

Talent Matters:

How Organizations Can Recruit and Retain the Best People



Introduction.

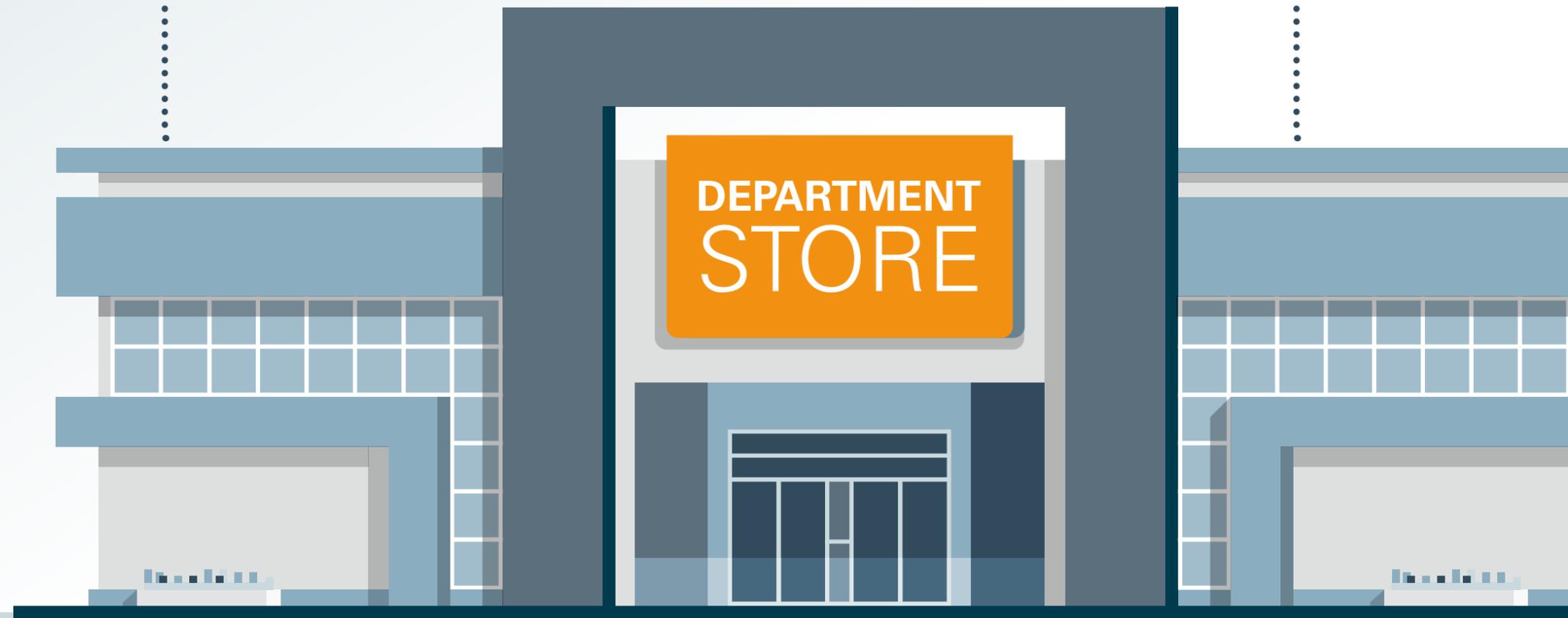
As retail sales start to recover, employees—who've had to deal with understaffed shifts, low pay, and changing schedules—are now seeking better opportunities. This market growth is also opening the door to new jobs that provide access to training, development and career-pathing opportunities, and even greater flexibility and pay. Retail vacancies grew by 31 percent in 2015,¹ indicating the impact of voluntary turnover.

So how can you attract the best talent from both millennial-age workers and older workers, to ensure they're not tempted away by the promises of your competitors?

