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PEOPLESCOUT NEXT

FROM ADVICE TO ADVANTAGE

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PEOPLESCOUT NEXT

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PeopleScout, a TrueBlue company, is the world's largest RPO provider managing talent solutions that span the global economy, with end-to-end MSP and talent advisory capabilities supporting total workforce needs. PeopleScout boasts 98% client retention, managing the most complex programs in the industry. The company's thousands of forward-looking talent professionals provide clients with the edge in the people business by consistently delivering now while anticipating what's next. Affinix™, PeopleScout's proprietary talent acquisition platform, empowers faster engagement with the best talent through an AI-driven, consumer-like candidate experience with one-point ATS and VMS integration and single sign-on. Leveraging the power of data gleaned from engaging millions of candidates and contingent associates every year, PeopleScout enhances talent intelligence for clients across more than 70 countries with headquarters in Chicago, Sydney and London, and global delivery centers in Toronto, Montreal, Charlotte, Bristol, Krakow, Gurgaon and Bangalore.

For more information, please visit **www.peoplescout.com**.

WELCOME

At PeopleScout, we know our purpose. We are inspired to find, engage and deliver the best talent to our clients. All of us in talent acquisition and workforce management have the opportunity to create positive change by helping people connect with meaningful work. By making that connection, we enable our organizations to achieve what's next.

As leaders, we also have the opportunity to influence talent across our organizations and our teams. At our 2019 North American thought leadership forum, the PeopleScout NEXT Talent Summit, guests heard from Liz Wiseman, *The New York Times* best-selling author of "Multipliers: How the Best Leaders Make Everyone Smarter." During her interactive keynote and breakout session, Liz shared how the best leaders can learn to get more out of their teams and how they can become multipliers themselves. In our Talking Talent Leadership Profile feature on Liz, you'll learn how her insights can be applied directly to the worlds of talent acquisition and workforce management.

Creating an environment that enables everyone to perform at their highest level is another aspect of leadership that I am passionate about. At the Talent Summit, Eric de los Santos – Associate General Counsel, Senior Director of Employment Law and the Chair of the Diversity and Inclusion Council at PeopleScout parent company, TrueBlue – shared his insightful perspective on creating a culture of authenticity and inclusion. He led a Big Idea Talk and breakout session in which he reflected on his own experience; the success of building a diverse and inclusive work environment at TrueBlue; and the vital role of leadership. You can learn more in our Talking Talent Leadership Profile of Eric and the accompanying article on the importance of building an inclusive culture in the workplace.

We can all agree that talent is the lifeblood of an organization and its greatest asset. Each of us has the power to make our companies stronger with each individual that we hire. But, we also know that building a workforce for the future is no small task. The complexities that we face continue to grow as we struggle to find the talent that we need today and to retain the talent we've found. At the Talent Summit, Madeline Laurano, talent analyst and founder of Aptitude Research, shared insights on the top talent acquisition and talent technology trends she is seeing through her qualitative and quantitative research. You can learn more about those trends – and how she applies the "Marie Kondo" method to talent acquisition and talent technology – in our Talking Talent Leadership Profile on Madeline and in the accompanying article, "What's Next in Talent Acquisition."

A major priority for PeopleScout and one of the ways that we can continue to focus on what's next is Affinix™. We designed Affinix to enable our clients to easily leverage the best talent technology while also creating a more consumer-like experience for candidates. As the pace of change in talent technology continues to accelerate, the logic behind Affinix continues to be validated. In this issue, you can learn more about Affinix and how our decision to build the platform on Amazon Web Services (AWS) cloud technology allows us to be more agile in the article, "How AWS Helps Futureproof our Talent Technology."

Also featured in this issue is an article by Dana Look-Arimoto on how to increase retention through the first 90 days and beyond. Dana is the CEO of Phoenix5 and a mentor, advisor, speaker and change agent with more than 20 years of experience in the talent ecosystem. Her insights can help you reshape the way you think about your onboarding experience.

In addition to these features, you will find articles on passive sourcing, digital recruitment marketing, the importance of soft skills, best practices for contract worker management and a global economic snapshot.

I am grateful that you are part of the PeopleScout community, and for your interest in engaging with our thought leadership content. As you know, our promise is to be your global talent partner from now to next by providing the know-how, insights and tools you need to support your people strategy.

We're always pushing ourselves to look outward and forward and we strive to be the thought leader that can see around the corner and bring you insights on what's next in talent solutions while still meeting the needs that you have today. I'd love to hear your feedback on NEXT and your ideas about thought leadership content that would be valuable to you in the future. Please feel free to contact me directly or to share your ideas with your PeopleScout partner.

From Now to Next,

Taryn Owen
President
Peoplescout

YOUR GLOBAL TALENT PARTNER FROM NOW TO NEXT

TALENT TRENDS

IN THIS SECTION:

TALKING TALENT LEADERSHIP PROFILE

A Q&A with **LIZ WISEMAN**
CEO of The Wiseman Group

By **NICOLE FUQUA**
Trend Writer

At PeopleScout's 2019 NEXT Talent Summit in Washington, D.C., Liz Wiseman set the stage for the day with the message that the best leaders can learn how to get more out of their teams. Throughout her talk and breakout session, she guided talent leaders not only on how they can identify the characteristics of those leaders, but also how they can become multipliers themselves.

Wiseman is The New York Times *best-selling author of "Multipliers: How the Best Leaders Make Everyone Smarter." We sat down with her after her interactive keynote to find out how her insights can be applied directly to the worlds of talent acquisition and workforce management.*

WHAT ARE MULTIPLIERS?

Multipliers are leaders who bring out the best in others. They are leaders who use their own intelligence in ways that prompt intelligence in people around them, so that people are not only at their best around these leaders, but they also get smarter and more capable. In short, they are leaders who use and grow talent in others.

YOU WRITE THAT THE FIRST DISCIPLINE OF MULTIPLIERS IS THAT THEY ARE TALENT MAGNETS – ATTRACTING AND DEPLOYING TALENT TO ITS FULLEST. WHAT DIFFERENCE DO MULTIPLIERS MAKE IN BOTH TALENT ATTRACTION AND RETENTION?

I chose the phrase "talent magnet" because people are so attracted to work with multiplier leaders, and multipliers deeply utilize people, so people are able to be their best. Multipliers do great work, which creates a great work environment – a place people want to join and stay. But, I also found in my research that these multiplier leaders don't necessarily have better retention rates than other managers.

The reason for that is because they grow talent and are willing to move people out and up; so often, talent is moving around inside a company. Multipliers are willing to let go of people. People don't leave them so much as they encourage people to move on to the next stage. But, for every one person who leaves, there are five more who want to work there because of that leader.

WHAT ROLE DO MULTIPLIERS PLAY IN AMPLIFYING THE VOICES OF PEOPLE WHO ARE TYPICALLY UNDERREPRESENTED IN LEADERSHIP?

We find that one of the shared characteristics of multiplier leaders is that they are intellectually curious. They want to know what other people know. By nature, intellectually curious people are drawn to people who are different from them. It's not just appreciating that diversity – it's needing it. It's the feeling that, "No, I actually need people who think differently than I do to see things that I can't see; to avoid mistakes that I would make if I only saw through one point of view."

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It's the idea that multipliers tend to see talent in technicolor, rather than in monochrome or black and white. They realize that people have a diversity of talent and different gifts, and they want that talent and those gifts.

One of the things I noticed in studying multiplier leaders is that, at first pass, you might see them as benevolent, enlightened leaders who really care about people and want to do the right thing. You could make a case for that, but you could also make the case that they're lazy, selfish leaders. They see people's talent and they want it. They want to use it. They want to harvest it, and they're not doing it for just the good of the person. They're doing it for the good of the organization. They want all aspects of who their employees are. They don't just see an employee in their limited job description. They want all of their capabilities. So, I actually encourage myself and others to take the lazy, selfish approach, as well – to say, "How do I deeply utilize the talent that's available to me?"

WHAT IS THE RELATIONSHIP BETWEEN BUILDING A CULTURE OF MULTIPLIERS AND BEING RECOGNIZED AS AN EMPLOYER OF CHOICE?

