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The New Business of Business Leaders

Hiring and Onboarding

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Successful leaders have become much more involved in hiring and onboarding activities. Through their participation, the entire process is improved by refocusing and reframing the challenges and solutions in business terms.

In the new millennium, leading business organizations capture data about people, turning it into actionable information, and using it for making better decisions. Successful business leaders use talent data and insights to drive organizational success by unlocking the power of their people.

As a line-of-business leader, you are defined by the performance of your team members. Their accomplishments, adaptability, flexibility, innovation, teamwork, and overall quality are a reflection of you and your leadership. The quality of your team is judged primarily by the experience, expertise, competencies, and personality of each member—followed closely by group cohesion and efficacy.

Given this undeniable connection between teams and leaders' personal effectiveness, it's not surprising that successful leaders have become much more involved in hiring and onboarding activities. Through your participation, you can significantly improve the whole process by refocusing and reframing the challenges and solutions in business terms. Central to this participation is the need for talent intelligence—robust talent data and insights to drive better real-time hiring decisions by line-of-business leaders.

Hiring Challenges and Solutions

Finding Better Candidates Faster

A primary concern among line-of-business leaders is balancing quality of hire with speed of hire. You need to know you are hiring the right people in terms of alignment between your high-performer talent profiles and candidate requisitions, but these connections aren't always obvious. A U.S. survey conducted in 2010 by Taleo Research¹ and Human Capital Institute (HCI), found that only 17 percent of the human resources (HR) and line-of-business executives surveyed had access to reliable quality-of-hire data. Improved talent intelligence can support manager hiring practices with increased talent visibility, better talent matching, and a greater ability to tap into employee networks.

¹ Taleo was acquired by Oracle in June 2012.



Talent Visibility

When business leaders or recruiters need to fill a role, they almost always start with external candidates, even though internal employees are a fantastic source of talent. Existing employees know the culture, the business, and the people. In fact, studies show that internally hired leaders reach competence in a new role 50 percent faster than external hires. So why don't business leaders hire from within more often? A big part of the problem is that most companies don't maintain robust talent profiles of their employees and, among those that do, even fewer expose this information to business leaders.

Ideally, business leaders should have clear visibility into the talents of candidates as well as employees so they can fish for talent in a deeper and wider pool. This, in turn, can reduce time to hire and improve quality of hire. In other words, when armed with the right talent data and insights, business leaders can make better talent decisions.

Talent Matching

Although visibility is key, it's unrealistic to think that a manager has time to sort through hundreds or thousands of employee talent profiles and candidate résumés to find the right fit. Talent matching tools and decision support features are critical for line-of-business leaders. Matching technologies can bring the top five candidates who meet specific criteria to the surface. The criteria should include the degree of match with existing top performers on your team. You already know what success looks like. Talent solutions should help you find candidates who look like your top performers and should then reveal the best matches to help you make better decisions faster.

Tapping Employee Networks

Another strategy that can help you find the best candidates, ones like your top performers, faster is to tap into your employee networks. Research by analyst Rob Cross has shown that top performers are disproportionately connected to other top performers. Solutions that easily enable employees to promote openings across their networks can lead to better-quality hires who are a better fit for high-performing cultures.

Talent Sourcing: Build, Buy, or Rent?

The default position for most recruiters and business leaders facing skill or capacity gaps is to hire. For recruiters, the reason is obvious: hiring is their core mandate, and they are compensated for hires. Line-of-business leaders need to think differently. Sometimes the best answer isn't to hire; it's to build the capabilities of their existing team or to rent capability through consultants or agency support—or both. If your gap is related to core business needs, the best answer may be to develop your team's skills,



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—Aberdeen Group

“Onboarding 2011: The Path to Productivity”

expertise, or competencies for the long term, in which case you should invest in training and development activities. In other cases, you may face a short-term need or a requirement that’s outside your core mandate. In such scenarios, you might be better off renting what you need through third-party agencies or individual consultants.

To make these decisions, line-of-business leaders must first identify the connections between organizational goals and skills, competencies, and expertise. In fact, business leaders are the only ones who can effectively evaluate the specific type of talent needed to implement evolving business strategies. HR and senior executives are not close enough to the day-to-day business to make that call. The next step is to evaluate the gap between emerging talent needs and existing talent capabilities. The ability to do this is dependent on access to robust talent profiles of employees as well as candidates and contract resources. Business-facing talent intelligence solutions should also support real-time decision-making, by revealing and comparing costs for each option: hiring and bringing talent to competence, developing existing talent, or hiring agencies.

Onboarding Challenges and Solutions

Onboarding is critical to your business success. Aberdeen Group’s benchmark study “Onboarding 2011: The Path to Productivity”² reported that best-in-class organizations involved the hiring manager in onboarding 83 percent of the time, compared to only 74 percent for the industry average and 69 percent for the laggards. As a business leader, you have an opportunity to transform a transactional HR onboarding exercise into one that provides real strategic value. By leveraging talent solutions that focus on the needs of new hires, you can decrease time to proficiency and reduce quick quits. Once again, the key to your success is talent intelligence—talent data, insights, and in-workflow decision support designed for line-of-business leaders.