74% of retail employee turnover² is driven by employees looking for better development and advancement opportunities

31% increase in retail vacancies post-recession

44% of retail employee turnover² is driven by workers seeking higher wages



¹. Bloomberg Business, Wal-Mart's Raises to \$10 an Hour May Cost Retailers \$4 Billion, 2015

². Hay Group, E-commerce growth and demand for part-time workers fueling employee turnover, 2012

Top challenges for organizations.

For organizations, there are many challenges. How can you attract the best recruits to come work for your brand, when you can't always match the wages of other industries? With jobseekers typically applying for multiple jobs at the same time, how do you hire top talent before competitors do? And, when you do hire talented team members, how do you hang on to them—and keep them performing at their best—when you can't always give them a raise due to cost and margin pressures? This white paper describes a three-step process for meeting those challenges, using modern practices and technologies to:

- Source and select the best candidates
- Streamline onboarding to get new hires up to speed quickly
- Maintain high levels of employee engagement and performance

Throughout this paper, we explore the critical role played by digital, social, and mobile technologies in talent acquisition—part of the talent-management process—and demonstrate how an integrated human capital management (HCM) system with these capabilities is essential to successfully building your retail talent brand.

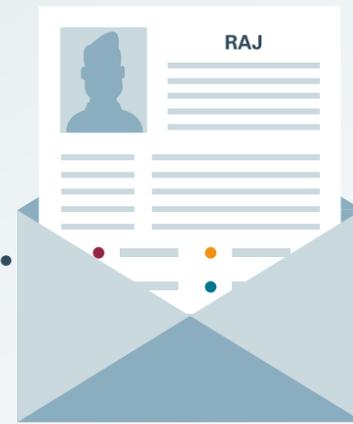


Meet Raj: Millennial jobseeker.



22-year-old Raj is looking for a new job. He's a style-conscious individual who likes to buy the best brands he can afford. He's also a digital native, wedded to his smartphone, which he uses to text his friends, chat on Facebook, upload photos on Instagram, and hang out on forums dedicated to his favorite video games.

Raj has been working as a retail associate at a high-end footwear brand. He loves his job, the company, and his coworkers, but feels there's no opportunity to progress—his ambition is to become a store manager so he can work his way up to area manager, then district manager overseeing other store managers. As a result, he starts looking around for new opportunities that will provide this career path.



Meet Emma: Tech-savvy retail director of talent.



Emma is head of talent at an upscale retailer, with a flagship department store downtown. The store prides itself on stocking the most fashionable and up-to-the-minute apparel, and on its exceptional customer service.

