

Whitepaper

Best Practices for Developing a Strong Talent Pipeline

July 2012

Executive Summary

Recruiting has always been about relationships, but with the advent of social professional networks and the rising emphasis on recruiting passive talent – professionals who aren't looking for new opportunities, and who make up approximately 80 percent of the fully-employed workforce¹ – the focus on cultivating candidate relationships has never been more intense.

Building a targeted pipeline of potential candidates can pay big dividends down the road. You'll fill your roles with better talent more quickly, and you won't be starting every new search from scratch. With 82 percent of talent acquisition leaders saying they keep in touch with potential candidates even when not hiring, the industry seems sold on the power of pipelining. However, the lack of easy-to-use, integrated, centralized pipelining tools has created obstacles for recruiting teams everywhere, with the result that most organizations have been falling short in their pipelining efforts.

This guide reinforces the strategic importance of building a strong talent pipeline, and provides a set of practical tips to help any organization fully embrace the pipelining opportunity.

Doing Sourcing Right Requires Pipelining

As companies step up their efforts to identify and connect with the star recruits that will one day lead their organizations, they frequently run into a fundamental stumbling block. Once you find the right talent, how do you keep track of so many leads from so many sources, build meaningful relationships with them, and keep them engaged over the long haul until the right opportunity aligns with the right candidate?

Applicant Tracking Systems (ATSs) have traditionally been the tool of choice for recruiting organizations to manage job applicants (i.e. "active candidates.") But what happens to all those pre-applicant talent leads you spend so long gathering? ATSs were not built to manage contacts *before* they become actual job candidates. Moreover, ATSs lack the capability to update information in real-time as individuals change roles or expand their experience.

The talent-gathering (and relationship-building) process begins long before an application hits the system. While pipelining talent has never been more vital, recruiting organizations to date have faced significant challenges in making it happen.

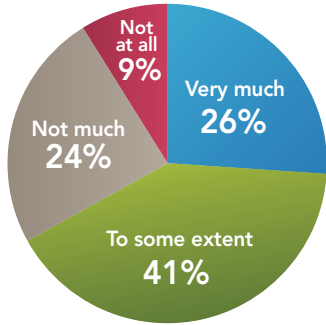
According to Aberdeen Group's 2012 Talent Acquisition Market Report, the top strategic action for HR and recruiting professionals is "building and expanding a talent pipeline regardless of current hiring needs. With the growing reach of social media, recruiters are looking for ways to be more proactive in building talent communities and managing a database of talent sources."

Although sourcing is a critical focus in 2012, only 2 percent of organizations have a long-term approach to sourcing initiatives. Aberdeen contends that traditionally, pipelining has been an ad-hoc process, with sourcing efforts growing with a good economy and shrinking with a bad economy. This reactionary approach has left organizations unprepared for the future.²

It All Starts with Engaging Passive Talent

Successful sourcing often starts with a focus on passive talent, and finding ways to not only identify and connect with them, but to keep them engaged over an extended period of time.

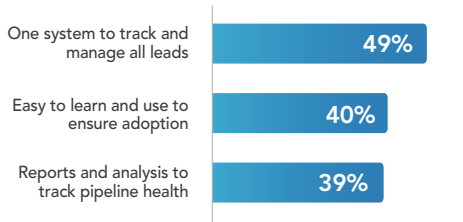
Passive Talent In Focus¹



To what extent does your recruiting organization focus on hiring passive talent?

Pipelining Wish List

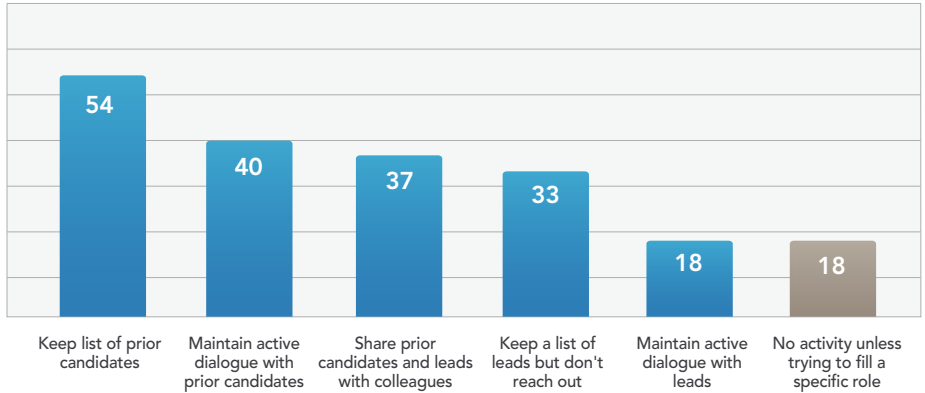
Top three features talent acquisition execs want in their pipelining tool⁴