I think being an employer of choice is not just about creating a great work environment, but rather an environment where people do great work. That's an employer of choice. To fully answer the question, we have to look at the cousin to the multiplier leader, the diminisher. We have to understand the influence these diminishing leaders – who tend to be control-oriented, micromanaging, know-it-alls – have on the people around them. They're often smart people, but they rely too heavily on their own ideas and intelligence.

Diminishing leaders, I find in my research, get less than half of people's available intelligence. So, think of the work environment that creates. Where you go into work every morning knowing that you have more intelligence, capability and skill than is being

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used – you're grossly underutilized at less than 50% of your capability. But yet, you're going in wanting to give 100%.

Think about things that breed in that gap, between what people are actually able to give diminishing leaders and what they want to give – apathy, toxicity, a tolerance of mediocracy, and mediocre products and services.

I think it's easy for people to think that being an employer of choice is about what we give to our employees. What people miss is that it's actually more focused on what we get from our employees. An environment where people are giving their fullest is actually an exhilarating environment. An environment where people can give 100% is an employer of choice.

WITH THE CHANGING WORLD OF WORK AND SO MANY PEOPLE ENTERING THE GIG ECONOMY, WHAT KIND OF INFLUENCE DO MULTIPLIERS HAVE IN THE CONTINGENT WORKFORCE SPACE?

When we have an experience with a multiplier leader, it does tend to be challenging, a little bit exhausting and totally exhilarating. Those are people we pick up the phone for. For multipliers, when they need someone with a specific talent, they know exactly who they want to pull in. I think that contingent workers are likely to want to go back to those gigs where they've worked with a multiplier leader.

I also think the multiplier logic would be particularly sensitive to the contingent workforce. They realize that they're the easiest part of the workforce to underutilize. It's very easy to just say, "We're plugging you into this role. It's short term. We just need you to do this, and to maybe get the job done." But, we've ended up really underutilizing that person. Contingent workers are a group that we can get so much more from – and create a much better work experience for – by applying the same kind of multiplier logic there. It's approaching it as, "We really want all of you. I know this is what we contracted for, but bring all of yourself, all of your ideas, all of your intelligence. We'll take it all."

Listen to the companion podcast at peoplescout.com.

TALKING TALENT LEADERSHIP PROFILE

A Q&A with **ERIC DE LOS SANTOS** of TrueBlue
Senior Director, Associate General Counsel

By **DAVID BAROL**
Research Director

The expertise and passion that Eric de los Santos has for diversity and inclusion was forged from his life experiences. As the first in his family to receive a university education, he left his home state of Hawaii to attend Brown University on scholarship and went on to receive his law degree from the University of Washington. Eric joined PeopleScout's parent company, TrueBlue, 15 years ago; he's currently the Associate General Counsel, Senior Director of Employment Law, while also serving as President of the National Filipino Lawyers Association. Eric was also the first Chair of the Diversity and Inclusion Council at TrueBlue.

An avid gardener, de los Santos likes to compare a diverse and inclusive workplace to a garden with multiple varieties of plants that thrive only when the proper nutrients and level of care are provided. He shared his insightful perspectives at PeopleScout's 2019 NEXT Talent Summit in June, where he hosted a Big Idea Talk and breakout session entitled "Authenticity and Tending to the Garden of Realness." Before his talk, Eric shared his thoughts with us on diversity and inclusion in the workplace.

THE TERMS DIVERSITY AND INCLUSION ARE OFTEN LINKED IN THE CORPORATE CONTEXT. HOW DO THESE CONCEPTS DIFFER AND HOW DO THEY COMPLEMENT EACH OTHER?

I liken the concept of diversity and inclusion to a garden. Diversity can be thought of as the different species and varieties of plants, while inclusion is the environment that ensures that each and every plant can grow and flourish. Some plants may have special requirements, like the type of soil to use or how much they need to be watered. Inclusion in the garden means nurturing all of the different plants and giving each one exactly what it needs to thrive.

Applying this analogy to a company, management's role is to provide every employee with what is needed to grow and flourish. And, because these elements may differ for every employee, it can be very challenging. However, just like a beautiful garden that is bursting with different varieties, the result will be a company that is filled with people from many backgrounds who display their full potential and contribute to its success.

SO, HAVING A DIVERSE AND INCLUSIVE WORKPLACE CAN BE A DECISIVE FACTOR IN A COMPANY'S SUCCESS?

Yes. Take the example of two groups. One group is comprised of people from a single background and culture, while the second group is comprised of multiple backgrounds and cultures. Studies have shown that, when confronted with a problem, the group with diverse backgrounds not only comes up with a greater number of solutions, but their solutions are far more creative and likely to succeed. The diverse group is also more likely to anticipate problems that may arise in the future because it is not limited by the "blind spots" arising from the limited experience and outlook of the monolithic group.

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A company that can successfully bring diverse people together – to share ideas on how to improve performance or create a better company – will have a clear competitive advantage over one that cannot. It is vital that all of those who participate in these discussions feel that they can honestly share their ideas without fear and in an environment of mutual respect.

The crucial factor is to enable everyone to be their authentic selves, not to feel compelled to hide a part of themselves as they interact with others. Employees who are inhibited from displaying who they truly are may look for the exit at the first opportunity. In contrast, those who can be their authentic selves at work are motivated to contribute to an enterprise that recognizes and respects them. Rather than being inhibited, an inclusive environment can result in a workforce that does not hold back from contributing ideas and puts in the hard work that can drive a company's success.

HOW DID YOUR LIFE EXPERIENCE LEAD YOU TO BECOME PASSIONATE ABOUT DIVERSITY AND INCLUSION AND EVENTUALLY START THE DIVERSITY AND INCLUSION COUNCIL AT TRUEBLUE?

Growing up in Hawaii, I was surrounded by people from many different backgrounds and cultures, which people discussed with great ease. When I came to the mainland to study, I noticed that there was a tendency for people to compartmentalize themselves – to reveal only the parts that would be readily accepted by others and to keep parts hidden. As a Filipino-American and a gay man, no matter where life took me, I had a feeling of being different. But, I saw no reason why my differences should function as barriers. I learned firsthand about the issues of bias in American life, and ultimately, I understood that bias was something that needed to be confronted and challenged.

After years of working as a trial lawyer, I joined the predecessor of TrueBlue as a corporate counsel in 2004. Shortly after joining the company, I was invited to an outing that included spouses and significant others. I brought the man who is now my husband, and introduced him as my boyfriend to my coworkers. While this may not seem particularly noteworthy in 2019, being openly gay at work was much less common then. Introducing him as my boyfriend clearly had an influence on many people that night because they congratulated me for openly introducing our relationship. From that point forward, an important part of who I am was no longer hidden from my colleagues.

WHAT WERE YOUR FIRST STEPS IN ESTABLISHING THE DIVERSITY AND INCLUSION COUNCIL AND HOW HAS IT DEVELOPED OVER TIME?

I found that there was a great interest in diversity and inclusion issues in the company, and I worked to start conversations around the topic. When the Diversity and Inclusion Council was started in 2012, I was asked to be its first chairman.

From the outset, we took steps to make sure that the council had a lasting foundation and that everyone could be engaged in the process. It was also important that we presented diversity as not just being about who we are on the outside; it's about everything that makes us who we are. We created training programs for managers and exercises to help people talk about themselves, their backgrounds, and all of the parts that comprise their whole, authentic self.

The council's programs were very popular and continue to be engaging today. There was a lot of excitement around these conversations, which provided opportunities to build greater trust and openness within the company. Building on this momentum, we created a comprehensive program that includes employee resource groups such as Women in Leadership, the African-American Resource Network and an LGBTQ group, called BE PROUD. The groups are still expanding and will include groups for Latinx and Hispanic employees, as well as a veterans resource group. The council has also been pursuing initiatives and programs to engage TrueBlue's contingent workforce, and is focusing on developing a pipeline of future leaders.

WHAT ARE YOUR THOUGHTS ABOUT THE ROLE OF LEADERSHIP IN DIVERSITY AND INCLUSION?