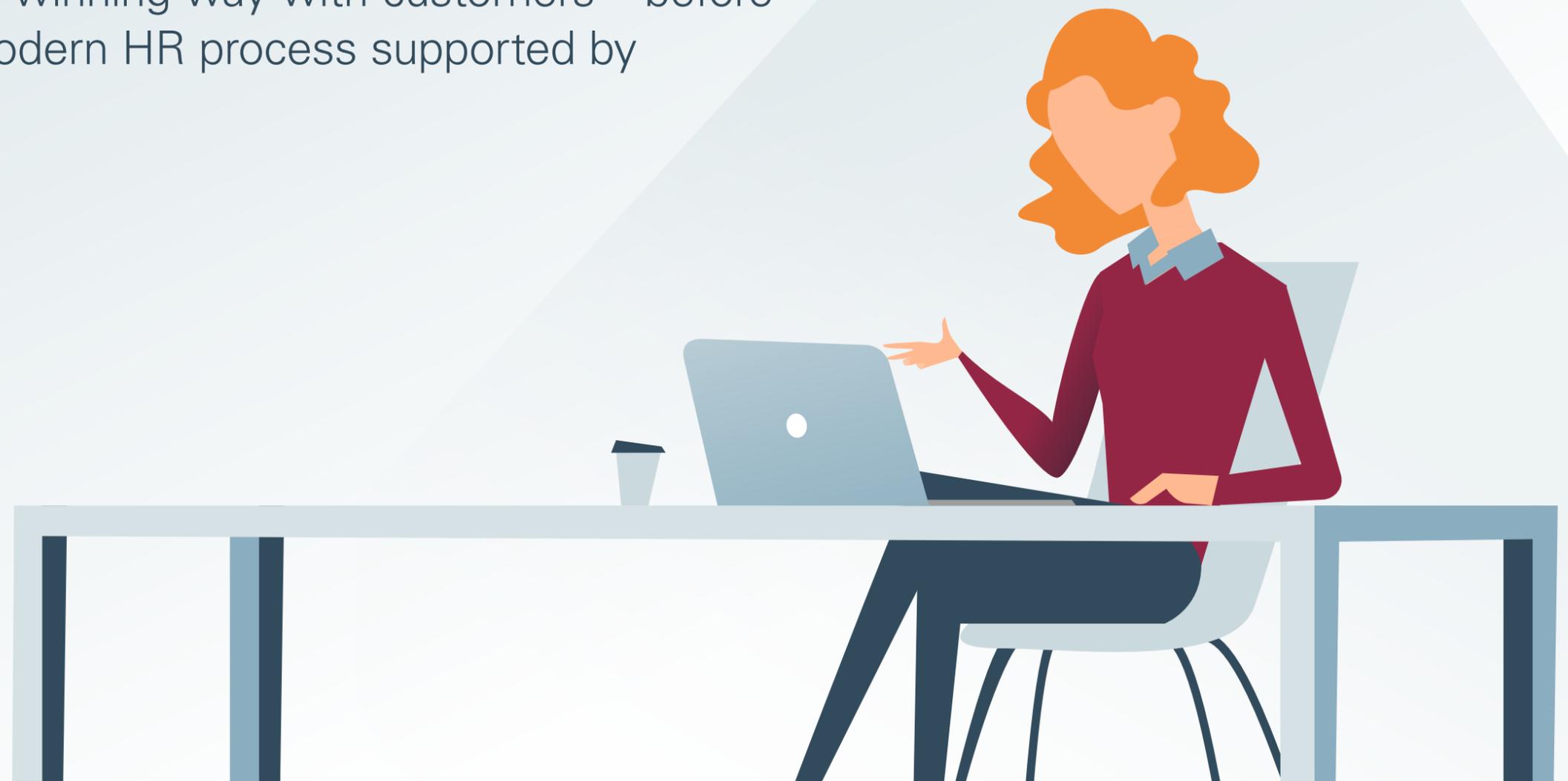
With the holiday season approaching, Emma knows she needs to staff up quickly to cope with demand. She's aware that passionate, talented sales associates are like gold, and wants to hire the best before her rival store does.

Luckily, Emma has a modern, integrated HCM system that gives her a unique advantage when it comes to hiring and onboarding top talent quickly.



Three steps to recruiting and retaining top talent.

How can Emma snatch up Raj—the talented sales advisor with a passion for stylish, well-made footwear, and a winning way with customers—before her rival does? It comes down to a modern HR process supported by innovative HCM technologies.



Step 1: Source and select the best talent.

Millennials are loyal to brands that are digitally savvy, consumer-focused, and socially conscious—and employer brands must meet these same standards. To Raj and his peers, where you work says as much about you as the clothes you wear. He's not going to be particularly excited by a job ad in the local paper. (He may well not even see it.) Rather, he's going to want to work somewhere he knows, admires, and believes offers career growth.

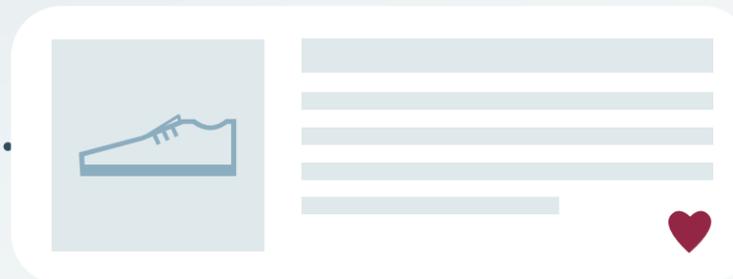
Most likely, he'll want to work for a brand that he sees and likes on social-media sites and communities he visits—one that shares updates and images of fashion trends, spotlights its latest innovations, provides interesting career insights, and looks like a fun and rewarding place to work.

