

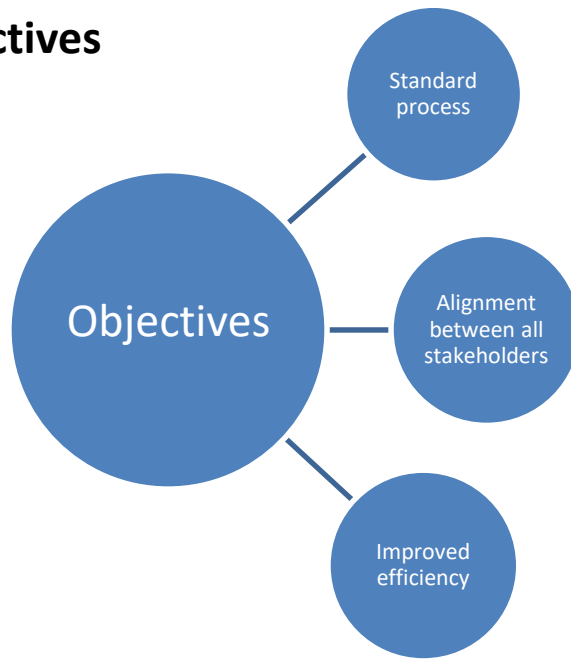
CAHRS Partners have the opportunity to benchmark with other partner companies on HR topics of interest. The benchmarking is typically conducted with 5-7 other CAHRS Partners selected by the company that initiated the request. The CAHRS office identifies the appropriate connections at selected companies and the benchmarking company then schedules 1:1 phone calls to explore their questions.

Examples of recent requests include: Sponsorship Initiatives, Organization Designs and Structures, Diversity Metrics, Talent Management