

# 5 SECRETS of Talent

What the world's best organisations don't want you to know about recruitment & talent management.

## 5 Secrets of Talent

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Please feel free to post this on your blog or email it to whomever you believe would benefit from reading it.

Thank you.

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**etc.**



**The best organisations  
in the world get that  
way because they are  
also the best recruiters.**



## **#1 Organisations = #1 Recruiters**

The New York Yankees, the Bolshoi Ballet, or an Olympic Gold Medal winning Rowing Eight have world class coaches, facilities and culture. But, so do many of their competitors. So this is not what sets them apart.

They know that to be the undisputed number 1, they must have the best talent to start with. So they do anything and everything to make it happen. To them, getting the best talent is a business process, an organisational priority, a mantra, an ethos, an obsession.

Because, in these organisations, anything other than number 1 will not do.

They don't just want their share of success – they want everyone else's share as well. They want to win every time, every year.

So, the BIG idea is this:

The best organisations in the world get that way because they are also the best recruiters.

simple. They do lots of other things well – but recruitment is where it starts for them. This is where they get a head start, which they never surrender back to their competitors.

## **You can do it too**

Here are 5 Secrets of Talent that the world's best recruiting organisations don't want you to know about. (notice I don't say THE 5 secrets, because this list is not exhaustive)

They're common sense, but they take commitment. And to give that commitment, the organisation must believe in its bones that being the best recruiter in their field is **THE key** to the success of the enterprise. Senior executives from the CEO down have to hardwire it into the DNA of the company. Because, that's what the best already do.

Some of the companies I mention are clients I have worked with, others I have observed from afar. Anything I say about them is personal opinion based on my own observations.



**“The business goal...  
was revenue and  
profit growth”**

## **Secret #1**

### **A business goal has a recruitment goal**

Colliers International is a global property giant. Their business is a service business. Highly qualified professionals earn large fees for advising clients on buying, selling, leasing and managing commercial, industrial and retail property.

The business goal for Colliers International in 2007 was revenue growth.

How could they achieve this?

They could increase their revenue per agent.

Or they could increase the number of agents working for them.

Or, best of all, they could increase both.

The CEO at Colliers International is a modern guy. He really “gets” it.

He had presided over five years of exceptional revenue growth, despite negligible headcount growth, by investing heavily in the skills and resources available to his people. However, there came a recognition that productivity per employee was already extremely high, and so the next big jump in growth had to come from headcount growth in the high-margin advisory and agency businesses.

In a tight candidate market characterised by aggressive poaching and spiralling salaries, hiring in sufficient volumes to not just maintain team sizes, but actually add 30 or 40 agents to each team in each city became a key business goal.

Recruit more. Recruit faster. Recruit better. The business goal fed the recruitment goal.



**Recruit more.  
Recruit faster.  
Recruit better.**



The entire business knew what it needed to do, and so did the recruitment team. This clarity and top-down support energised the effort.

How did they go?

Well, they increased the number of hires in 2007 by 74% over the previous year, while also decreasing the number of staff leaving the organisation.

They increased the number of agents in every team and in every city.

They achieved nearly 20% headcount growth excluding acquisitions, while their principal competitors struggled to maintain or even declined in headcount.

And, they set a new benchmark for revenue and profit.

With those extra revenue-generating professionals that were hired in 2007 hitting their stride this year, they are set up very nicely to continue that momentum.

Every business has goals.

- Cost minimisation.

- Sales growth.

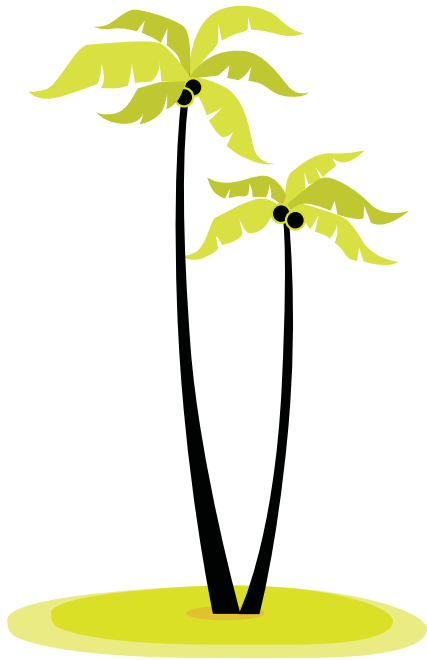
- Geographic expansion.

