobs through various formats (voice, chat, social). With the right balance of tech and process, hiring managers can deliver quality hires quickly.

Transparency & access:
Candidates and hiring managers can track applications or requisitions at any time in the process, reducing friction, building trust and increasing transparency.

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Embed diversity, equity & inclusion into every part of your strategy

Long overdue conversations and actions around diversity, equity and inclusion are becoming central to every organization's strategic vision and competitive strategy. Talent acquisition teams will take the lead in building more diverse, equitable and inclusive workforces, but that doesn't mean frontloading the slate with more diverse candidates. TA must resist shortcuts to mitigate bias that can boomerang

and inadvertently permit them to exclude those who are not diverse. Instead, the real transformation becomes clearly articulating the organization's purpose and embedding transparency into data-driven recruiting processes. Thankfully, technology options now exist that "screen in" talent based on individual skills and aligned values instead of traditional resume-level criteria.

All eyes are on HR & TA leaders to manage this change while continuing to drive value and outcomes to the business. The stage is set for talent leaders to embrace this opportunity to lead and continue to transform their organization and function. With talent mobility, tougher competition for key skills and employee experience taking the spotlight, talent professionals have the power to influence meaningful transformation.

DEI is playing a bigger role in TA tech decisions with over

30%

of companies having a dedicated budget to support that business imperative.

Aptitude Research, 2021 Talent Acquisition Tech Key Findings

Design principles & fundamentals for TA tech strategy

Once you have a clear picture of your current state of tech, identified gaps based on your existing approach and consider the market expectations, you should be empowered to take that opportunity analysis and bring it to life in a way that'll yield the biggest wins. To frame an effective technology strategy, you need to align on the model best suited for your business.

The evolution of technology is inevitable. Talent acquisition technology is no exception. The pace of innovation paired with evolving business strategies and employee expectations makes it essential to choose a technology model that remains relevant and impactful years after you sign a contract.

Models for TA Technology

There are three main TA technology models: core foundation, point solutions and cloud or platform. While no single product can solve for the full lifecycle of talent acquisition, the right processes, integrations and data models can ensure TA success.

- **Core foundations**
- **Point solutions**
- **Cloud or platform**

90%

of respondents said that the accelerating need for organizations to change at scale and speed was important to their success over the next 10 years. Only 55% felt that their organizations were ready to change at the scale and speed required.

Deloitte Global Human Capital Trends 2020

Core foundations

When thinking about your technology design for talent acquisition, one common approach is a core foundation. Fundamentally, it's a collection of solutions from a single provider that delivers the main technology to acquire talent into the business.

The core foundation is the convergence of an ATS, a CRM and an OBS (onboarding system). This model could be found in a market provider or within an HRIS suite and provides an integrated way to drive recruiter, hiring manager, and candidate experience. The synergy between identifying talent in the CRM and associating that talent to a requisition in the ATS ensures visibility into all aspects of the process and improved reporting and analytics. It also ensures a consistent candidate experience driving a single user profile and regular access and activities through the recruiting lifecycle.

Important considerations:
The best core foundation model understands the end-to-end talent interaction types and supports the movement of talent in bidirectional ways. If you invest in a core foundation, it's important to adopt new functionality and capabilities offered by the supplier. As talent acquisition becomes more strategic, suppliers continuously improve their product capabilities through feature enhancements and expanded footprints.

A core foundation model is not the only technology typically necessary to meet the recruiting needs of complex organizations, it's the baseline for the most common and consistent activities. Additional point solutions require quality integrations to the core foundation and consistent process models to drive user adoption. As the solution evolves their applications, there may be opportunities to limit point solutions by adopting all their capabilities.

Examples

- Several candidates apply to a position and are considered, with one candidate hired. Based on their experience and interest, the remaining candidates return to the CRM for continued nurturing for a future position in the organization. Rather than reentering their application information, they only need to express interest.

- Core foundation models can offer video interviewing capabilities, providing consistent experiences, which could mitigate the need to engage with a third-party interview solution.

Point solutions

Important considerations:
Point solutions provide a seamless experience for end users, typically because there's no need for multiple logins when moving between applications. But point solutions models struggle with deep data integrations, which are necessary to maintain a consistent user experience and understanding of the full lifecycle of events, activities and actions across products. Disparate tools can create barriers to adoption and can limit effective reporting and process visibility. Organizations can solve for this by implementing a data warehouse foundation. Point solutions can also become obsolete with new innovation or changing needs.