Practices, Competency Models and a variety of HR Policy Questions (i.e. Relocation, Cost of Living, Airline Mile Usage, etc.).

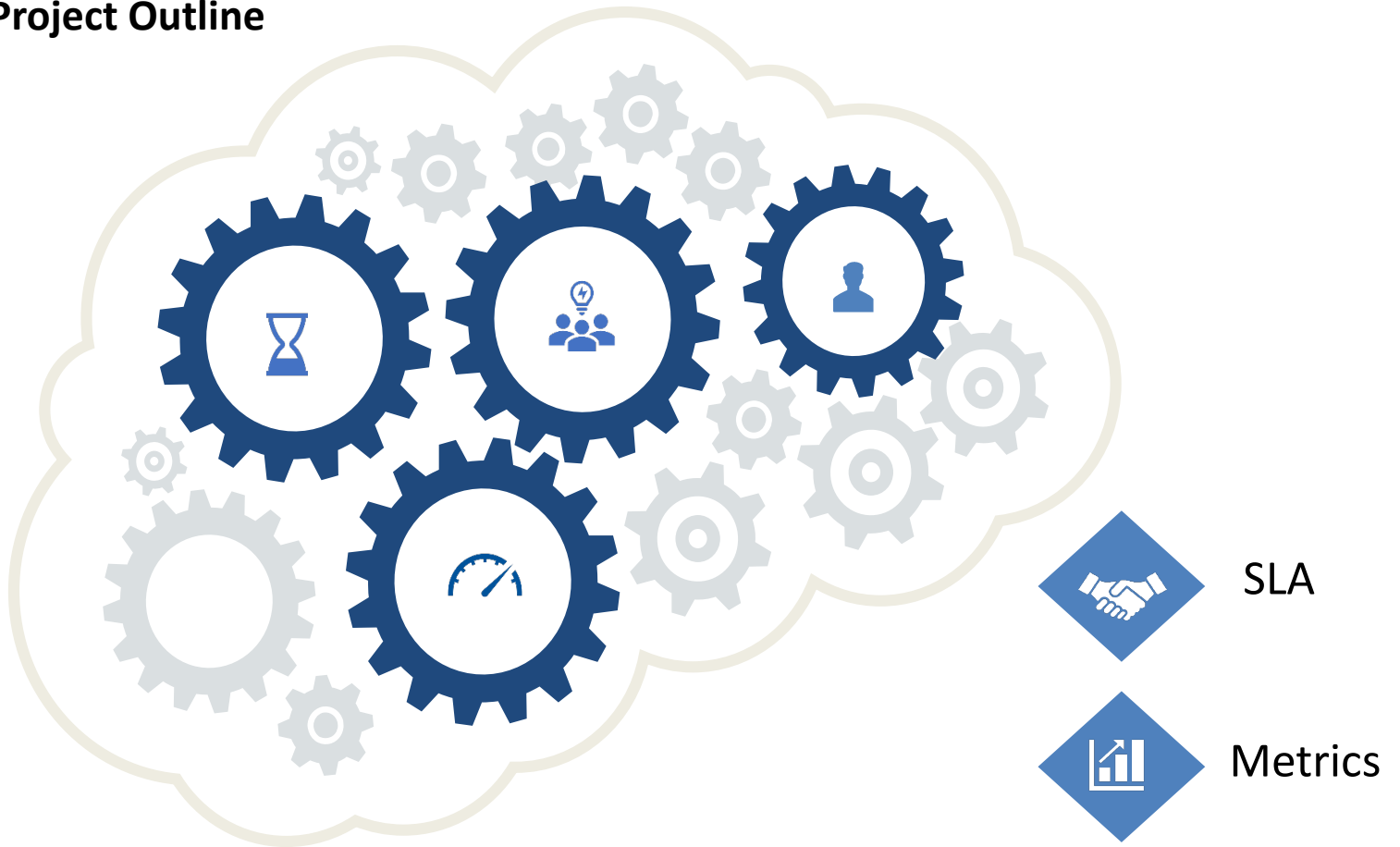
CAHRS partners find this more qualitative approach to benchmarking very valuable for revealing novel insights and practices, as well as for building their network. At the conclusion of the process, the benchmarking company shares an anonymized summary of their findings with the participating companies and CAHRS, who then makes them available so all partners can benefit from the learning.