- Innovation and technical leadership.

Whatever the goal is, there is a recruitment strategy that contributes to the realisation of that goal.

## 5 Secrets of Talent : **Secret #1** A business goal has a recruitment goal

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The best understand the connection between the business goal and the recruitment strategy.

They make sure that recruitment is not an isolated, disconnected, or misunderstood activity within their organisation. It's not an afterthought.

Challenge your leadership to make this first, essential step in bringing recruitment into the engine room of your organisation as an integrated business activity.

It's secret Number 1 for the world's most talented organisations.

**“They make sure that recruitment is not an isolated, disconnected, or misunderstood activity within their organisation.”**

Start again!#?!

## Secret #2

### Measure twice. Cut once.

A trampoline arrived at our front door the other day, contained in 3 rather large boxes. Its daylight saving at the moment so when I came home, all three of my kids were camped on the front porch eagerly awaiting my arrival so I could put it together for them.

Being a male, I emptied out all of the pieces on the ground, gave the pieces a good look and put them all together in my mind, glanced over at the instruction booklet, and left it there unopened on the box. It would be dark soon and the kids wanted to have a jump on it tonight. I didn't want to disappoint them so I just got stuck into it.

After a good 45 minutes of work, following my nose and making good time, the trampoline was taking shape. Actually it was pretty much done. I just had to add on the poles around the edge that suspended the net that stopped the kids falling off. A horrible sinking feeling came over me - I had put the legs on upside-down and the slots that the poles fitted in were facing the ground.

I sat down with my head in my hands in utter frustration. The legs were the very first thing I had put together, which meant I had to disassemble the entire trampoline and start again!

**START AGAIN!#?!**

My wife shook her head and the kids trudged off up-stairs into bed deflated. Despite my best intentions, I'd charged in head first to what looked like a pretty simple assembly assuming I'd be able to work it out as I went. I felt the pressure to get it done quickly for my kids so they could jump on it before dark. I'd wasted my time, but worse was the trampoline was back in pieces and the kids had to wait until the weekend before I could be home to do it properly.





**Do not guess, or the whole premise on which you begin to revitalise your recruitment strategy could be wrong.**



In the corporate world, the pressure to get things done quickly comes from line managers, frustrated at how recruitment is taking up all of their time, costing them a fortune, and getting questionable results. So the temptation is often there to install an e-recruitment system, hire some recruiters, and get started ... you'll work it out as you go along.

While my wife is unlikely to divorce me for putting the trampoline together back to front, your CEO will be less forgiving if you waste a whole lot of time, money and effort on a solution to recruitment that doesn't address the strategic priorities of the business.

Know your numbers and spend the time to diagnose your business and your recruitment properly before you start.

Do not guess, or the whole premise on which you begin to revitalise your recruitment strategy could be wrong.



- How many hires have you made annually in the last 3 years?
- How many were replacements?
- How many were growth hires?
- How many roles remained unfilled?
- Why were they unfilled?
- Does this year's workforce plan say you're going to grow?
- How many roles will be created through attrition?
- What type of roles will they be?
- Where are they situated?
- What are the salaries?
- How have you sourced your hires in the past?
- What has recruitment cost you in hard dollars?
- What sort of skills and experience will your recruiters need?
- How will you manage them?
- What recruitment system will best support the type of recruitment that you're likely to spend most of your time on?
- Where will you find your candidates and how will they come to you?

Carpenters have an age-old rule:

**Measure twice.**

**Cut once.**

It's no different in recruitment.