Crucially, jobseekers in Raj's generation are also attracted to brands that talk publicly about their mission and demonstrate commitment to achieving it. He'll feel more inclined to apply for a job at a retailer that has this ethos and takes the time to explain why his role is vital to its mission.



While retail associate wages tend not to vary significantly from brand to brand, retailers do offer different development opportunities. Raj will apply for several openings at once, using his smartphone to browse careers sections of brands he likes, and word of mouth on social media to understand who's hiring.

Since Raj is an ambitious person who wants to take on more responsibility, he will be most attracted to a retail position that offers training and development and a clear, compelling career path. He'll also favor a retailer that provides some flexibility in work schedule to promote a better balance between his professional and personal life. Emma will use social and digital technologies to source and select talented candidates like Raj.



Digital transformation of the retail workforce.

—The most talent-rich organizations have a strong digital culture.



Creating a strong, attractive talent brand.

Emma always treats the retailer’s recruitment communications as an opportunity to emphasize the company’s mission, vision, and culture—creating a strong, visible, and recognizable employer brand. To do that, she maintains an attractive and regularly updated careers section on her company website that not only publishes job openings, but also provides links to relevant, engaging content, including recruiting and other social events.

The power of a strong talent brand.



³ LinkedIn 2015 Global Recruiting Trends.

Omnichannel sourcing: Using social media to broaden the funnel.

Emma also runs the retailer’s career-focused social-media accounts, which she uses to post news of job openings across Twitter, LinkedIn, Facebook, Instagram, and other platforms where likely candidates hang out.

Taking an omnichannel approach to social sourcing means Emma can reach the widest pool of relevant candidates—including people who are not active jobseekers but may be tempted by one of the company’s openings. That’s important because passive jobseekers tend to perform 9 percent higher as new hires, and are 25 percent more likely to stay at an organization.⁴

The social world of hiring.

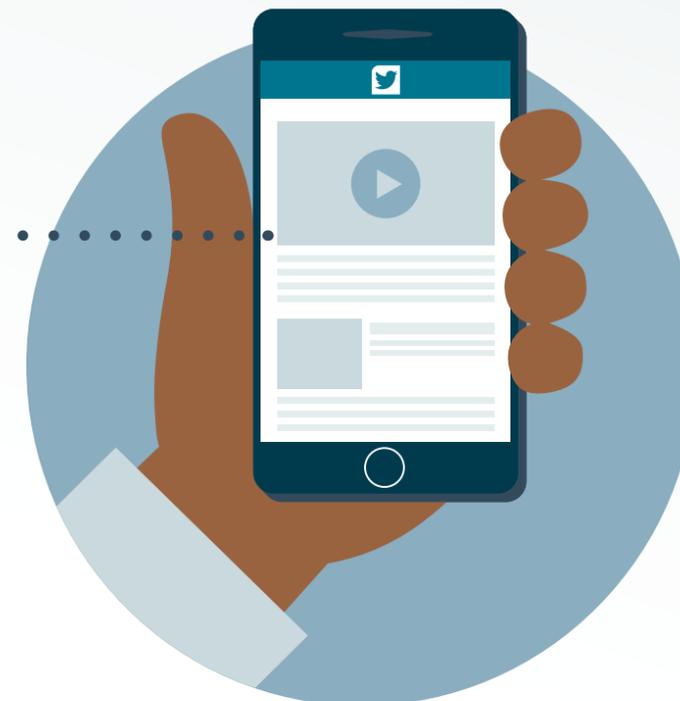
73% of job seekers, ages 18 to 34, found their last job via social media,⁵ with the most popular sites being LinkedIn (23%), Facebook (19%), Google+ (16%), Instagram (16%), and Twitter (13%).⁶

86% of active candidates use their smartphone in a job search and 70% want to apply via mobile.⁷

ONLY 20% of organizations have mobile-optimized career sites.⁸

In addition to job postings, Emma reinforces the employer brand across career sites and social media. She uses these platforms to show the retailer’s culture at work, using videos to highlight new store openings, testimonials from team members, volunteer and community projects, employees receiving recognition and awards, and loyal customers talking about why they love the brand.