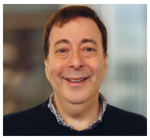
It's critical that leaders understand their workforce and take steps to deepen that understanding. Even something as mundane as a departmental potluck lunch can be an opportunity to learn more about your team. For example, instead of telling people to bring whatever dish they want, ask them to bring something from their culture or background, and write a short piece explaining why they chose that dish and its significance.

While this is an example of a useful exercise, being able to respond positively to the needs of your workforce goes well beyond understanding their cultural backgrounds. Take the initiative to find out whether there are any issues going on in their lives outside of the confines of the workplace, and see if you can respond to their needs. For example, if an employee is struggling to take care of an elderly relative who needs help while they are at work, offer them flexibility in their work schedule. This outreach creates an environment of mutual understanding and support.

It is also important that leaders "walk the talk" of diversity and inclusion to be open and authentic themselves. No one is perfect, and everyone has biases and preconceived notions that need to be challenged. Some people find it difficult to talk about certain issues of identity or diversity. It's fine to acknowledge this and work to find the right words to use that reflect both acceptance and respect. Our employees want to see us as people with real lives that they can relate to. Each one of us has the opportunity to stand out in a unique way.

Finally, every leader should have a sense of responsibility to foster and nurture a genuinely inclusive environment. To return to the analogy of the garden, as leaders we have the responsibility to ensure our work environment allows people to be their authentic selves – we are the ones who are tending to the garden of realness.

FEELING PART OF THE TEAM: THE IMPORTANCE OF BUILDING AN INCLUSIVE CULTURE IN THE WORKPLACE



By **DAVID BAROL**
Research Director

The letter of resignation came as a shock. The departing employee had just started six months earlier and brought the ideal skill set for the position. They received a substantial salary increase from their previous job, and no one had noticed any signs of discontent. When asked their reason for leaving during the exit interview, after some hesitation, the explanation came out: "I don't feel like I belong here, and I don't think anyone really understands who I am."

When pressed for details, none were forthcoming. One question came up among the leadership team again and again, "How many other employees feel the same way and what changes do we need to make?" This prompted a review of the company's diversity and inclusion program, which showed some progress in the diversity of its workforce, but no clear way to measure improvement in inclusion.

AN INCLUSIVE CULTURE ENABLES A DIVERSE WORKPLACE TO THRIVE

The phrase "diversity and inclusion" has become so common that it can be easy to miss the different meaning of each word. A recent article in Gallup's *Workplace* magazine defines the distinction between diversity and inclusion:

"Inclusion has to be understood as very different from diversity because simply having a wide roster of demographic characteristics won't make a difference to an organization's bottom line unless the people who fall into any one demographic feel welcomed. Inclusion refers to a cultural and environmental feeling of belonging."

Organizations that have successfully established a diverse workforce can reap the proven benefits that it provides, including a wide array of perspectives and experiences. However, seemingly innocuous practices that are embedded in a company's culture have the potential to make a segment of its workforce feel unwelcome and alien. But, when the possible problems with these practices are identified, a commitment to creating an inclusive culture can lead to changes that can vastly improve a work environment.

Consider the example of a tech start-up company that was founded by a group of friends from college, all coming from very similar backgrounds. Every year, a company picnic was held on a Saturday or Sunday with two key competitions taking place among the work teams: a relay swim race and a barbecue cook-off, followed by an employee recognition awards ceremony. This tradition continued as the company grew rapidly and employed a diverse range of talent.

While many employees looked forward to the company picnic, others began to quietly dread it. A few of the reasons these employees felt uncomfortable were:

- The religious practices and restrictions on Saturdays or Sundays followed by some employees made them feel like they had to choose between "being part of the team" and their faith.
- Those who were differently abled or unable to swim well felt excluded from the relay race in the pool.

- Vegetarians would have to excuse themselves from the "taste-test" part of the barbecue competition.

The goal of the company picnic was to build teamwork and show appreciation, but it had the opposite effect on some employees. For some, the timing and activities held at the picnic sent the message that "you and those who are like you do not really belong here."

When leadership became aware of the distress that the picnic was causing some employees, they took the time to reach out to every employee to get their feedback on the timing and the events held at the picnic. Great care was taken to implement all of the ideas they received that were feasible and each employee was specifically thanked for their input. This effort was an important step in creating an environment in which every employee felt included and valued – in other words, a culture of inclusion.

REMOVING THE "IDENTITY COVER"

At some point in many job interviews, the job seeker is asked, "Tell me about yourself." They will try to respond with details about themselves that they think the interviewer will like. But, as the candidate mentally calculates what to emphasize, they may also be thinking about what information to withhold because of how the interviewer may perceive them. Once a candidate is hired, this stressful mental exercise can continue. This can be especially true for those who are in some way different from the majority of their coworkers.

An article in the *Harvard Business Review* notes that, "Employees who differ from most of their colleagues in religion, gender, sexual orientation, socioeconomic background and generation often hide important parts of themselves at work for fear of negative consequences. We in the diversity and inclusion community call this 'identity cover,' and it makes it difficult to know how they feel and what they want, which makes them vulnerable to leaving their organizations. The key to inclusion is understanding who your employees really are ... In an ideal world, all leaders would be adept at understanding their employees and making sure they didn't lose any through neglect or ignorance."

Employees who feel they need to cover parts of their identities can lead to behavior in the workplace that is driven by fear. Examples provided in the article include a mother who hesitates to put up pictures of her children because she is afraid coworkers will question her commitment to her job; a Muslim who prays in his car because he does not want to experience Islamophobia; and a gay executive who hesitates to bring his same-sex partner to a company event. By masking part of who they are, these employees implicitly feel that they do not fully belong where they work.

The leaders at the tech start-up had no idea that they were alienating part of their workforce at their company picnic. It can be challenging to perceive what aspects of the work environment need to be changed to promote inclusion, especially for those employees whose backgrounds and identities may be unfamiliar to the majority at a workplace. It is for this reason that the proactive approach of implementing an inclusion program is an important first step in creating an inclusive environment.

INCLUSIVITY CHECKLIST

Every organization is different, so the content and structure of a new inclusion program needs to meet the conditions of your organization. The Society for Human Resource Management (SHRM) offers an inclusivity checklist for HR that provides a good place to start:

- [x] Make sure company leaders understand that inclusion is about ensuring that everyone's voice is heard, opinions are considered and value to the team is evident.
- [x] Train managers – and hold them accountable – to show that inclusivity is a core competency.
- [x] Form an inclusion council with genuine influence and power.
- [x] Value differences, and create an environment where people can feel comfortable bringing their authentic selves to work.

- Identify the needs of underrepresented groups, and give them necessary support and resources.
- Provide workers with a safe space to voice their concerns.
- Benchmark key aspects of your organization's culture, and understand the employee experience before making changes to promote inclusivity.
- Remember that daily interactions are the most telling sign of whether your company has an inclusive culture.

EMPOWERING THE WORKFORCE BY EXAMPLE

For more information on Eric de los Santos, read the Talking Talent Leadership Profile on page 14.

When TrueBlue started a Diversity and Inclusion Council, Eric de los Santos was the natural choice to lead it. Today, in addition to being the President of National Filipino American Lawyers Association, de los Santos is Associate General Counsel, Senior Director of Employment Law at TrueBlue.

At PeopleScout's 2019 NEXT Talent Summit, de los Santos led a Big Idea Talk and breakout session in which he reflected on his own experience; the success of building a diverse and inclusive work environment at TrueBlue; and the vital role of leadership:

"It is important to be your authentic self, not to feel that you cannot be who you truly are because of another person's preconceived judgement," de los Santos said. "If employees feel they cannot be who they truly are and express themselves in a way that is natural for them, they will not be able to display their full potential. If an employee is struggling with something in their lives that they don't feel they can share, that employee will feel isolated. They may not be able to concentrate on their work and could develop a feeling that no one cares about them and start to think about an exit strategy.

"But, when employees experience genuine respect and feel safe to express themselves, productivity, retention rates and morale all increase. Leaders have a duty to create an environment where people can be their authentic selves and set the example with their own behavior that displays respect and a willingness to listen, and clearly communicates the value of every employee."

INCLUSION PAYS OFF

While the arguments to build an inclusive culture at work may sound compelling, how important is inclusion to an organization's success? A study from Deloitte cited research that found that organizations with inclusive cultures have a clear advantage over those that do not.