In LinkedIn's 2011 Global Recruiting Trends Survey, two-thirds of talent acquisition leaders said they place an emphasis on hiring passive talent, while 82 percent use one or more methods to stay continually engaged with these passive candidates. Among the top tactics are keeping a running list of previously interesting candidates (as well as ones who may be suitable for future roles), keeping an active dialogue with interesting candidates, and sharing leads with colleagues.³

Pipelining In Action

82 percent of talent acquisition leaders engage in one or more pipelining activities¹



In Search of the Right Solution

Despite the importance of building relationships with potential candidates, companies have yet to find a unified go-to solution, with ad-hoc, manual approaches being most common. According to a recent LinkedIn survey of senior recruiting professionals, 45 percent of recruiters polled are using tools to support management of candidate and prospect relationships, but no single product has more than 11 percent of the market. And many of today's offerings have significant shortcomings: only 14 percent say they are completely happy with their solution.⁴

About half of those surveyed say that they wish they had a single system to track and manage all leads so their team can work more efficiently. The other most popular features from their 'wish list' included having a system that is easy to learn and use to ensure the entire team adopts it (40 percent), and having reports and analysis to help track and manage the health of the talent pipeline (39 percent).

5 Key Reasons to Build a Talent Pipeline

By proactively developing a pipeline of talent, you'll:

1. Identify the right talent early. If you're waiting until you need a hire to start looking for candidates, you're too late.
2. Reduce your time to fill. Establishing an ongoing dialogue with candidates gives you the option to accelerate the discussion when the time is right.
3. Prevent superstar candidates from slipping away. When the time to hire arrives, you're already top of mind for your chosen candidate, reducing the risk of a salary war against the competition.
4. Minimize the business disruption caused by vacancies, especially unexpected ones, making you a better partner to the business.
5. Strengthen your company employment brand, as well as awareness that you're hiring, by being continually 'out there' engaging prospective candidates.

The Challenges of Pipelining Talent Today

Most recruiters, and hiring managers for that matter, underestimate the time and resources required to develop candidate pipelines. Between identifying, contacting, and maintaining relationships with quality professionals, companies may opt not to do pipelining at all.

One big challenge has been the lack of capability in existing systems, coupled with the reluctance to add an entirely separate tool for pipelining. Instead, organizations make do with ad-hoc, decentralized processes and tools, including spreadsheets, folders of resumes, and notes on each candidate kept on their own hard drive. This low-tech approach has obvious limitations.

Manually maintaining records and sharing leads with others on the recruiting team is highly inefficient, since all activity is siloed on the individual recruiter's desktop. Additionally, a candidate's current job status changes over time, so information in a static file quickly becomes stale and outdated. The net result is that all the best pipelining intentions fall by the wayside.

Other companies have tried to repurpose their ATS system for something it was not initially designed to do: track talent leads before they become official candidates. Moreover, limited ATS search capabilities make it hard to find leads quickly. At the end of the day, candidate information is only as fresh as the last update made. The ATS may be ideal for managing requisition-centered workflow, but not for finding and managing talent leads.

The bottom line: recruiters often know what steps are needed to make this process happen, but they need better tools and a better process to build and maintain talent pipelines.

10 Tips for Improving Pipelining Success

Lay the foundation

1. Educate and engage hiring managers. Introduce them to the benefits of a talent pipeline so they are fully engaged and contributing leads. Referrals from key internal constituents who know top performers in the marketplace can be invaluable.
2. Measure how long it is actually taking you to identify applicants, verify skills and quality, engage them, maintain contact and build relationships. The time investment might surprise you—and you will quickly see the benefits of avoiding this process for every new search.

Focus your efforts

3. Know what roles are on the horizon at your organization so you can get out ahead of the business need.
4. Start by pipelining for roles that are frequently open at your company. Use tags, statuses or project folders to build a pool of promising candidates and start each new search there.

Sweat the details

5. Capture everything a prospect tells you in notes in the pipelining system so that you factor in their motivations and interests when you reach back out to them.
6. Introduce an effective project naming convention for projects, reflective of active job requisitions and pipelining activities. This will allow for standardization across project names and will also help if you ever need to re-assign a project.

Make the system do the work

7. Set search alerts for your regularly recurring searches, especially for pipelining activities. The system can do the searching for you and will notify you when new matches are found.
8. Use tags as a shortcut for future searches. For example, tag great candidates for “sales director,” and the next time you do a search simply search on the tag for that role. If your whole team takes this approach, you can instantly start filling your pipeline.