**Branding**  
**+ Value Proposition**  
**+ Recruitment Process**  

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**= customer experience**  
**for the candidate**

## Secret #3

### Who is your customer?

Russell Crowe is one hell of an actor. Many people thought he had bitten off more than he could chew when he decided to buy his boyhood football team, the [South Sydney Rabbitohs](#). A proud club boasting 100 years of history and 20 titles to its name, South Sydney had fallen on hard times over the last two decades. Surely this was going to be a money pit costing Russell tens of millions of dollars, the way it had been for the previous administration?

### Who is the customer?

Russell proved to be a lot smarter than many had given him credit for. Everyone knew that the Rabbitohs were a losing team because other teams had better players and a better coach. That was obvious. But Russell understood why that was the case, and set about rectifying it.

He realised that South Sydney's primary customer was not fans and sponsors.

That's right. They were players and coaches. If the best players and coaches could be won over and convinced to join the club, the stands would fill up and the TV sets would be switched on by the fans, bringing the sponsors to their door.

Branding + Value Proposition + Recruitment Process = customer experience for the candidate



## Brand

So he started by refreshing the “brand”. The traditional green and red colours were toned down, and more black and white were introduced into the uniforms and apparel. The logo was simplified and updated and bore no words or adornments – just a simple leaping bunny. He wined and dined reporters and invited them into the inner sanctum to understand and appreciate the transformation that the club was going through, and they duly reported it in the mass media in glowing terms. He commissioned a “Book of Feuds”, detailing the stories, myths and events that formed the basis for the rivalry the Rabbits had with every other club in the league.

They got a new [website](#), started SSTV (South Sydney TV), and invited high profile entertainers and sports celebrities like Tom Cruise, “Snoop Dog” and Lleyton Hewitt, despite their often tenuous links to the game of football, to be seen in the corporate boxes on match days and become fans.

Suddenly, they were cool again. Players across the National Rugby League, especially younger stars, were drawn to a brand that had history, working class roots, legends, feuds, colour and character, but that was updated to be stylish and hip. The brand fit neatly within the players’ personal desire to play for a club with some “edge” to it, as well as the universal lure for celebrity that pervades in this era of hyper media.

## Value Proposition

Then he turned his attention to the Value Proposition.

First of all, he had to get a coach that players would come to play for. Top coaches offer a footballer the promise of becoming a better player and winning more games, which is the currency that underpins all of their life goals. He pursued and got his man – a young, contemporary, though relatively inexperienced coach, who none-the-less had achieved great things in his one season coaching in the big time at a cross-town rival.



Then he took the wrecking ball to the club's ancient training facilities. New gyms, lecture theatres, coaches offices, renovated locker rooms, sports medicine facilities, and practice fields gave the players the ability to prepare to at least the standard of their rivals.

Finally, he used his international stardom to confer once-in-a-lifetime experiences on the team. For example, not only did he have the team dressed exclusively in Armani, he had the man himself fly in to meet the team and ensure they were being "looked after" at their private fittings. He arranged for the team to play a pre-season game in Florida, which he was able to promote using his own celebrity via a guest appearance in the commentary box of Monday Night Football in the US. The game itself was only a pre-season warm-up, however Dennis Rodman, Greg Norman and a host of other celebrities came to watch and then mingle with the players afterwards. He allowed a national television network unrestricted access during the season to capture their "journey" unfolding in a documentary, which gave the players themselves celebrity outside the obvious community of club supporters and sports fans.

His value proposition was simple:

You'll have everything you need to do your job well

You'll be treated like a star, and you can leverage that for your own celebrity.

You'll be a better player

You'll win

Kind of compelling for a 22 year-old who is pinning his hopes on making the most of his limited time in a brutal game.



### Recruitment Process

Finally, he got the balance in the recruitment process right.

Sell THE opportunity,

THE brand,

THE value proposition,

and treat the potential players with care and respect.

Make sure everyone wants to play for you.