TA Project Objectives



Project Outline



Project Methodology

CAHRS contacts

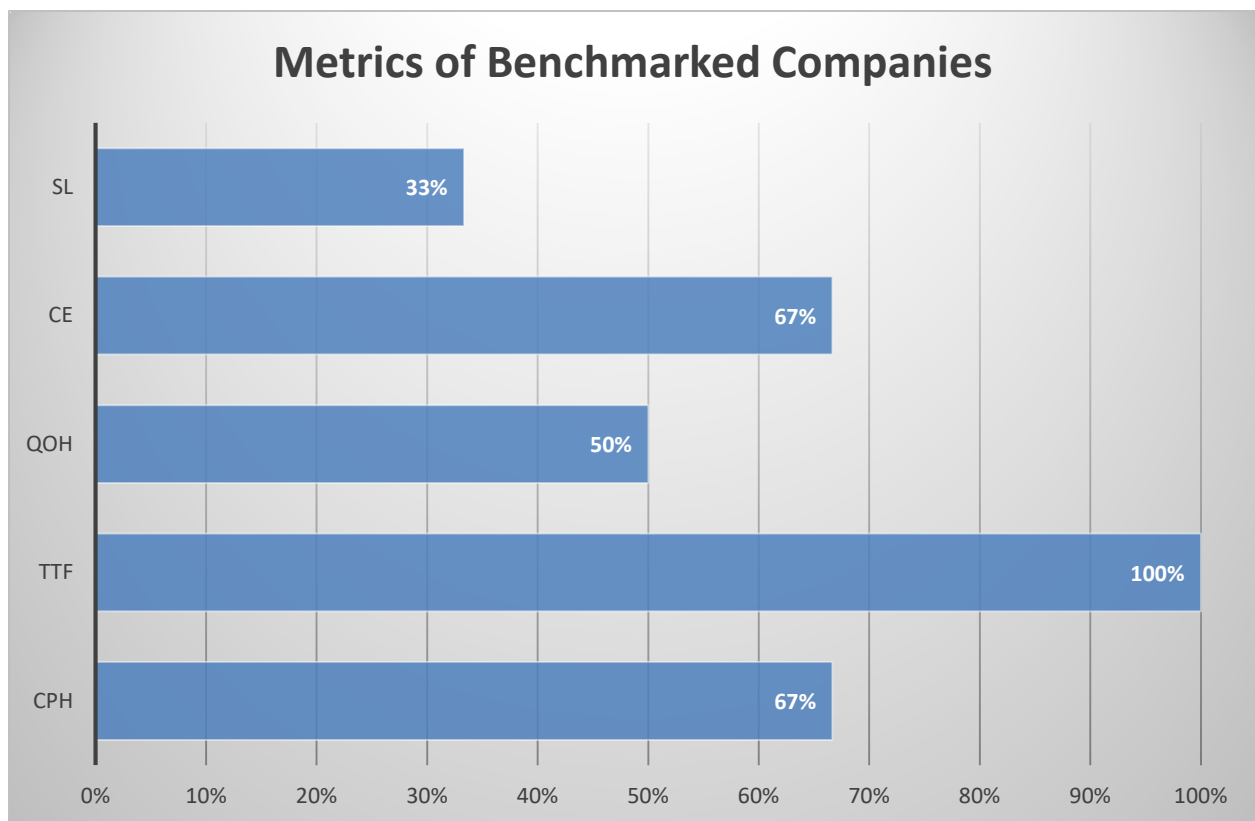
- VP & Chief Talent and Diversity Officer at a **Construction Machinery Company**
- Director of Global TA Operations and Recruitment at a **Consumer Goods Company**
- Senior Human Resources/Talent Solutions Director at a **Processed and Packaged Goods Company**
- Senior Program Manager of Global Talent Acquisition at a **Healthcare Company**
- Director of TA at a **Managed Healthcare Company**

Service Level Agreement

- **SLA definition:** contract between the stakeholders in a process, as TA we are committing to a level of service to HRBPS and HMs and in turn they are committing to follow the timelines we've laid out
- **Purpose:** because we are in the middle of an effort to centralize recruiters, hiring process stakeholders need to have a standard to be accountable to. An SLA will create alignment in the hiring process and improve efficiency by designating timelines and goal metrics.
- **Flexibility:** all companies who had an SLA or didn't mentioned that flexibility is crucial especially when first implementing one
- **50%** of benchmarked companies have an SLA