Organizations with inclusive cultures are:

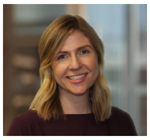
- Two times more likely to exceed financial targets
- Three times more likely to be high-performing
- Six times more likely to be innovative and agile
- Eight times more likely to achieve business outcomes

Successfully building a culture of inclusion requires a serious commitment from the leaders of an organization and participation at every level. While there may be challenges along the way, the efforts made to create a culture of inclusion can result in increased retention, greater commitment and input from the workforce, which can lead to markedly improved business outcomes.

KEY TAKEAWAYS

- A culture of inclusion is one that enables everyone to be their authentic self and display their full potential in the workplace.
- An inclusive work environment requires a commitment from an organization's leadership, who set an example with their own communication and actions.
- Those who are empowered to be their authentic selves are more likely to remain with an organization and will be committed to its success.

WHAT'S NEXT IN TALENT ACQUISITION



By **SARAH KATZ**
Managing Editor

Let's face it – we live in an ever-changing world, where one of the biggest challenges is keeping up with the latest trend.

For an update on talent acquisition trends, PeopleScout hosted Madeline Laurano, talent analyst and founder of Aptitude Research, at our North American Talent Summit. Laurano spoke on the top trends she is seeing through her qualitative and quantitative research, and provided clarity on the crowded market.

Laurano shared that the current state of talent acquisition has fundamentally shifted due to the record increase in job openings and decrease in the available talent pool. This contributes to the rise of competition for talent across industries and the tremendous pressure organizations face to find the right talent.

Laurano presented a few key solutions to aid in managing this overarching challenge, including strengthening employer branding, simplifying your talent strategy with technology, improving candidate communication, using data to drive decisions and exploring total workforce solutions.

In this article, we'll walk through Laurano's report on the current state of talent acquisition, and dive into how a focus on employer branding can help you stay on top of the trends in talent acquisition.

THE EXPERT: MADELINE LAURANO

Madeline Laurano's primary focus during the last 12+ years has been on the talent management market, specializing in talent acquisition. Her insights are based on her work as an analyst and advisor in the human capital space and her latest research with HR and talent acquisition practitioners. Laurano's work helps companies both validate and reevaluate their strategies and understand the role technology can play in driving business outcomes. Before Aptitude Research, Laurano held research roles at Aberdeen, Bersin by Deloitte, ERE Media and Brandon Hall Group. She is co-author of "Best Practices in Leading a Global Workforce," and has been quoted in *The Wall Street Journal*, *The Boston Globe*, Yahoo News, and *The Financial Times*. She is a frequent presenter at industry conferences, including the HR Technology Conference and Exposition, SHRM, IHRIM, HCI's Strategic Talent Acquisition conference, GDS International's HCM Summit, and HRO Today. Visit her website at **https://www.aptituderesearch.com**.

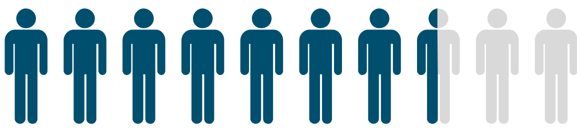
CURRENT STATE AND CHALLENGES

Laurano's research shows a fundamental shift in talent acquisition over the past few years, which she attributes to changing market conditions. The numbers prove it – there's a high demand for skills and a low supply of candidates, which increases both competition for talent and the cost of a quality hire.

High Demand for Skills

Nearly **50%** of U.S. employers attribute unfilled job openings to a lack of qualified candidates.
Source: Inc.com

Additionally, **75%** of human resource professionals who have recruiting difficulty say there is a shortage of skills in candidates for job openings.
Source: SHRM

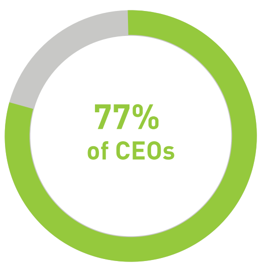


However, **74%** of organizations in the U.S. are only investing $500 per employee on training and development between upskilling and reskilling.
Source: The Learning Hour, Inc. and Future Workplace

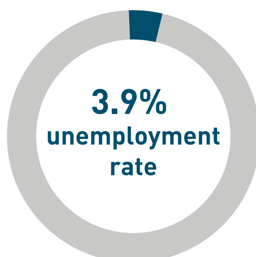
The skills gap is widening particularly for IT, healthcare, manufacturing and really any industry that has specialized or technical roles.

To combat the skills gap, Laurano recommends that organizations invest in technology and digital roles to foster ideas and monitor industry trends. More than 5 million jobs in information technology are expected to be added globally by 2027.

Low Supply of Candidates



Availability of Talent: A PWC survey of CEOs found that 77% of CEOs said the greatest threat to organizations is the availability of talent.



Unemployment rate: The unemployment rate is at a record low 3.9% in the U.S., contrasting with a high of 7 million job openings earlier this year.

Competition
"Statistics show employers are having a difficult time filling job openings and are competing across industries for talent, which is a major challenge in the industry and one we haven't seen before," Laurano said.

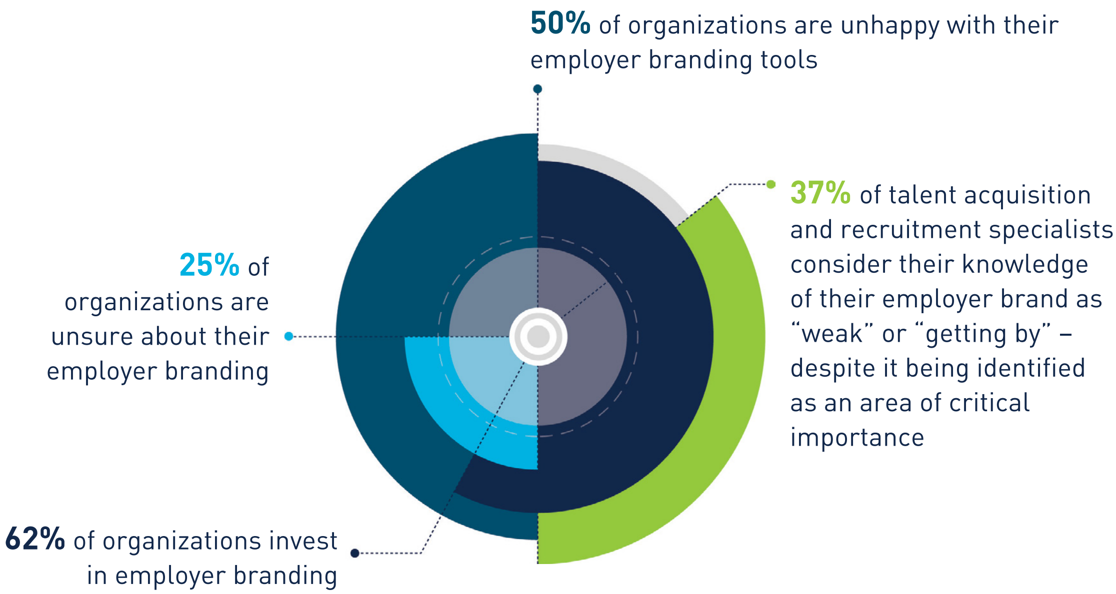
Quality of Hires
Laurano's 2019 Quality of Hire Trends Report states that only 26% of organizations in her study have a formal methodology for defining quality of hire; one in three of those organizations said that they're interested in tracking quality of hire, but they don't know how to start. Therefore, there's a lot of opportunity to improve how we calculate quality of hire.

Ultimately, organizations have to rethink their strategies and technology to attract the right candidates for them. So, how do organizations stay on top of these trends? Laurano says strengthening employer branding is one important way.

STRENGTHENING EMPLOYER BRANDING

Your employer brand is the perception and lived experiences of what it's like to work for your organization. It also incorporates your employee value proposition (EVP), which captures the essence of your uniqueness as an employer and the give and get between you and your employees.

Laurano discussed the importance of strengthening employer branding as one way to stand out in the crowded market. As her research shows, many organizations are investing resources into employer branding, but there is still room for improvement.