A point solutions model is another common way to build and manage technology for talent acquisition. It's based on identifying, integrating and managing multiple products that solve for specific challenges to achieve the goals for talent acquisition.

This approach allows TA leaders to identify the best answer for their business needs but requires a strong understanding of systems and data integration. The point solutions vendor's expertise affords the business the best capabilities available to the market in real-time. It also gives them agility to implement new point solutions readily as needs or behaviors change and a technology becomes obsolete.

Example

A recruiter sourcing new talent in a specific market can leverage their talent intelligence point solutions to target the right market contacts through programmatic advertising campaigns. As candidates are identified, automatic scheduling point solutions are deployed to ensure a high-quality video interview can be delivered. In this example, there are point solutions for talent intelligence, programmatic advertising, scheduling and video interviewing.

Cloud or platform

Comparing TA technology models			
	Core Foundation	**Point Solutions**	**Cloud or Platform**
Functionality TA phases from the time a job is posted to hire	• Contact management • Applicant management • New Hire management	• Candidate cultivation • Candidate generation • Conversational AI • Talent intelligence • Video interviewing • Assessments • Career site management	All options in both core foundation and point solutions
Usability The external and internal users of the system	• Single user experience	Fragmented user experiences based on number of point solutions	Blended user experience through end-to-end recruiting activities
Integration System to system connections that determine data flow	• Bidirectional to HRIS	Dependent on each point solutions' standard, data model and frequency	Hub and spoke model ensuring bidirectional integrations and seamless data flow
Cost One-time fees vs. annual subscription vs. use-based charges	• Annual subscription	Annual subscriptions potential for redundant costs with overlap in capabilities	Annual subscriptions based on full cloud access, discounted costs based on customer volume
Support Balance of vendor resources and internal resource	• Single vendor support	Multiple support models, frequencies and standards	Single service support infrastructure and delivery

A cloud or platform model creates an integrated technology ecosystem to support talent acquisition outcomes. This approach leverages core foundation elements with the agility of the point solutions model into a framework that can be executed at scale based on stakeholder and business needs – now and into the future.

When delivered effectively, this model establishes a sustainable, connected solution that can support multiple users within the same structure and workflow. This connected cloud or platform is usually supported by an open API integration layer that establishes the core foundation with the best point solutions, creating a plug-and-play architecture for agility. The critical framework to a cloud or platform model is the focus on the data models through integrations and data analytics, weaving the process needs in and out of multiple systems with reduced friction and optimized performance.

Important considerations:
When reaching for a cloud or platform model, integration and data flow are critical to overall success. Integrations ensure users interact with the right products for the right activities at the right time. There are multiple integration options, but bidirectional and APIs provide a quality data and user experience. You should also consider the need for a fully dedicated team. With the constant updates in technology delivery aligned with changes in the business process, the team supporting the cloud or platform must be versed in the business and technology. This team can be built from within talent acquisition and operations, outsourced to a provider that manages the cloud or platform, or partnered with IT services.

It's critical to choose a technology option that remains relevant and effective for years to come. Each of these three approaches offers value to organizations and their talent acquisition strategy, but there are many key facts to know and compare to help determine which is ideal to support your business goals.

The tension between rigor and innovation

Considering the framework on the previous page, you can see how a cloud or platform model is best suited to address a business' varying degrees of aptitude and embracement of change.

Rigor: Inflexibility in business processes, rules, activities and actions.

Agility: Flexibility of business processes, rules, activities and actions.

Compliance: Conformity in fulfilling requirements, yielding to rules and requests.

Experimental: Trying new processes, ideas, activities to improve outcomes.

Core foundation models rely on defined workflows, required actions and robust user permissions driving rigor around data governance and strict process compliance.

Point solutions target a specific task or activity in the process, providing agility and ease of innovation and experimentation for changing business needs or new capabilities.