But only select those who meet the stringent criteria you set to achieve your on-field goals. Make the funnel wide at the mouth to give you the greatest possible choice, then respectfully but ruthlessly narrow it to ensure the quality is high at the other end.



**SONY**



**Microsoft**

You're probably wondering how they did? Well, in his first season as owner of the club, they made the playoffs for the first time in twenty years. Not only that, over the off-season they were able to sign more established names to their roster for the coming year, including the return of "prodigal son" Craig Wing.

Sounds like a formula for business success?

It is.

The best in the business – think GE, Microsoft, Apple, Sony – follow this same formula.

- The candidate is your customer – get to know that customer.
- Employment Brand.
- Employee Value Proposition.
- Structured recruitment process.

**It will work for you.**



**7 out of every 10  
candidates that  
they hire through  
agencies, are  
already somewhere  
in their talent  
database...**



## **Secret #4**

### **Management & metrics – focus your activity**

The age old axiom of “what gets measured, gets done” certainly applies to recruitment.

A large multinational company I have worked closely with over the years is a highly successful and wealthy financial services organisation, with a reputation for only hiring the best and brightest. Not only do they not target their recruiters on any type of cost-control metric, no-one in HR even knows what the costs of recruitment are. The reason they cite is that the only thing that the business cares about is getting the best talent for each role. Cost is immaterial.

That kind of makes sense. If the cost of finding staff is dwarfed by the value they bring, then don't penny-pinch.

However, because they don't need to worry about cost, they also don't worry about how often they use agencies. Therefore, with no imperative to produce “direct” hires, most of the internal recruiters end up relying heavily, and in some cases totally, on agencies to supply the candidates for their shortlists.

What do they do with that expensive e-recruitment system then? Well, turns out that their internal recruiters principally use it to register new vacancies and flag them to the recruitment suppliers. Sure, they have a look at the applicants who apply on the company careers website because they land directly into their email inbox, but most of them have no idea how to access the talent database of previous applicants to search it for suitable candidates.

Therefore, if the perfect candidate doesn't apply for that particular role, they are unlikely to be found by the recruiters for another role in the organisation.

The result: they estimate 7 out of every 10 candidates that they hire through agencies, are already somewhere in their talent database!

Now, this is obviously a hugely extravagant waste of money – paying full rate to an agency to supply a candidate who was already on the company’s database. They are aware of that. But as it is not ingrained in their recruitment process to maintain and maximise the talent database, they don’t want to discourage the agencies from sending them CVs by arguing about who owns the candidate.

However, it often takes the agencies weeks or even months to fill these specialised roles. That means weeks or even months of empty seats, missed deadlines, missed revenue targets, overworked and understaffed teams, and incredibly frustrated hiring managers. Imagine if a line manager knew that the candidate that took an agency 2 months to find and present to them was on the internal recruitment database all along?

The lack of cost rigour leads to lack of operational rigour on the part of the recruiters. The activities just aren’t being measured. This has an unintended and unnoticed side effect that really does matter to the business – chronically long lists of unfilled roles that don’t seem to shift!

Why is this not noticed by senior management? Well, time to hire isn’t measured either. Because their message to the recruitment team is that only the quality of hire matters, neither time nor cost is measured. Sorry, Ms line manager, you might have to wait 3 months to fill that vacancy, but that doesn’t matter does it?



### Now, what do you think would happen if this company begins to measure time to hire and cost per hire?

Well you can bet that the recruiters will look to maximise the number of “direct” hires they make. They will make sure that they know how to search the talent database and manage the talent in it more proactively. Considering the brand name of this company and the number of people who have registered on the careers-site over the years, tight operational discipline by the recruiters would drastically reduce the recruitment costs (many \$millions per annum), but more importantly would slash the average time it takes to fill their vacancies (tens of \$millions in operational impacts). And THAT would have real business impact.

What gets measured gets done. Know what activities are going to have the biggest impacts on the recruitment results of your business, measure them, and manage your recruiters according to them.