Industry research agrees with Laurano, as one study shows that companies with stronger employer brands see a 43% decrease on average in the cost per candidate they hire, compared to their competitors. Additionally, when organizations in the U.S. live up to their marketed EVP, new employees arrive with a higher level of commitment at 38%, compared to organizations that do not live up to their marketed EVP, which is at just 9%.

DIGITAL TRANSFORMATION

The digital space is a major aspect to consider in talent acquisition and employer branding. Whether it's introducing digital or data specialist roles, the skills associated with those jobs assist organizations in recognizing their weaker areas and providing innovative ideas to capture their intended audiences. "Go where your candidates are," Laurano said. And, for the most part, that is the digital space.

In a U.S. survey, recruiters said the top investments for growing an employer brand were:

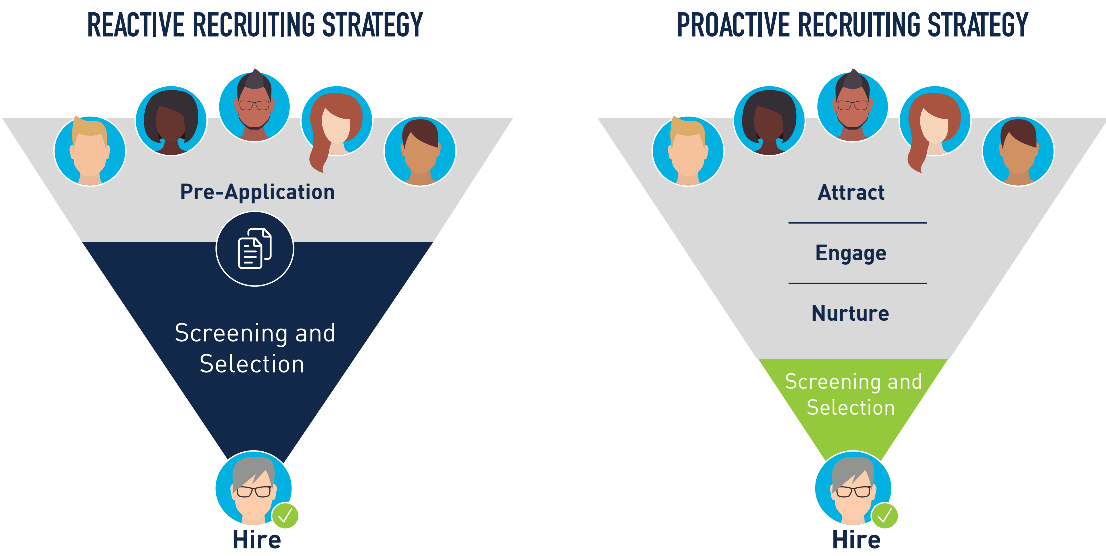
47% Social media **21%** Company career website **12%** Marketing and advertising

Source: Jobvite

REACTIVE VS. PROACTIVE RECRUITING STRATEGY

Laurano emphasized the value of organizations nurturing talent before they apply, or a proactive versus reactive approach to stay ahead of the curve.

Additional research reinforces the proactive method, as 67% of employed American adults agree that the application, interview or offer process would make or break their decision on whether to take a job.



Reactive:
"If we were to take the reactive recruiting approach and turn it into a funnel, it might look something like the diagram above. Sourcers fill up the talent pipeline while recruiters manage the selection process on behalf of the organization. However, there is no one working on behalf of the candidate and no real engagement process at the top of the funnel. As a result, the recruiter spends more time on screening résumés, phone screens, etc.," Laurano said.

Proactive:
"If we flip the time allocation where recruiters spend less time on screening and focus on ensuring they have targeted, qualified candidates to begin with, the results would differ. There would be a higher rate of effectiveness by investing in relationship-building with targeted pools of talent, as opposed to a reactive, start-stop recruiting approach," Laurano said.

GLOBAL APPROACH

Employer branding is difficult for global organizations, as it's not always about the organization; it can also be about the specific location, as well, which can get complicated. The core of your employer brand should start with a universal truth, but effective employers will also create messaging that speaks directly to different audiences and geographies. Laurano suggests a need for transparency for global organizations, as well as local flexibility to strengthen your employer branding.

WHAT'S NEXT FOR YOUR TALENT SOLUTION?

Keeping up with the latest trends can be challenging to say the least, especially in the talent industry. Laurano's research into the fundamental shift in talent acquisition provided some key insights and solutions that are beneficial when combating such rapid changes.

KEY TAKEAWAYS

- The current state of talent acquisition has fundamentally shifted due to a high demand for skills and a low supply of candidates, which increases both competition for talent and the cost of a quality hire.
- One way to stand out in the crowded market is by strengthening your employer branding and investing in a proactive, digital and global approach.

SOFT SKILLS IN THE WORKPLACE: WHY THEY MATTER & HOW TO HIRE FOR THEM

By **ERIC DYSON**
Trend Writer

For hiring managers, an age-old dilemma persists. Two ostensibly equally qualified candidates interview for the same position, but only one can be hired. This may seem like an ideal situation for a hiring manager. However, it's still a dilemma, and dilemmas demand solutions.

When choosing between two seemingly equal candidates, organizations are now prioritizing "soft skills" as the key differentiator. In LinkedIn's Global Talent Trends report, 92% of talent acquisition professionals reported that soft skills were equally or more important to hire for than hard skills. And, 89% said that when a new hire doesn't work out, it's because they lacked critical soft skills.

In this article, we'll define and explain the importance of soft skills in the workplace and how organizations can best assess candidates for them during the hiring process.

WHAT ARE SOFT SKILLS?

Soft skills are a combination of people skills, social skills, communication skills, character or personality traits, attitudes, career attributes, social intelligence, and emotional intelligence quotients that enable employees to navigate their environment, work well with others, perform well and achieve their goals with complementary hard skills.

Key soft skills include:

- Attitude
- Communication (both written and verbal)
- Work ethic
- Teamwork
- Leadership qualities
- Time management
- Decision-making
- Conflict resolution
- Critical thinking
- Networking
- Empathy
- Problem-solving

While traditional skills assessments are useful for testing a candidate's aptitude and ability to perform a job well, they are not effective tools for gauging soft skills. For organizations looking to observe and measure a candidate's soft skills, a more nuanced assessment process is required.

In PeopleScout's whole person assessment method, for example, candidates take multiple skills assessments that are scored and weighed differently depending on the position. These types of assessments allow candidates to demonstrate their strengths in both hard and soft skills. This provides valuable insights into which applicants should move on in the hiring process, and also provides a more cognitively diverse group of candidates.

SOFT SKILLS ARE IN DEMAND

Soft skills are becoming increasingly important as organizations look to add additional value to their business. A study conducted by Wonderlic found that 93% of hiring leaders stated that soft skills were "essential" or "very important" when making hiring decisions. What's more, many employers reported that soft skills were more important than tech skills.

The Wall Street Journal reports, "Competition has heated up for workers with the right mix of soft skills, which vary by industry and across the pay spectrum – from making small talk with a customer at the checkout counter to coordinating a project across several departments on a tight deadline."

According to a National Association of Colleges and Employers survey, employers emphasized leadership and the ability to work in a team as the most desirable attributes when recruiting recent college graduates, ahead of analytical and quantitative skills. Burning Glass analyzed millions of U.S. job postings and found that one in three skills requested in job postings is a "baseline" or soft skill. "Even in the most technical career areas (such as information technology and healthcare) more than a quarter of all skill requirements are for baseline skills."

Talent with the right soft skills is scarce. In fact, LinkedIn's Workplace Learning Report cited soft skills as the top training priority, and 59% of U.S. hiring managers believe it's difficult to find candidates with the right soft skills.

SOFT SKILLS AND ORGANIZATIONAL OUTCOMES

Creative & Critical Thinking
Employing a workforce of creative and critical thinkers is essential for introducing fresh ideas, services and products. In fact, creative and critical-thinking skills were ranked second and third on the World Economic Forum's top skills employees would need to thrive in the fourth industrial revolution.

As artificial intelligence and automation in business evolve, creative and critical-thinking skills will be increasingly necessary to complement the capabilities of machines. However, these skills are in short supply. According to a report from the Society for Human Resource Management, 84% of HR professionals said they found a deficit of key soft skills, including creative and critical thinking, among job candidates.

