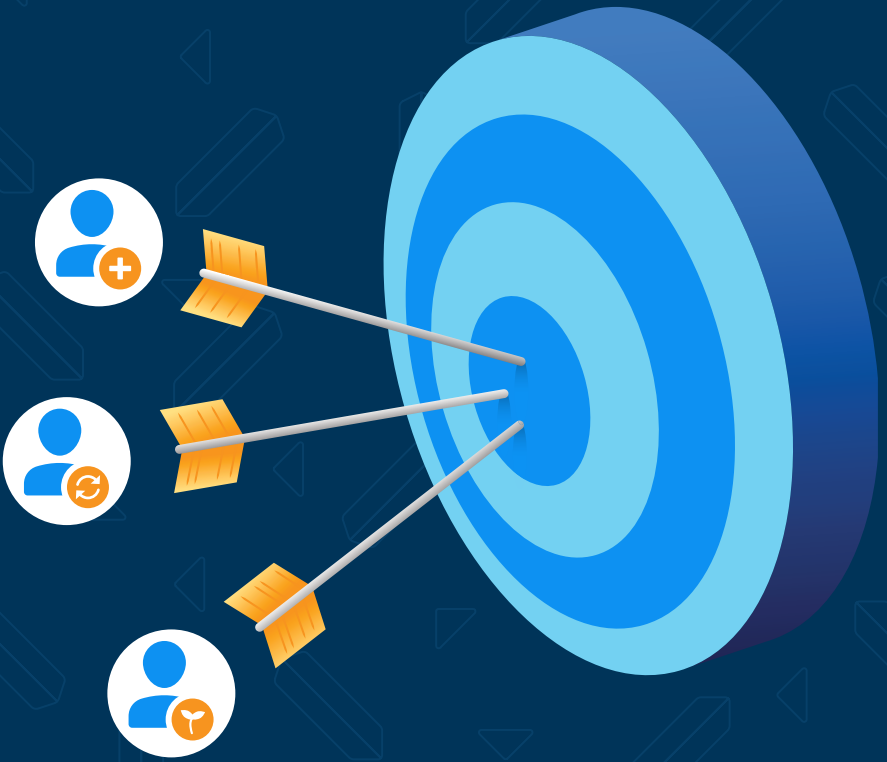


How to Hire, Retain, & Grow the Best Talent

3 Ways to Create a Winning Talent Strategy



Why You Need a Talent Strategy



Your company's ability to deliver on its business goals is dependent on the talent available to do the work to reach those goals. Yet far too often companies neglect their talent strategy when considering business strategy.

One study showed that only 37% of organizations have a talent strategy that is aligned with business objectives.

When labor costs can be more than half of a company's operating expenses,² it's essential to have a talent strategy that works for both bringing in new talent and developing employees that can help achieve business goals. Planning a talent strategy should start in the C-Suite, in tandem with business planning.

1. Right Management, [Firms Struggle to Align Talent Strategy with Business Objectives](#)

2. Digital Journal, [Deloitte Consulting shows how to lower labor costs: Interview](#)

Talent Scarcity vs. Surplus

In times of low unemployment, a company's talent strategy is more important than ever. With less than 4% of the population currently unemployed,³ job seekers are scarce. The methods used to recruit and retain talent have to adjust accordingly.

When unemployment is high and there is a surplus of candidates, it's more likely that qualified talent will apply to your open roles in large numbers. During these times, you are lucky to have the opportunity to choose among the cream of the crop from incoming candidates.

Recruiting when talent is scarce.

In the current market, 86% of the most qualified candidates for your open positions are already employed and not actively seeking a new job.⁴ Therefore, it's important that your talent strategy both attracts great new talent while simultaneously growing the careers of your current employees.

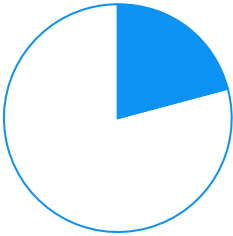
Remember, if you're relying on sourcing passive candidates to find talent in a tight market, so are your competitors. A talent strategy addresses both how you hire new candidates and how you nurture the careers of the employees you already have.

3. BLS, [Employment Situation Summary](#)

4. Talent Now, [Recruitment Statistics 2018: Trends & Insights in Hiring Talented Candidates](#)

The Cost of Losing Employees

Replacing employees is expensive:



It costs businesses an average of 21% of an employee's annual salary to replace a lost worker.⁵

A talent strategy addresses the human needs of employees to feel that they have a purpose and can develop their careers—and it helps retain workers as their skills grow over time.

A study examining career moves of Glassdoor users found that a 1-star improvement in a company's Career Opportunities rating increases retention by 5%.⁶

With the average turnover rate at 18%,⁷ it's worth your company's time and money to develop a talent strategy.