Cloud or platform models provide the best of each, creating an ecosystem of connected solutions with a unified platform to manage data sharing and integrations, giving the flexibility to add and edit technology to meet you wherever you are in your technology journey.
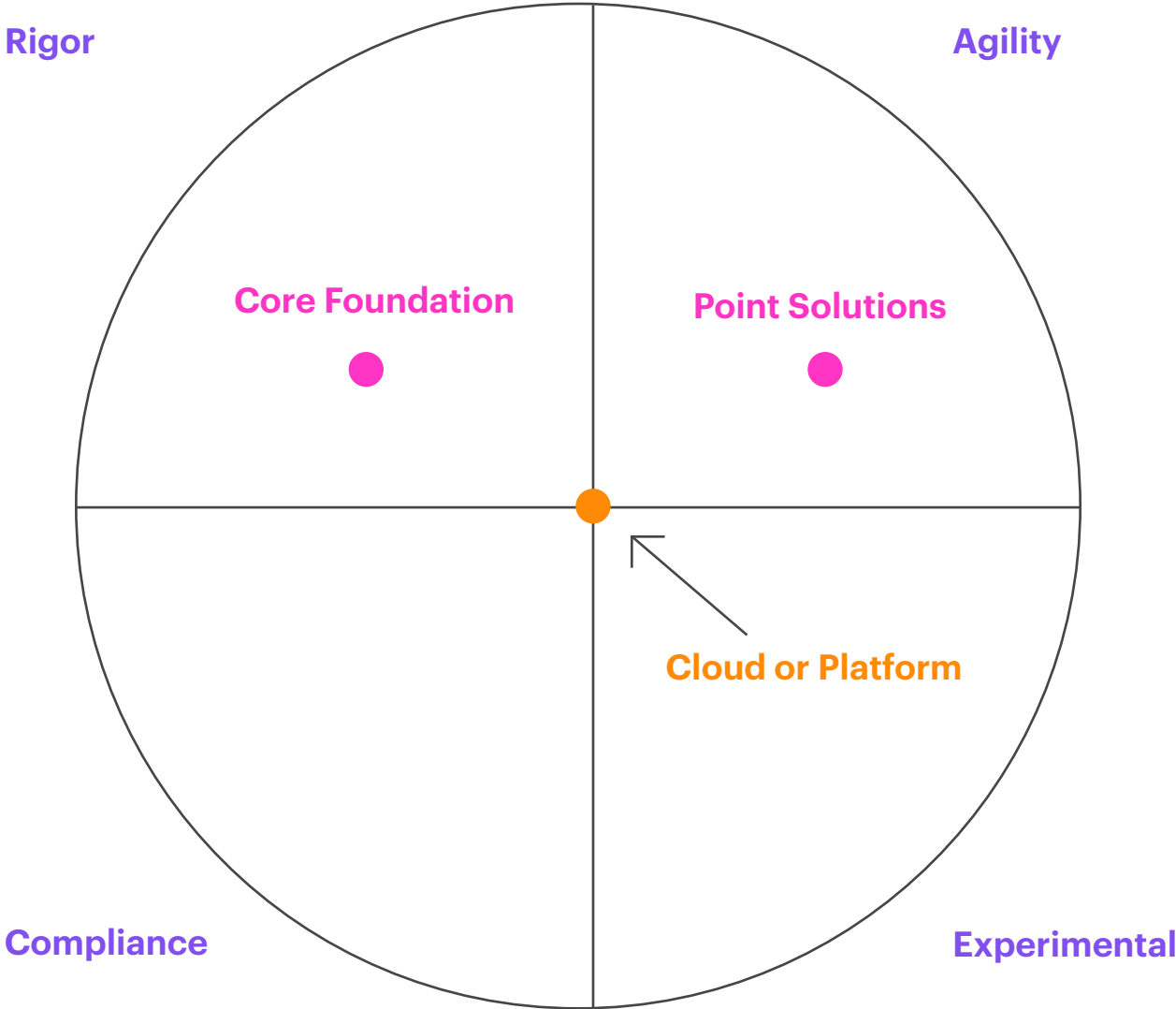
Building the business case for change and investment

To take advantage of today's environment of transformation and get ahead of your competition, now is the time to make the case for change and investment in TA tech. Taking into account the importance of data and measurement, considering your options to build or buy and creating a future-state roadmap can help you convince stakeholders that building a leading TA tech strategy is a worthy undertaking.

Consider your data strategy
An organization's ability or inability to use data to make business decisions is a large factor in the overall success of any technology model. But often, the inability to use data stems from the inability to access it. For every hire your

organization makes, it can create an average of 1,500 interactions and data points. For example, 1,000 annual hires means you may have over 1.5 million data points of candidate interactions. There's real value in this data, but it's impossible to see the full scope of what's happening if you have multiple disparate point solutions without integrations. So, before you start surveying the external market for technology solutions to solve the gaps you've identified, you must consider your data: where is it today and how do you want to unify it in your refreshed technology model? Having a strategy and opinion at this stage will help drive conversations with potential partners.