Always be pipelining

9. Get in the habit of adding any top talent to the system, even if there isn't a role for them right away. You can use tools like tags and statuses to indicate how this person could be a great fit in the future.
10. Regularly step back and think about the health of your pipeline. Do you have sufficient volume and quality of prospects in the pipeline to meet your business needs?

LinkedIn's Solution to Talent Pipelining

LinkedIn has become the de facto standard for professional networking. Members regularly keep their profiles current, updating their job status, experience, education, and skills. Moreover, LinkedIn members join Groups, collaborate with one another, and forward career opportunities to others in their network.

For this reason, more than 10,000 organizations have turned to LinkedIn's suite of recruiting solutions to identify and connect with great talent, whether they are actively looking for new opportunities, or open to new opportunities that are presented to them.

LinkedIn has now added much-anticipated functionality to its LinkedIn Recruiter platform – Talent Pipeline – which empowers companies to:

- Centralize all talent leads in a single place, whether sourced on LinkedIn or not.
- Transform stale leads into rich, up-to-date profiles by linking directly to their LinkedIn information.
- Use tags to highlight key attributes, skills or experience.
- Mark and track lead sources to see where the best leads are coming from.
- Search within updates the team has added, including notes and reviews.
- Perform bulk actions including one-to-many InMails, notes and project updates.
- Continually update status as leads progress through the pipeline.
- View actionable reports that help manage pipeline health and efficiency.

That Talent Pipeline is built right on the LinkedIn Recruiter platform has made it all the easier for companies to adopt. From an April 2012 LinkedIn survey, 7 in 10 respondents say they use professional networks like LinkedIn to pipeline passive candidates.⁵ Talent Pipeline is a natural extension of the activities they are already conducting today.

Making Pipelining Work – the Customer’s Perspective

As companies roll out Talent Pipeline, several successes are emerging. According to early adopter Chuck Lotz, Senior Vice President and Head of Strategic Staffing at First Citizens Bank, Talent Pipeline offered his recruiting organization a great opportunity to build pipelining into their recruiting strategy. “When we heard about Talent Pipeline, we immediately saw it as the natural evolution of LinkedIn Recruiter,” said Chuck. “We tried CRM functionality through our ATS a few years back, but as a static database it was quickly out of date, and it was hard to extract the information we wanted. Talent Pipeline puts the LinkedIn profile at the center, so the information isn’t sitting around in a database or spreadsheet and getting stale.”

His team is excited about nurturing relationships with good prospects and staying informed. “Our team really gets the power of networking and building relationships,” says Chuck. “Talent Pipeline allows us to easily create a full picture of our progress with talent leads, rather than having to cobble together the information from multiple sources.”

Leveraging the living LinkedIn network is invaluable for Chuck and his team. “We love the fact that as LinkedIn members update their profiles, our records update too, regardless of which LinkedIn Recruiter folders we store them in. Last, we can manage it all within one system – the same system that is already our single best source for professional hires.”

For other customers, Talent Pipeline represents a new way of making candidates available right when you need them. According to Jim Schnyder, who led Talent Pipeline implementation at PepsiCo, it “gives you a way to build and leverage just-in-time candidate pools. Think about the possibility of making your talent community come to life.” PepsiCo is one of many proactive companies that are thinking of new ways to grow and leverage talent communities.

Talent Pipeline is seen as a ‘true global differentiator’ by Johanna Danaher, Senior Manager of Global Talent Acquisition at Pfizer. “Talent Pipeline’s power lies in its ability to develop what is initially just a lead into an active candidate and to deepen your candidate pipeline based on that candidate’s connections.”

Additional Resources

Talent Pipeline Overview
<http://talent.linkedin.com/talentpipeline/>

Talent Pipeline Datasheet
<http://lnkd.in/tpdatasheet>

The Latest on Recruiting with LinkedIn
<http://talent.linkedin.com/blog/>

Conclusion

Recruiters invest significant time in finding top talent and clearly understand the value of pipelining. The leads they spend so long gathering can easily get lost in the shuffle, and until now they have had few ways to easily refresh information, share insights with colleagues, and keep leads at their fingertips for when the right opportunity finally comes around. LinkedIn Talent Pipeline provides a powerful solution for recruiting teams to aggregate, track, contact, and nurture talent leads – all on the widely-used LinkedIn Recruiter platform. It’s a game-changing solution that has many organizations feeling more confident about building a strong pipeline of talent for tomorrow.

¹ September 2011 survey of global professionals by LinkedIn

² Aberdeen Group Market Alert, LinkedIn Talent Pipeline Launch Research Report, April 4, 2012

³ LinkedIn Global Recruiting Trends Survey, September 2011

⁴ LinkedIn Research, April 2012

⁵ LinkedIn Research, April 2012