Decrease Time to Proficiency

Depending on the nature of your organization, a shorter time to proficiency for new hires can mean more products developed, more services delivered, more orders filled, more deals in the pipeline, and/or more marketing activity. Modern work is like a raging river, and new hires need to feel comfortable stepping into that river and quickly going with the flow. As a business leader, you can significantly decrease time to proficiency by providing training and knowledge sharing and by enabling new hires to join the conversation.

² Aberdeen Group, “Onboarding 2011: The Path to Productivity,” February 28, 2011.



Few aspects of leading a business are as frustrating as investing time and energy to get the hiring process working well, only to see new hires stumbling in their roles, growing disengaged, and quickly leaving. Cycles of constant backfilling can be debilitating to your business.

Providing Training and Knowledge Sharing

Most new team members expect to receive initial training of one kind or another. A talent solution that gives your new hires visibility into which initial training their peers found most helpful—and why—will get them engaged and productive sooner. Moreover, if you have insight into this information, you can spend more of your own time and energy on the new hire development that decreases time to proficiency, turning typical new hire disorientation and disengagement into an opportunity for growth and mastery.

Enabling New Hires to Join the Conversation

Looking beyond formal training, new hires benefit just as much—if not more—from participating in the informal learning that occurs every day in the business. Talent solutions that recognize this fact and provide access to the ongoing activity stream of the team—the shared links and insights, the kudos for a job well done, the questions being asked—will integrate your new hires much faster and more effectively than merely inviting them to a traditional welcome meeting.

Decrease the Number of New Hires Who Quit Within the First Year

Few aspects of leading a business are as frustrating as investing time and energy to get the hiring process working well, only to see new hires stumbling in their roles, growing disengaged, and quickly leaving. Such a cycle of constant backfilling can be debilitating to your business. As a business leader, you can greatly decrease the chances of a quick quit with a greater focus on talent data to support better talent decisions.

Prehire Data Is New Hire Data

Prehire data from the recruiting process should flow directly into a new hire's talent profile with as little rekeying of information as possible. More importantly, this data must then be exposed and leveraged by the larger organization. One of the unsung benefits of new hires is the diversity they bring—diversity in perspective, job history, skills, competencies, and expertise. Tapping this new talent data leads to better decisions, and it also validates and affirms the value of new hires to the company, increasing their engagement and connection to the company.

This historic talent data also provides more information to you as a business leader, better enabling you to deploy your new talent against initiatives that are well suited to their unique experience and expertise. Most managers do this quite poorly. Less than 50 percent of managers can correctly identify the talent that would add the most value to specific initiatives. With access to better data, you can outperform the norm and drive better business results.



Integration into the Organizational Network

You can make meaningful onboarding happens by building connections in the employee's new organizational network. Doing so can be challenging in today's world of virtual teams and remote workers. When new hires are able to review the talent profiles of their teammates and other colleagues, they make connections with those who have shared skills, roles, interests, or hobbies. Better connections increase stickiness to the organization and reduce turnover rates.

As a leader, you can also facilitate these kinds of connections by actively introducing new hires to others in the organization. In some cases, these introductions might be about connecting new hires to old salt and quasi-mentor types of relationships. In other cases, introductions should be less obviously work-related and more about connecting with peers who have similar personal interests. Studies have shown that organizational networks that form around non-work-related topics provide a crucial back channel for information sharing and collaboration. In your role as a business leader, access to more-robust talent data can help you more quickly weave your new hires into the fabric of your business, resulting in fewer quick quits and reduced times to competence.

Performance Management and Development Start with Hiring and Onboarding

Employee performance management and development actually start at the new hire and onboarding phase. To gain a new hire's buy-in and commitment, you need to clearly articulate the role the employee will play in the organization and how that person's personal goals align with management's and the overall organization's objectives. You need to encourage an understanding of the related formal and informal learning opportunities that will help a new hire achieve personal goals. Smart leaders will also begin employee development during the onboarding process, because even the best hires should continually focus on self-improvement and career planning.

Most business leaders understand these needs at some level. What's often missing is formal management support for these points of alignment and development. Talent systems can simplify this alignment process and the subsequent tracking process, by offering clear visibility into cascading goals and related learning activities. Such solutions enable business leaders to focus on goal and development alignment from the outset, without forcing them to sacrifice time they spend managing the rest of the team. Once again, the key to more-efficient, more-effective decision-making is the availability of talent data and talent insights, including cascading goals, specific goals for other members of the team, specific development and career plans for employees in similar roles, identified gaps in the new hire's current competencies, and that person's near-term career aspirations.



Conclusion

With ever-shorter business cycles and a growing awareness of the value of talent to business success, business leaders are driving more core HR functions than ever. Study after study validates that this closer alignment drives performance, profit, and shareholder returns while also fueling the careers of talent-focused leaders. The availability and quality of talent intelligence—employee data, insights, and decision support tools—is the key enabler of business-led talent management. Business leaders are important stakeholders in decisions regarding talent management and have a vested interest in the related software solutions. Given your increasing role in critical talent management functions, it's only natural that you have more say in selecting solutions that address real business needs. Only a solution that provides real talent intelligence enables the insight you require in order to overcome the hiring and onboarding challenges you face.



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