Teamwork & Communication
Teamwork and communication are weak points for many organizations, and it's causing performance and productivity challenges. Gallup's State of the American Workplace report found that the majority of employees "believe that their organization's project performance would improve if their teams worked more collaboratively." What's more, another Gallup report discovered that teamwork and good communication are key soft skills for helping B2B organizations solve their top challenge of creating organic growth.

Successful collaboration is strongly related to good communication skills. Communication skills include actively listening to colleagues and willing engagement in conflict resolution to mitigate the effects of miscommunications, as well as keeping projects and organizational initiatives on track.

Compassion in Leadership
Compassion is an important aspect of good leadership. Teams thrive when the members trust that their leader cares about them. Research shows that organizations with more compassionate leaders excel at collaboration – already identified as a key soft skill in the modern workplace.

According to an article in the *Harvard Business Review* authored by Rasmus Hougaard, Jacqueline Carter and Louise Chester, "Of the over 1,000 leaders we surveyed, 91% said compassion is very important for leadership, and 80% would like to enhance their compassion but do not know how."

Compassion is a prerequisite for effective communication and other soft skills that enhance interpersonal relationships in the workplace, and they are essential to maintaining workplace cohesion.

HOW TO ASSESS A CANDIDATE'S SOFT SKILLS

Ask Behavior-Based Interview Questions
Interview questions that are behavior-based can help organizations more easily identify the soft skills possessed by the candidate, especially for

technical roles where questions are based more on hard skills. They can provide a look into how the candidate would respond in certain situations or to various challenges.

Examples of behavior-based questions to ask candidates applying for more technical positions include:

- "How do you usually develop relationships with coworkers and supervisors?"
- "Tell me about a problem you solved in a creative or unique way."
- "Tell me about a time when you had to deal with someone who was difficult."
- "Describe your ideal work environment and method(s) of communication."
- "Share a time when you needed help or guidance on a project and how you went about asking for it."
- "Share a time when you had communication problems with your manager or coworkers. How did you handle the situation and your manager or colleague's response?"

Also, ask candidates how they think their soft skills will help them in the role they are interviewing for. Their answers can reveal how well they understand the nature of the position and its requirements.

Communication Skills

Good communication skills are a prime indicator as to whether a candidate will be a good fit within an organization. A huge part of communication involves listening. During an interview, observe whether the candidate is listening and paying attention to the interviewer. Are they interrupting the interviewer? Are their eyes glazing over?

Moreover, during the interview, ask candidates behavior-based questions with a focus on communication, such as:

- "Before you send a message, do you think about the best way to communicate it (in person, over the phone, in an email, through chat and so on)?"
- "If you don't understand something, do you keep it to yourself and figure it out later, or do you ask for clarification or help?"

- "How do you consider cultural barriers when planning communications to a multicultural and diverse team?"
- "Do you communicate best through the use of diagrams and charts to express ideas? Verbally or through writing?"
- "When speaking with coworkers, do you pay attention to their body language?"

Verbal cues are also an important part of good communication. For example, when asking a candidate about a previous career challenge, did they use "I" or "we" more often? This will give you a chance to see whether the candidate is a team player and if they take or give credit where it is deserved.

Inquire About Soft Skills While Checking References

Reference checks are a strategy for corroborating and verifying information about a candidate's work history and experience. A candidate's job references can also provide a window into the kind of person they are at work.

A SkillSurvey study found that, when asked, job candidates' coworkers gave feedback on soft skills for reference checks, while managers focused on tasks related to hard skills. So, when checking references, it may be beneficial to assess a candidate's soft and hard skills based on their relationship to the reference.

During the reference-checking process, ask a candidate's coworkers questions about the soft skills of the potential hire, including:

- "Did the candidate get along with their coworkers and management?"
- "Tell me what it's like to work with the job candidate."
- "What advice can you give me to successfully manage the job candidate?"
- "What else do I need to know about the job candidate that I didn't already ask?"

Employees are unlikely to vouch for someone who would make an unpleasant coworker, so ask them for a thoughtful assessment.

CONCLUSION

Today's business landscape is about communication, relationships, and presenting your organization in a positive way to the public and potential employees. Soft skills allow organizations to effectively and efficiently use their technical skills and knowledge without being hampered by interpersonal issues, infighting, and poor public and market perceptions.

Recruiting for the right blend of soft skills takes a measured and strategic approach. It also requires an investment of time, patience and gut instinct. To provide our clients with the necessary tools to find talent with the right soft skills, PeopleScout developed the whole person assessment process. As part of PeopleScout's talent advisory practice, the whole person model provides a more in-depth evaluation of candidates by measuring a candidate's capability, behavior, results, passion, purpose and mindset, and allows all candidates to show their best selves.

KEY TAKEAWAYS

- Soft skills are more in demand than ever, and there is a current dearth in candidates who possess them.
- Soft skills are important for organizational success in the modern business landscape.
- Properly assessing candidates for soft skills requires rethinking traditional skills assessments and approaches to interviewing candidates.

TALENT ACQUISITION TECHNOLOGY

IN THIS SECTION:

DIGITAL RECRUITMENT MARKETING: IT'S ALL ABOUT THE ONLINE CANDIDATE EXPERIENCE

By SHANNON BENNETT
Digital Marketing Manager

In the world of talent acquisition, a brand's presence online can lead candidates to discover new opportunities. And, employers and brands are taking the hint – maximizing the online candidate experience through personalization and optimization.

This brings us to the importance of digital recruitment marketing. Digital recruitment marketing is a way for employers to source and attract potential candidates; it can include social media, email marketing, display advertising and more.

In this article, we'll dive into some important aspects of digital recruitment marketing, including building personas, trending digital marketing strategies and channels, and website optimization.

UNDERSTANDING & CREATING CANDIDATE PERSONAS

Understanding the key characteristics of the candidates your organization wants to hire provides context to who they are, which is why organizations create candidate personas. Personas are profiles that represent different types of candidates, focusing on individual characteristics. They help create alignment across your recruitment and sourcing strategies.

Personas are organized, analyzed and assembled by gathering data that reflects candidates' behaviors, interests, goals and challenges.

How to Build Candidate Personas:

1. **Gather Your Data:** Focus your data on successful hires and placements within your organization. Interview professionals who currently work in the type of role you're seeking to fill to understand what qualities make them successful. Prioritize data points such as:
   - Demographic information
   - Background
   - Personal attributes
   - Qualifications
   - Goals
   - Objections
   - Web activity

Also, try to gather anecdotal evidence or commentary by consulting other recruiters and hiring managers who have hired for that role in the past.

> **QUICK TIP – Aim to gather as much information as possible regarding each position or job opening. The more data you have to work with, the more detailed your personas will be.**

2. **Identify Trends:** Once you've gathered your data, it's time to analyze the information and identify shared trends and traits. This is where your personas will really start to take shape. How do you do this? Start by asking some important questions:
   - Which characteristics or traits do ideal candidates share?
   - What motivates the ideal candidate?
   - Where does the ideal candidate search for jobs?
   - What are the ideal candidate's goals and aspirations?

   These questions – and those similar – will lead you to draw conclusions about the candidate who will best meet your needs for any given role or job opening.

3. **Assemble Your Personas:** After collecting and analyzing your data, the next step is to assemble your candidate persona profiles. At this stage, you will use the insights you've discovered to create a profile of your hypothetical candidate. Some organizations create personas and associate them to profiles with names and pictures to seem more realistic and multi-dimensional; however, be aware of unconscious bias. A good way to avoid bias is to create personas that are based on research and surveys done within your organization, and to focus only on the specific needs and challenges of potential candidates.

WHAT'S YOUR DIGITAL STRATEGY?

Content Marketing

Before you post on your digital marketing channels, focus on the importance of strategically crafting your content. The content you post should be more about your audience, or potential candidate, than it is about your brand. It's a conversation that says, "We would be lucky to have you as an employee," versus, "You would be lucky to work for us."