A future-proofed TA technology model must include the vision and roadmap for a cloud data warehouse. A unifying cloud or platform model with a singular data lake or data warehouse provides TA leaders with accurate and meaningful reporting and predictive analytics throughout the entire recruitment process. Advanced organizations can take this a step further, with insights automatically presented at key process stages to drive decision-making and action. This powers more effective process and outcome improvements.

Only 22% of companies have gone through a digital transformation of their TA tech stack.

Aptitude Research, 2021 Talent Acquisition Tech Key Findings

Building the business case for change and investment

Build, buy or partner

Once you have a vision of what you have, your areas of focus, your path for investment and your data, there's one final element to consider as you create a technology model that aligns with your future needs and objectives, and that is deciding on the balance of building it yourself and looking for an external partner. And if the answer is an external partner, are you selecting SaaS or a tech-enabled service?

Factors to consider for SaaS vs. tech-enabled service					
	Control	**Hard Costs**	**Maintenance**	**Opportunity Cost**	**Time to Value**
SaaS	• You can provide feedback or share ideas but do not control the future product roadmap.	• They pay for building and maintenance. You pay a subscription fee for ongoing access, but it's likely less than a one-off app because of the SaaS vendor's large customer base.	• They handle the maintenance. Their staff will help with platform launch, manage all maintenance, & push out and product upgrades.	• You're accountable for functionality, which may require diverting investments away from your team's main duties to ensure tech infrastructure is adequately supported.	• Reduces your time to value versus a homegrown partnership, but you must consider the time it takes to build a business case, create a team, outline a plan, build, test and implement.
Tech-Enabled Service	• You may have to work within their process constraints, but they know how to make technology work in your environment.	• They are responsible for the software's entire cost, which can add up to hundreds of thousands, if not millions of dollars.	• They handle the maintenance – managing the launch, bug resolution, user training, password setup, compliance with industry standards, and building new functionality.	• They have the deep expertise in integration and HR software development. They're responsible for considering all updates and improvements, taking advantage of the SaaS updates, but also ensuring they work with your current environment and will not break your processes or compromise your momentum.	• Implementation likely includes minimal design and build time on the technical side because most of the tech exists. The speed to implementation and time to value is reduced compared to an internal IT project with a new tech vendor.

Getting started

We believe the future of TA technology is increasingly cloud- or platform-based, with an ecosystem of apps or point solutions catering to different use cases or shifts in the market while maintaining a centralized place from which to work, drive experience and manage data. But before you host a parade of vendors or engage the business in a performance discussion, you should have your own roadmap.

To get started, you should:

- Have a clear plan with investments, timing and business outcomes that you're willing to commit to.

- Engage with the appropriate internal stakeholders to gain buy-in and alignment on your intended journey, and connect it back to broader business transformation plans and investment asks.

- Consider engaging a consultant to accelerate thinking, bring existing frameworks or models and lend credibility to the path.

1 in 4

companies are increasing their investment in TA tech this year, compared to 67% in February 2020.

Aptitude Research, 2021 Talent Acquisition Tech Key Findings

It's time to transform

Choosing the best technology model for your organization is a complex decision. Don't feel like you need to take on the transformation journey on your own. Think about your timeline, budget and business goals and consider partnering with an external expert that has a deep understanding of the TA tech market to help guide you through all or part of your transformation to ensure business success.

Different consultants or technology service providers can offer support from technology system assessments and future roadmaps to implementation or installation services. The goal is to find a partner that understands that success is measured by improved TA outcomes, not the go-live date. of a new solution.

Tech-enabled talent acquisition is continually evolving to manage candidate and business expectations, with technology innovations increasingly available to support your strategy. To allow agility for whatever situations arise in the future, you must create an approach with built-in flexibility. Now is the time to prioritize and transform your TA tech to remain competitive in how you source and attract top talent and to position your organization for success for years to come.

Have questions or need help on your technology transformation journey?

Connect with our experts today.

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Cielo is the world's leading Talent Acquisition Partner. We deliver a better talent experience for everyone through Recruitment Process Outsourcing, Executive Search, Contingent Workforce solutions and Consulting services. With our fresh approach – we design and build comprehensive, proven solutions inspired by technology to find and keep the unique talent that elevates our clients above the competition. Learn more at cielotalent.com.