5. Center for American Progress, [There Are Significant Business Costs to Replacing Employees](#)

6. Glassdoor Economic Research, "[Why Do Workers Quit? The Factors That Predict Employee Turnover](#)"

7. SHRM, [2017 Human Capital Benchmarking Report](#)

Creating a Talent Strategy for Business Success

The traditional way of hiring in a surplus job market entails creating skills-based job descriptions that focus on what candidates already have done. After an onboarding process, they can hit the ground running. This often means more of a lateral move for prospective employees, and relies on a plethora of inbound applications.

A talent strategy in a scarcity-driven job market such as the current one focuses on the potential of the candidate: what they can become given specific existing skills, interests, and aptitudes. It relies on a healthy mix of sourcing, referrals, and inbound applications. This approach to hiring helps you bring on candidates who are aligned with the overall goals of your company and the potential in the role, not just the role itself.

Harvard Business Review analyzed companies with winning talent strategies and came to this conclusion:

“*Game-changing companies build three winning capabilities simultaneously: They are purpose-driven, performance-oriented, and principles-led.*”

In the following section we offer questions to help you create a talent strategy that serves each of these three areas. Because hiring is our specialty at Lever, we've added specific action items that address the recruiting aspect of a talent strategy.

01 Create a Purpose-Driven Approach

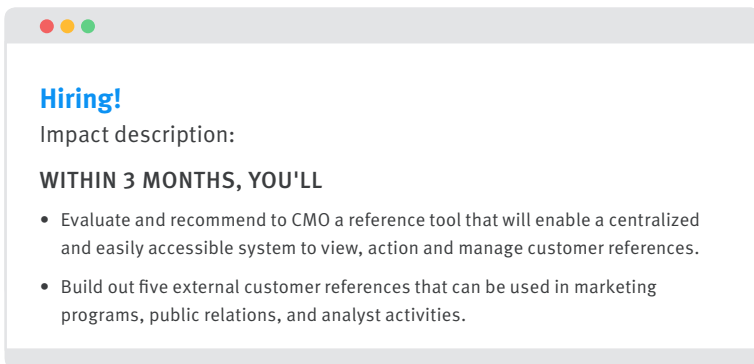
A clear mission or purpose aligns everyone in the company with the overall business goals. It can attract people to your company who are passionate about what your company does, and it can help retain them because they feel invested in furthering the mission.

Employees

- How can we express our purpose in a way that motivates employees?
- How will we engage employees with our purpose on an ongoing basis?

Candidates

- How will we communicate that purpose to candidates in our job descriptions, employer branding messages, and in our recruiting communications (i.e. emails, website, etc.)?

A screenshot of a document window with a grey title bar and three colored window control buttons (red, yellow, green) on the left. The document content is as follows:

Hiring!
Impact description:
WITHIN 3 MONTHS, YOU'LL

- Evaluate and recommend to CMO a reference tool that will enable a centralized and easily accessible system to view, action and manage customer references.
- Build out five external customer references that can be used in marketing programs, public relations, and analyst activities.

01. Create a Purpose-Driven Approach

Action Tips

- ✓ Empower recruiters and hiring managers to create performance-based job descriptions that allow candidates to imagine what they can become and grow into, in alignment with your company's purpose.
- ✓ Engage sourced candidates with personalized nurture email campaigns that create engagement with your company's mission and overall purpose.
- ✓ Include materials about your company's history and founding story in interview prep materials.

6X

Personalized emails generate 6X higher transaction rates.⁹



42%

Personalized email campaigns from Lever Nurture have an average candidate response rate of 42%.¹⁰

How we do it at Lever

Lever uses impact descriptions instead of job descriptions. This allows us to target candidates with potential and not just certain skills for the role who can grow with the company long term. It also provides hiring managers with milestones and achievements for any given role at 1 month, 3 months, 6 months and at the one-year mark.

9. Experian, [Study finds personalized emails generate six times higher transaction rates](#)

10. Lever, [The Science of Sourcing](#)

02 Incorporate a Performance-Oriented Mindset

Without a way to keep track of performance, there's no way to know if your strategy is successful. A performance-oriented approach allows you to hire with intent and cross-check if a new hire performs and grows at the level you want. This helps show any gaps in your employee lifecycle by role and function.

Employees

- How will we evaluate employees over time in a way that is in line with our purpose and our principles?

Candidates

- How will we evaluate hiring managers' ability to hire the best talent?
- How will we evaluate our recruiting team's performance?
- How will we evaluate candidates to ensure that they will turn out to be high performers that grow with our company?

02. Incorporate a Performance-Oriented Mindset

Action Tips

- ✓ Provide interview training for all interviewers and set milestones to check in with all hiring managers on new hire performance over time.
- ✓ Include questions about candidates' motivations and career trajectory in your initial interviews.
- ✓ Equip hiring managers with a playbook that outlines your company's operational process and overall approach to hiring.