Video is a great medium for engaging millennial-age workers. It also encourages the store’s employees to become brand ambassadors as they share content on their social networks, which helps attract qualified candidates and build a rich talent pool.



⁴ Brazen Blog, 6 Innovative Ways Recruiters Can Attract Passive Candidates.

⁵ Aberdeen Group, 2014.

⁶ Jobvite Job Seeker Nation Study, 2014.

⁷ Kelton Research Survey, 2013.

⁸ CareerBuilder, Trends in Mobile Adoption, 2013.

Emphasizing career-development opportunities.

With 74 percent of retail employee turnover driven by workers looking for better development and advancement opportunities (as opposed to only 44 percent driven by employees seeking higher wages), Emma knows it makes sense to emphasize the retailer's professional development potential. She therefore uses visible messaging around career paths and training courses to attract top performers.

Career opportunities attract top talent.

54%

of retailers are adding training and employee-development programs⁹

61%

of retailers are adding career-pathing opportunities⁹

Narrowing the focus to hire the best candidates before your competitors.

The retailer's sourcing funnel starts with targeting specific demographic groups with a unique employee value proposition. The funnel is deliberately broad and taps into employee referral and social networks, in order to attract the widest number of qualified candidates that fit the target profile. Once the applications come flooding in, the funnel narrows very quickly, through the use of smart, modern analytics, job surveys and assessments tests, and collaboration tools in a flexible, agile cloud solution.

Emma uses these automated filtering technologies to quickly sort through the applicant pile—which often runs in the thousands of applications, especially before the holiday season—to quickly identify and engage with top candidates.

Social-media monitoring plays a role in this process; for example using candidates' social profiles to find those who are particularly passionate about the retailer's brands, or those who have a demonstrable track record of providing excellent customer service.

While some candidates may be free to come to the store for an interview, Emma knows it can be faster and more efficient to conduct virtual interviews using online collaboration tools like videoconferencing, which candidates can now access from their smartphone.

This approach is essential for hiring top talent in hard-to-find categories like ecommerce, enabling recruiters to find the best talent regardless of location, since these jobs don't require employees to work onsite. Using these technologies, Emma can hire the most promising candidates long before her competition, who still mostly rely on traditional media advertising and face-to-face interviewing.

One candidate Emma sources this way is Raj, who spotted Emma's post on Twitter. Raj clicked to apply, and was identified by Emma's automated filtering process as someone who's both knowledgeable and enthusiastic about the footwear brands the retailer sells.

After a virtual interview, Raj seems like the ideal candidate, so Emma uses the company's internal social network to discuss his application with the other interviewers to make a rapid hiring decision. Automated notifications keep Raj informed throughout the process so he stays engaged and knows which steps he needs to take to have the best chance of securing the job.

Raj applies for the job via Twitter and includes a URL to his LinkedIn profile.



Raj receives notification on his smartphone that his application has been received



He schedules an interview time upon receiving a notification to select a date/time slot



He submits his background-check paperwork to a secure portal



He receives notice that he has passed the background check



He receives a call to offer him the job



Throughout his application process, Raj is kept up to date thanks to the HCM system's automation capability.

In addition, Emma is delighted when Raj accepts the job offer. Her challenge now is to get him ramped up quickly. Black Friday is fast approaching, and Emma needs Raj to be engaged from day one.



Step 2: Streamline onboarding to get new recruits up to speed, fast.

Onboarding Raj and the 400 other recruits joining the retailer's store in the same week is a major challenge.

The first few days are critical. Not only do new hires need to know where to go, what to do, and whom to ask; it's also during this time that they form a lasting impression of the company they've joined. That impression can have a significant impact on their future loyalty and willingness to refer other top candidates.