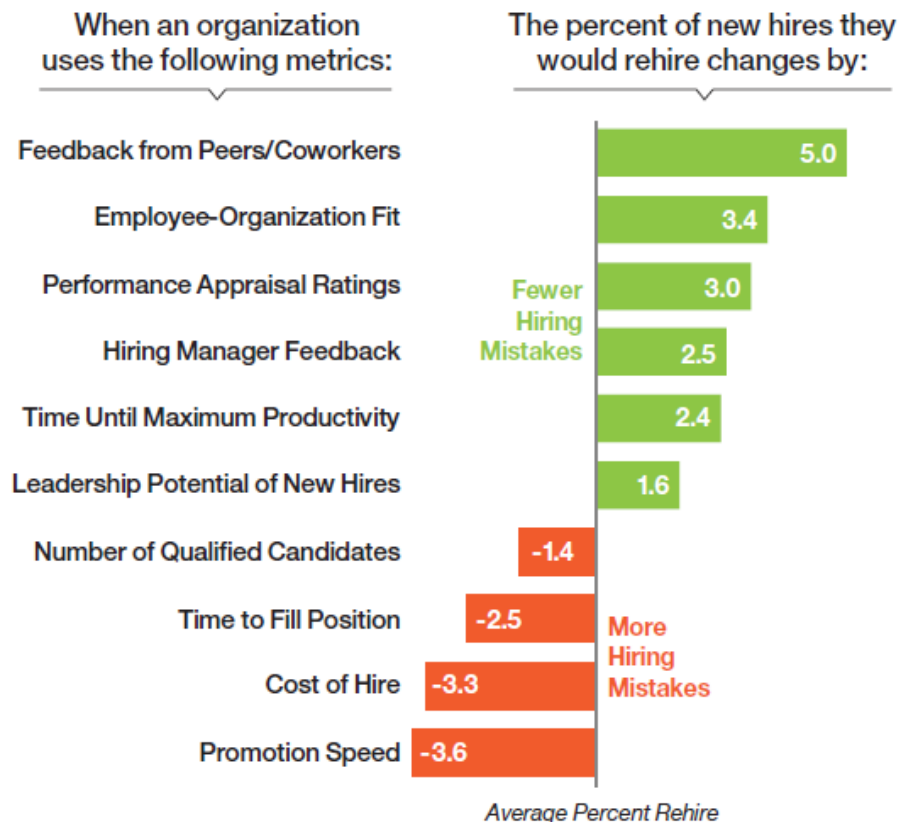
Metrics

- Health vs goal metrics:
 - health = measuring the general state of TA and how things are going, goal = tying metrics to performance management.
 - Change management: health then goal metrics to assess whether metrics are feasible and how implementation of metrics is going
- Words of caution: measuring metrics can have unintended consequences, **we need to have metrics that drive the specific behaviors we're looking for**



Efficiency vs Effectiveness Metrics

- Survey shows the correlation between hiring mistakes and efficiency vs effectiveness metrics
- Method: HM asked whether they would rehire the candidate one year later
- Efficiency metrics vs effectiveness metrics
- Green = effectiveness metrics led to increased positive hiring decisions
- Red = efficiency metrics led to increased negative hiring decisions



Source: WorkTrends 2013/2014 HR leaders and hiring managers (n=6,202).

Note: $R^2 = .11$, $F(57, 6,144) = 12.83$, $p < .00$. Several control variables were also included in this model, including whether the respondent works in HR, home country, and industry. Numbers represent percentage points.

Cost per Hire

- Measurement techniques:
 - All costs on hiring talent; all travel, advertising
 - FTE costs; all training, recruiting, orientation, sourcing; cost of paid media, total costs divided by hires
 - RPO costs
- Differentiation: by executive level or region
- 4/6 of the companies measure, of those 50% said they don't use it as a goal metric and don't see it as very helpful
- 78% of companies do not have a defined CPH (CXR) ⁸
- Downsides
 - Increase hiring mistakes
 - Misplaced focus: driving down cost could jeopardize quality and advised against it

Time to Fill

- Definition: requisition open to offer accepted
- All benchmarked companies measure
- TTF according to companies: 55-60 days
- Differentiation: among level and geography
- Advantages
 - Accountability
 - Cost: the lower the TTF, the lower the cost incurred from lost productivity
- Downsides
 - Increased hiring mistakes
 - Downward effect on quality

Metric Overview

Quality of Hire

- 59% of companies assess hiring process effectiveness by measuring quality of hire (IBM) ⁷
- 50% of benchmarked companies measure
 - attrition rates, performance appraisals, 1 year survey
- 60% of HR leaders and HMs say it's the most important metric⁵
- Measurement methods shown on the graph
- Advantages
 - Reduce hiring mistakes (avg of 30-40% of hires would not be rehired) ⁷
 - Positive focus on "best people, best team" strategy
- Disadvantages
 - Can be subjective, evidenced by the fact that compared to 60% HRBPs and HMs, only 30% of recruiters say it's the most important success metric⁵