4X

Thriving employees are nearly 4X more likely to work for a company that understands their unique skills and interests.¹¹

How we do it at Lever

We provide interview training and a takeaway guides for every interviewer. Interview training includes how to assess candidates for our core values, how to look out for personal biases, interview techniques, and illegal/inappropriate questions.

11. Mercer, [2019 Global Talent Study](#)

03 Have a Principles-Led Approach to Hiring

Your company's values, or principles, provide a roadmap for operating on a day-to-day basis. They also provide a sense of belonging and differentiation from your competitors. Defining and standing by your principles is an essential part of becoming a mature talent organization.

Deloitte defines a mature talent organization as “personalized and digitally enhanced.” “They constantly refine their processes and assumptions, with a special focus on collaborating with the business functions to improve their strategies, outcomes, and resource pools.”¹²

*Mature talent organizations exhibit 18% higher revenue and 30% greater profitability compared to organizations with low maturity talent acquisition performance.*¹³

Aligning hiring teams around the needed steps to create personalized candidate experiences that allow you hire better, faster and smarter is a key step in becoming a mature talent organization.

12. Deloitte, [Driving Talent Acquisition Maturity](#), February 22, 2018

13. Deloitte, [No Longer Just an Afterthought: High-Performing Talent Acquisition Teams Influence Organizational Profitability](#), January 29, 2018

03. Have a Principles-Led Approach to Hiring

Employees

- What exactly are our principles for working, managing employees, and hiring the best?
- How will we infuse our principles into day-to-day work for each function?

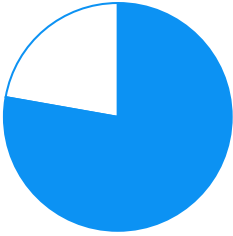
Candidates

- How will we put our principles into action during the recruiting and hiring process?
-

Action Tips

- ✓ Hold kickoff meetings with hiring managers to align interviewing teams and with feedback criteria to facilitate hiring the best. This means not only assessing for a solid first impression, but also identifying candidates with the highest potential for the future.
- ✓ Include behavioral interview questions that reveal how well candidates are aligned with your values/principles.
- ✓ Organize hiring into pipeline stages that ensure no step is overlooked.
- ✓ Conduct candidate surveys to evaluate and improve the hiring process.

03. Have a Principles-Led Approach to Hiring



78% of thriving employees say they had a positive hiring experience, compared to 30% of non-thriving employees.¹⁴

How we do it at Lever

Prior to posting a job, we schedule kickoff meetings between the hiring manager and recruiter for each role. We also build accountability across the company to hire the best, and emphasize how to screen for our “Leveroo” criteria in interviewer training.

We also have our own set of core values that help guide behaviors that align with company growth. We include these values in our internal interview trainings, use values-driven behavioral interview questions, and schedule a career trajectory conversation with every candidate. These steps help us onboard employees who are aligned with the company’s mission to transform the way companies hire.



¹⁴. Mercer, [2019 Global Talent Study](#)

Talent Strategy Checklist

Developing an effective talent strategy doesn't happen overnight. It will evolve as a collaborative effort among company leaders, managers, and HR and talent acquisition teams. Once you've identified your purpose, put performance measures in place, and outlined your principles, you can start checking off the list of activities that help put your talent strategy into action.

- Write hiring manager handbook**
- Hold role kickoff meetings with hiring managers**
- Develop performance-based job descriptions**
- Create interview questions that align with values**
- Provide interviewer training**
- Identify interview stages to ensure consistency**
- Analyze and refine sources of hire based on effectiveness**
- Source candidates for future potential**
- Conduct candidate surveys to evaluate and refine process**

Conclusion

A commitment to a building talent strategy in a tight job market ensures your company can meet its business goals while developing the careers of current and future employees. By matching your recruiting activities to your overall talent strategy, you can ensure your company becomes known for being purpose-driven, performance-oriented, and principles-led.

A recruiting partner can help. At Lever, we've built our recruiting tools to be flexible enough for any company to create a great candidate experience, no matter what their purpose or principles. Contact us for a demo today.



Lever's mission is to help the world hire with conviction.

Our Talent Acquisition Suite draws the entire team together to efficiently source, nurture, interview, and hire top talent through effortless collaboration. Incorporating best-of-breed automation, intelligence and design, Lever helps employers develop stronger candidate relationships in fewer clicks, by combining powerful ATS and CRM functionality in one modern platform—and measure the results with confidence.

Lever was founded in 2012 and supports the hiring needs of over 1,500 leading companies around the globe, including the teams at Netflix, KPMG NZ, Hot Topic, and Cirque du Soleil. With an overall gender ratio of 50:50, Lever is also fiercely committed to building a team culture that celebrates diversity and inclusion.

For more information, visit lever.co



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