To have this conversation, your content needs to adhere to your candidate persona's desires and interests. Your content also has to create a narrative and capture your audience's attention, while driving home your selling points in a concise way. For example, social media is one trending digital marketing platform. It is also a very distracting environment, and you have limited time to connect with candidates. So, it's vital to know what you need to say to them via posts, tweets and images, and truly connect the right candidate, or persona, with your open jobs.

Watch the webinar on-demand at peoplescout.com

Social Media Marketing

I recently hosted a Talking Talent Webinar, "Digital Recruitment Marketing: A Guide for Employers." During the webinar, I asked attendees to answer the question, "Which recruitment marketing strategies would you like to implement at your organization?" What was one of the top answers? Social media marketing, of course, with 36.4%.

Although proven to be effective, not all social media channels are created the same. Each platform has its own particular set of users with their own quirks as to how they interact with content. Candidate personas can help you identify your target candidates and shape your social strategy to fit each candidate's specific preferences. You can utilize them to prioritize the platforms you use, to personalize your messaging, and to share content that engages your ideal candidates.

A helpful tip when approaching social media marketing is to start by researching all of your top competitors. Check each of their social media pages and see:

- What content they are posting
- How often they are doing so
- How many users are engaging with that content
- What platforms they're using

Once you conclude which social media platform is yielding the greatest results – whether it's Facebook, LinkedIn, Twitter, Instagram, etc. – focus your personalized content on that particular site.

QUICK FACTS

- **80% of employers say social recruiting helps them find passive candidates**
- **70% of hiring managers say they have successfully hired through social media**
- **91% of employers are using social media to hire talent today**

Source: Betterteam

Career Sites Matter – A Lot

If your targeted candidates engage with you on digital recruitment marketing channels, often they then arrive at your website. Your website is the backbone of your digital footprint. Not only should effort go into creating a site that has engaging content and is aesthetically pleasing, but it must also be user-friendly for potential candidates.

It's vital that your website or career site is optimized for job-seekers. Optimizing key words in job descriptions, and ensuring your links are working properly and that your site is mobile-friendly, can help candidates find your organization and apply to your jobs.

When building a career site, the process, structure and flow of the site must be deliberate. Site flow is a major contributing factor to increasing the number of candidates that move through the funnel and make it through the application process; it's all about user experience.

WHAT'S IMPORTANT IN THE END

Ultimately, an effective digital marketing campaign takes time, patience, planning and teamwork. It's important to build customized campaigns that cater to candidate personas, be clear on your branding efforts, really push your employer brand's unique selling points, and optimize your careers site for search engines and conversions. Put together, each aspect contributes to a strategy that is focused on personas and will be beneficial as you move forward in searching and engaging with candidates in the digital recruitment space.

KEY TAKEAWAYS

- It's important to implement digital campaigns for your brand based on candidate personas in order to know who you're looking for and why – and where you can find them.
- Personas help you and understand what is important to your current and future employees.
- The main goal is to connect with candidates where they prefer to receive information.

INTEGRATING AI INTO YOUR PASSIVE SOURCING STRATEGY

By **MARGIE CALLARD**
Product Marketing Leader

With unemployment at near-historic lows in most major economies and a seemingly limited pool of available talent, it looks like it's time to get passive! Passive? This might seem like an odd word choice, but passive candidates are simply highly qualified candidates not currently job-hunting while active candidates are applying to your open roles right now.

Research indicates that passive candidates may be more successful in organizations than active ones. Furthermore, passive candidates that are sourced, or contacted directly by a recruiter, are twice as likely to join an organization.

Regardless of whether a candidate is active or passive, data from Workable shows that it takes an average of 42 days to fill a role with a qualified external candidate. Some roles take longer, such as 67 days in the UK to fill a product management role. Engineering roles are also consistently harder to fill, taking 58 days in the U.S. and UK and 56 days on average in the rest of the world. When these types of hard-to-fill roles are needed, passive sourcing can be the best option to pursue.

WHAT IS PASSIVE SOURCING?

Finding a qualified hire usually consists of a mix of active and passive applicants. Today, recruiting teams find passive candidates through various means, such as referral programs, online forums and job boards. More recently, recruiters have also started posting to social media platforms such as Twitter, Facebook and Instagram to find their next hire.

Historically, passive sourcing searches were completed through tedious Boolean search strings using dozens of search terms – like location, phone number and email address – to find candidates. But, these searches are manual and time-consuming.

HOW DOES AI IMPROVE PASSIVE SOURCING?

According to the Society for Human Resource Management (SHRM), the average cost to hire a new employee can be thousands of dollars. Meanwhile, recruiters can potentially carry a workload of 30 to 40 positions at a time.

Add up these numbers and it might take several months and cost thousands of dollars for a recruiter to fill their open roles. Meanwhile, organizations also lose months of productivity and revenue from unfilled jobs. Compound these losses with the rush to hire someone that might not be right for a role, and there is a possibility the recruiter may have to start the cycle all over again.

How can AI help? As AI's influence throughout talent acquisition grows, sourcing qualified, passive candidates in record time is now possible.

Massive Data

AI excels at scale. Finding candidates within seconds, AI algorithms can improve with each search, creating increasingly more intelligent sourcing. This is done by compiling and analyzing a massive data set of millions of pieces of information, including potential candidates' social media profiles and past online activities, among other data.

AI's passive sourcing function can also find triggers that indicate a candidate's interest. Using an engineering requisition as an example, AI tools can search the internet for candidates with specific job skills. You might set up a search to find candidates with electrical engineering backgrounds with five to 10 years of experience that are active on LinkedIn. AI will identify these parameters, search all available channels and then aggregate the data and deliver a pool of qualified candidates to the recruiter.

Improved Personalization

AI applications can also send targeted information to candidates using marketing-like campaigns, bringing in "leads" to help grow talent pipelines. This activity targets the right persona, or type of candidate needed for a role, and keeps passive candidates better engaged or "nurtured." It also creates a unique candidate journey.

A recent report found that organizations with an employer brand platform experience an average turnover rate of 10%, compared to the overall turnover average of 16%. At PeopleScout, we know a positive employer brand plays a significant role in a recruiter's ability to hire talent. We implement AI sourcing and digital recruitment marketing campaigns through our Affinix™ platform, which streamlines the sourcing process. Using these digital campaigns reinforces a company's employer brand and, consequently, increases the conversion rates of future potential passive candidates.

CONSIDERATIONS WITH AI PASSIVE SOURCING

While using AI to help source passive candidates is beginning to help organizations, there are a few considerations to keep in mind.

Mind Your Algorithms
Countless articles lament how well-meaning developers accidentally create biased AI tools. Most recently, Amazon released a recruiting tool that put female applicants at a disadvantage by favoring more masculine language such as "executed" and "captured." Therefore, AI algorithms should be used in concert with other recruiting tools and constantly monitored pre- and post-build. Organizations such as OpenAI, the AI Institute and Explainable AI, among others, are reviewing AI's influence to make sure issues like unconscious bias are appropriately addressed.

Fit AI into Your Strategy
AI has the potential to improve aspects of the full recruitment cycle – from sourcing and screening to selecting, hiring and onboarding. However, AI is only part of your toolkit and should be thought of as an efficiency tool to help balance automation with the human touch. Monitor and adjust your strategy by testing AI's sourcing skills. Because of the rapid data feedback loop you receive from AI, you'll be able to quickly tweak social media and email campaigns, as well as content you use to interact with candidates.

GETTING STARTED WITH AI PASSIVE SOURCING

According to a Deloitte Human Capital Trends report, 38% of companies are already using AI in their sourcing strategy, and 62% expect to implement AI in some way by the end of 2019. In order to prepare for AI passive sourcing, keep the following in mind.

- Assess your current state. Are your operations streamlined today? Do you have existing issues with your methodology that need to be resolved before AI is added to your recruitment platform?
- Centralize your efforts so your AI tools tie together and create information in one place. Also, make sure all data streams, such as information from candidates and job boards, are collected in one place.
- Choose your vendors wisely to bring your AI ambitions to life. If the vendors you use are not able to articulate their business plans, financial stability and longer-term technology capabilities, walk away.

CONCLUSION

Recruiters need to monitor AI passive sourcing capabilities as one of many AI efficiency tools to execute in the recruiting process. While ongoing debates swirl about the effects bias from AI efforts can create, if implemented and monitored properly, AI can also yield huge returns for your passive-sourcing efforts.