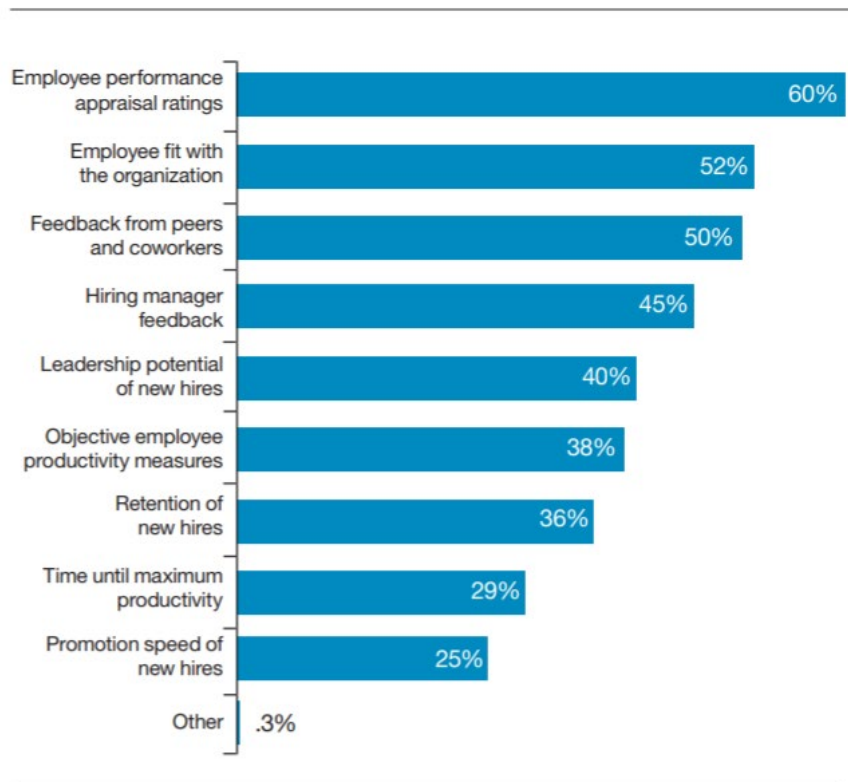


Figure 3: Of those companies that use quality of hire, how do they measure it?

Source: WorkTrends 2013/2014 HR leaders and hiring managers who use Quality of Hire (n=3,660)

Metric Overview

Candidate Experience

- Purpose
 - Get feedback and identify weak points in the process
 - Care for people: leave people who didn't get selected feeling as positive about the company than when they started the hiring process
- Methods
 - Hiring process satisfaction score
 - General candidate experience survey
 - Net Promoter Score
 - Glassdoor reviews

Service Level

- Measures performance of the system
- 90% is standard
- Advantages
 - Definition of success
 - Accountability
- Disadvantages
 - Requires significant amount of added measurement

Metric Overview

Appendix

1. SHRM TA benchmarking report
<https://www.shrm.org/ResourcesAndTools/business-solutions/Documents/Talent-Acquisition-Report-All-Industries-All-FTEs.pdf>
2. Workology SLA information <https://workology.com/service-level-agreements-hiring-recruiting-process/>
3. Lever SLA information <https://www.lever.co/blog/service-level-agreements-to-implement-with-hiring-managers/>
4. Jobvite recruiting benchmark report <http://web.jobvite.com/rs/703-ISJ-362/images/2018%20Recruiting%20Benchmark%20Report.pdf>
5. Jobvite recruiter national study <https://www.jobvite.com/wp-content/uploads/2018/11/2018-Recruiter-Nation-Study.pdf>
6. IBM how organizations identify and hire great talent
<https://www.ibm.com/downloads/cas/YG69XZQP>
7. IBM reducing hiring mistakes with the right metrics
<https://www.ibm.com/downloads/cas/NPW6W1K8>
8. CXR TA metrics https://cxr.works/research_reports/time-to-fill-cost-per-hire/
9. Candidate satisfaction survey https://cxr.works/wp-admin/admin-ajax.php?juwpfisadmin=false&action=wpfd&task=file.download&wpfd_category_id=681&wpfd_file_id=38382&token=86ba964480caf7f3d3820b3819700700&preview=1
10. Forbes Human Resource Council: Most common Hiring Process Bottlenecks
<https://www.forbes.com/sites/forbeshumanresourcescouncil/2017/07/11/13-most-common-hiring-process-bottlenecks-and-how-to-correct-them/#4717bda74d01>