At the onboarding stage, Emma makes use of the latest automation technologies in the cloud to provide a digital workforce experience that is efficient and engaging.

Branded employee portal.

New recruits are given access to a mobile-friendly, easy-to-use employee portal that reflects and reinforces the employer brand. It even has specific messages targeted to each employee's role so every team member knows how he/she contributes to the overall goals of the organization.

Here, Raj and his new colleagues find timely information about their jobs, access online learning and training, ask questions of colleagues in a social community, and search the knowledgebase for frequently asked questions (FAQs).

Engaging training and learning.

Emma knows it's not just millennials who appreciate easy, convenient access to training. Her employee portal provides all workers with mobile-optimized access to online, self-service training courses, including bite-size video sessions for maximum convenience and impact.

That doesn't mean Emma has forgotten about staff who don't own a smartphone or other connected devices. She has pioneered the use of tablets on the store floor, in the stock room and in the warehouse, enabling customer-facing and back-office team members to use company tablets not just for their day jobs (answering customer inquiries, checking stock levels), but also for accessing the employee portal, online training courses, and social collaboration community.

And all the retailer's systems—store inventory, supply chain, commerce, customer service, etc.—integrate with human resources to provide a complete picture of retail operations.

Training in the mobile era.

68% of Americans now own a smartphone.¹⁰

41% of companies use mobile as a learning delivery method.¹¹

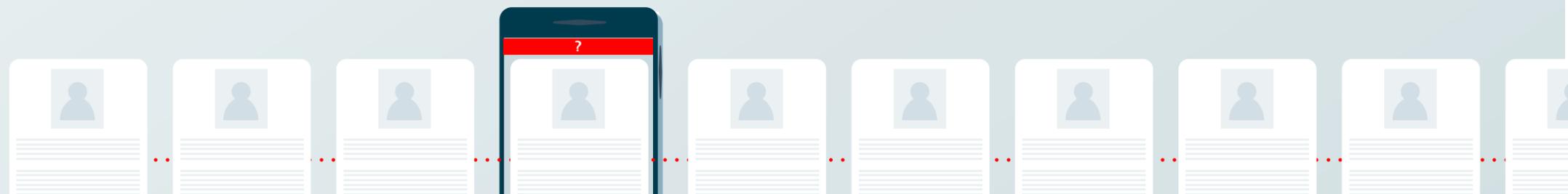
74% of companies plan to increase mobile-learning spend in the next 12 to 18 months.¹¹

Share and collaborate.

New recruits need to ramp up fast, and the knowledge and insight of their more seasoned colleagues can be invaluable in that process. Emma's employee portal includes a forum with social collaboration features, where experienced employees can answer new hires' questions, and add contributions to a knowledgebase for all to access. New hires also have access to personalized learning programs tailored to their particular role and needs, with easy-to-consume video content available anytime, anywhere.

¹⁰ Pew Research Center, The Demographics of Device Ownership, 2015.

¹¹ Chief Learning Officer magazine, 2015



Step 3: Maximize performance over the long term.

With Raj making some impressive sales, and customers commenting on how helpful and knowledgeable he is, Emma already knows she wants to help him grow with the organization by creating a personalized development plan. Raj also tells his friends on social media about how much he loves his job, which has resulted in Emma seeing some impressive job applications from them, too.

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 • **67%** of professional recruiters rank employee network referrals as the top source for quality candidates.¹²

• A referred candidate is **THREE TO FOUR TIMES** more likely to be hired than someone who is not.¹³

But to keep Raj performing at his best—especially when compensation must stay in line with profit margins—Emma will have to find ways to maximize his total employment package, using smart thinking and smart technology.

Invest in personal development.

Fortunately, the retailer has an online performance-management system—integrated with the employee portal, core HR system, and learning application—that makes it easy for Raj and his supervisor to work together to define his performance goals, choose the right training courses, and map out a development plan.