## Secret #5

### Open all the taps – control time, cost, quality and quantity



When we pour a bath, we take a lot of care to get the temperature just right. So when we climb in to rest our muscles, the water is comfortable, soothing, relaxing – the perfect feeling. How do we control the temperature? Well we have 2 taps – a hot and a cold. Obvious I know. If we only had one tap, we would have no control over the temperature – we'd just have to take what comes out of that tap.

Now, two taps is enough to control one variable – temperature. What if we had to also have the water at a certain colour? Then we would need taps that poured water shaded yellow, red, blue, etc. Multiple taps with different coloured water and at various temperatures would allow you, with a lot more effort and skill on your part, to pour a bath of a specific colour and temperature. The more taps you have to choose from, the more colour and temperate options, and therefore control, you have.

When your organisation hires 100, 1000 or 10000 people per year, you've poured new people into your organisation. Management will be monitoring the top-line indicators of how you've hired – how many (volume), how much (cost), how quickly (time), and how good (quality)? To control this many variables and ensure the satisfactory result, you need to turn on all the taps.

In recruitment, the taps I'm referring to are the different sources of candidates available to you. Interestingly, every tap has its own strengths and weaknesses when it comes to the variables of time, cost, quantity and quality.



**studies show the best performing and longest serving hires tend to come via staff referral programs**



**Recruitment Agencies are a tap.** Their speed is good – they may have appropriate candidates immediately on their database to send to you. Their quality is variable – they only get paid when their candidate gets the job so you can't expect them to be completely objective about the candidates they present. The cost is high – agency fees need no explanation! Volume is a strength – they are set up to source candidates and place them and the more they can do that the more money they can make.

**Internal referrals are a tap.** Speed can be good – an appropriate friend or acquaintance will come to mind quickly or not at all. Cost is moderate – whatever your company's referral program pays, its bound to be much cheaper than agency fees. Quality is high – studies show the best performing and longest serving hires tend to come via staff referral programs. Volume is variable – some job families lend themselves to large-scale referrals more than others.

**The “careers page” on your company website is a tap.** Speed is hard to control. Cost is almost nil. Quality is variable, however their motivation is high because they have deliberately chosen you as a potential employer. Volume is dependant on the traffic the site receives, which is dependent on the reputation and profile of the company, or the amount of promotion the site receives.

**Your “talent pool”, or the database of previous applicants that you have built up and maintained, is a tap.** It's cost is low, speed is high, quality is variable, and volume is dependant on how actively you have sourced candidates in the past.

There are many other “taps”, but you get the picture. The purpose of this book is not to go into those in detail, but to point out that if you want to be able to control the time-to-hire, cost-per-hire, quality-of-hire, and hiring volume targets, you need to have as many taps open as possible. The more taps, the greater your options.

There are countless good recruiter blogs that explore these sourcing techniques for example those on [www.ere.net](http://www.ere.net)



**“Control”**

If all you have is agencies, you cannot control cost – it will be high.

If all you have is your corporate website, you can't control speed – it will be in the lap of the gods.

A multi-channel sourcing capability, based on the skill and ability of your organisation to maximise the number of ways that you can hire candidates “directly”, takes focus, effort, and imagination.

The real business impact is that it reduces your reliance on any one method, like recruitment agencies. And that gives you control over your own recruitment destiny.

## Why Bother?

Just in case you forgot, the one BIG idea I want you to think about is this:

# **#1 Organisations = #1 Recruiters**

The edge they have over their competitors starts with recruitment. Then they never surrender that edge throughout the rest of their business processes.

They start with the best (people), and make it (them) better. That's it.

## Write the Sequel

For the next 5 secrets, I am handing over to you.

Write a follow-up e-book, post on your blog and let me know about it, or just email me with them and I'll publish them on the Talent Fanatic for you.

TO FIND OUT MORE ABOUT LIAM:

See his blog at [www.talentfanatic.typepad.com](http://www.talentfanatic.typepad.com)

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THANKYOU.