Raj’s supervisor can then monitor and provide feedback on his performance on an ongoing basis, and the two can regularly log into the system to review progress together. Raj knows at all times how he’s doing against his development goals, and can clearly see where he is on his development journey.

Align incentives with performance.

Emma can devise an incentive plan that spurs employees like Raj to new heights of success while supporting the company’s overall goals. Raj’s supervisor Emma can offer Raj bonuses for meeting sales goals, special access to training courses, and a faster path to advancing his career.

And with built-in analytics, they can check that the incentive plans are working, and that everyone is being rewarded fairly and consistently.



¹² Jobvite, Why Employee Referrals are the Best Source of Hire, 2012 and 2015.

¹³ CareerXroads, Source of Hire Report, 2014.

Manage the workforce to meet business goals.

In a company like Emma's, people are key to success. The retailer differentiates itself on the quality of the service it provides to customers, and that could be severely compromised if employees become disengaged, or don't have the right level of experience.

Emma uses workforce analytics to monitor continuously for warning signs that quality of service could suffer. She can identify when high performers are at risk of leaving, and take action to encourage them to stay.

She can also pinpoint skills gaps, and areas where individual employees are falling short, and arrange for appropriate training, coaching, or recruitment. She can even draw on the HR system's integration with the retailer's customer relationship management software to assign the right employee to deal with the right customer, and use customer feedback to inform employee performance reviews.

All these abilities give Emma and her particular store a distinct advantage over their competitor, which still relies on annual, paper-based performance reviews to understand workforce sentiment and dynamics, and how they affect the talent brand.

Modern insights: Use analytics to optimize hiring processes.

Finally, with Raj and the other recruits onboard and performing well, Emma has time to reflect on her recent recruitment drive. What can she learn to fine-tune the recruitment and applicant process for the next hiring push? And how can she align her talent-acquisition strategy most effectively with the company's overall objectives, and future business opportunities?

To answer these questions, Emma turns to analytics tools built into her talent-management and core HR system in the cloud. With a raft of reports and dashboards at her disposal, she gains deeper insight. That insight helps her make adjustments, which give the retailer a workforce advantage. For example, by looking at KPIs and gathering applicant and employee feedback, she can find ways to streamline sourcing and selection to reduce time to hire. Similarly, by analyzing which training is working and which skills need to be developed, she can improve time to productivity and deliver the omnichannel experience consumers demand. She can even use predictive analytics to run what-if scenarios to guide her talent planning based on what might happen if current business trends continue.

With recruitment analytics, Emma can identify which social-media platforms and other sources have delivered the most successful new hires. Armed with that information, she might decide to focus more on Twitter next time—that's where Raj saw the job opening. And she might scale back her use of print media advertising—that will save money and time, making the recruitment process more efficient.



Conclusion: A foundation for successful talent management.

Throughout this paper, we've explored the different technologies that are vital for successful talent management in the retail industry.

Emma uses a variety of HCM tools to source, select, onboard, and develop high-potential employees like Raj. It could quickly become overwhelming and counterproductive if those tools weren't all on one single, integrated system in the cloud.

If the technologies she used were disconnected, with data stored in different places, Emma would not be able to develop a strong talent brand, an efficient recruiting process, or an easy and engaging employee experience. Only a modern, integrated software as a service (SaaS) solution, with a single source of employee data, inbuilt social collaboration, analytics, and mobile optimization, can enable Emma to identify and hire the best talent before her competitor does. Plus, having HCM in the cloud not only provides her with greater business agility, it can save as much as 30 to 60 percent on IT costs.¹⁴

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- "We estimate that online talent platforms can increase our sample retail store's output by 3 percent and reduce talent and HR costs by 5 percent. Talent platforms have the potential to revolutionize hiring practices, customer service, and back-office efficiency by selecting the right people for the job."

—McKinsey Global Institute, June 2015

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¹⁴ Profit Magazine, Four Best Practices for HCM in the Cloud, 2013.

If you'd like to explore the benefits that such a system can bring to your business, you can find more resources and case studies at [oracle.com/hcm](https://www.oracle.com/hcm)