KEY TAKEAWAYS

- Finding qualified candidates in a difficult labor market continues to be a challenge. Many candidates today are passive or not looking for work. Sourcing passive candidates manually can be time-consuming and inefficient for recruiters.
- AI passive sourcing has begun to show benefits. AI passive sourcing sorts massive data sets quickly to find potential candidates that align with a position's ideal candidate profile. Bundled with digital recruitment marketing and employer branding, prospective passive candidates can be further nurtured in a personalized way through AI.
- To start implementing AI passive sourcing efforts, make sure your organization begins with smaller tests to measure effectiveness.

AMAZON WEB SERVICES: HOW AWS HELPS FUTUREPROOF OUR TALENT TECHNOLOGY

By **CHRIS KAPCAR**
Leader of Technical Delivery

The technology development cycle is accelerating at a pace that is hard to catch. New services, new devices, new products – it can be overwhelming. When I was exploring joining PeopleScout as the Leader of Technical Delivery, I knew the organization was keeping pace because of the modern architecture and skilled technical teams that were already in place.

At PeopleScout, we effectively manage our development cycle to produce products like Affinix™, a talent technology platform built on the Amazon Web Services (AWS) cloud platform. We continue to reap the benefits from that foresight today. Our Affinix development team is located at our global headquarters in Chicago, and we have team members in Latin America, Costa Rica, Peru, Australia, Manila, India and Europe. Every day, around the world, our staff works together to release code for Affinix using AWS.

WHAT IS AMAZON WEB SERVICES?

AWS became the cloud infrastructure arm for Amazon in 2006, when it began offering pay-as-you-go, infrastructure-as-a-service to businesses – now known broadly as cloud computing. AWS started selling cloud "instances" others could reserve when companies needed additional capacity. While AWS started first with public cloud compute, the company now offers more than 90 different services to clients ranging from storage to Internet of Things (IOT) applications. PeopleScout uses Elastic Cloud Compute Service (EC2), Simple Storage Service (S3), Lambda and other AWS services to power Affinix.

HOW AWS MAKES AFFINIX BETTER

We chose AWS as the foundation for Affinix because it is the market leader in cloud infrastructure services. AWS invests more resources than its competitors, and is the leading innovator in this space.

When my team has to solve challenges, we have the independence and flexibility we need with AWS. Sometimes, with other providers, you are limited by what you can use due to license costs or contracts you can't get out of. With AWS, we don't have limitations in terms of other technologies or resources we want to use as part of the Affinix platform. We are free to use the right technology as we innovate and evolve Affinix.

Scale and Expansion

Most people have participated in an IT project that took way longer than expected. I think that is a shared experience. Why does that happen? Most delays trace back to scaling out infrastructure or hardware. In order to do this, you need permission to procure, select, configure, test and load balance infrastructure for each new project you launch. This is a huge undertaking, and can become an exhaustive process to complete.

AWS eliminates these steps, allowing us to scale our infrastructure through the cloud. If you don't already understand how "the cloud" works, think about it as a utility – let's say your water supply. Imagine one day your yard needs more water than usual; it has been extremely hot, so you run your

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water for a few hours instead of a few minutes. Even though your water supply is spiking more than average today, your sprinkler doesn't stop working. You also don't store water in your basement in giant, intimidating, wall-to-ceiling containers waiting to be used. Why would you?

The public cloud is similar. Traditionally, companies have owned on-premise data centers full of expensive equipment that's often underutilized. Alternatively, some companies rent part of a data center through third-party providers. This is more efficient than using your company's on-premise location, but you still need to buy more infrastructure to prepare for peak usage. With AWS, we can turn computing and storage needs up or down virtually – without having to buy infrastructure to manage each project. With Affinix, we use AWS's autoscale capabilities that allow us to set thresholds on capacity.

AWS is also a great partner for international expansion, offering regional and country-specific support for data residency, data sovereignty and certain region-specific compliance initiatives. Increased speed-to-completion is a factor here, too. Previously, it took months to bring a new international location online; now it takes a lot less time. For example, we just launched an Affinix instance in Europe. The rollout from start to finish took about a month. With traditional infrastructure and hardware, it would probably take three to six months.

Security & Compliance

Security is one of those topics that isn't that interesting until it is. For us, security is critical because our brand reputation and our clients' reputations are at stake if these issues are not handled correctly. The innovation AWS offers Affinix and our clients in this area – including data encryption, intrusion detection and firewalls, and much more – provides me with peace of mind.

AWS takes responsibility for the software services its clients use, as well as its hardware in various regions and zones through its Shared Responsibility Model. As a client of AWS, we manage operating systems, platforms and data.

After security, the next logical step to think about is compliance. I view compliance as a byproduct of security, or proof we are as secure as we say we are. AWS makes it very easy to be compliant. With giant regulatory projects such as the EU's GDPR and the upcoming California Consumer Protection Act in 2020, we have encountered no problems using AWS.

Speed

AWS can dramatically reduce the cycle time it takes to launch an idea on our Affinix roadmap. We release code regularly – now more than once a day – by releasing very small software updates. The smaller the release, the easier it is to observe and react to quickly. If we see any issues, we can pull that code back. We do this by using AWS's monitoring capabilities that track how every bit of code is performing. And, if one of these small releases isn't performing correctly, we immediately roll it back and fix it; it is that easy.

This type of release cycle is extremely efficient. We can now take a giant collection of features and incrementally – and predictably – release them with improved speed throughout many days. Previously, development teams would wait three months for these types of results, using older software development methodologies generally referred to as "waterfall"-type processes. PeopleScout is an Agile development shop, meaning broadly that we focus on small, regular improvements at a faster pace. AWS aligns well with our philosophy.

CONCLUSION

Growing with AWS has made Affinix better – for our end-users, candidates, clients and PeopleScout. We are a more modern, innovative, tech-focused organization because of the AWS platform. AWS has created benefits for our internal teams, as well. Five years ago, our team was spending 50% of its time performing repetitive tasks related to infrastructure support. Today, because AWS manages the scaling of our hardware, international expansion and streamlined information security, our team has time to focus where we should focus – on new product development and ongoing Affinix innovation.

KEY TAKEAWAYS

- PeopleScout is a modern, innovative company that had the foresight to build Affinix™ on Amazon Web Services (AWS) in the beginning.
- Partnering with AWS makes Affinix better by giving us the scale and expansion we need, the security and compliance we require, and the speed we want to meet our growth targets.
- The benefits of working with Affinix has allowed our development team to spend less time on infrastructure tasks and more time on new product development and ongoing Affinix innovation.

TALKING TALENT LEADERSHIP PROFILE

A Q&A with **MADELINE LAURANO**
Co-Founder, Aptitude Research

By **NICOLE FUQUA**
Trend Writer

Does your talent acquisition program spark joy? If not, Madeline Laurano is here to help. Laurano is the co-founder of Aptitude Research, a research firm focused on talent acquisition. Based on her proprietary research, Laurano sees a talent acquisition landscape that is crowded and complex. During her keynote presentation at PeopleScout's 2019 NEXT Talent Summit, she focused on simplifying the process.

Every year, Aptitude Research conducts three major surveys to gather qualitative and quantitative data about the talent acquisition landscape – from the biggest challenges facing recruiting teams to how leaders in the field are integrating innovative technology into their programs. We spoke with Laurano about the trends she uncovered in her surveys and how she applies the "Marie Kondo" method to talent acquisition and talent technology.

WHAT IS THE BIGGEST CHALLENGE IN TALENT ACQUISITION TODAY?

The biggest challenge across organizations of all sizes and industries is that talent acquisition has become so incredibly complex. We have new technology solutions; vendors entering the industry that provide everything from employer branding to innovative assessments; and organizations that need to expand the skills and breadth of knowledge on their talent acquisition teams. While this presents exciting opportunities, at the same time, it's creating a lot of challenges. We have to be able to manage all of these different priorities while making sense of the technology we're using and the strategies in place.

HOW DO YOU DETERMINE WHICH TALENT TECHNOLOGY SOLUTIONS ARE THE RIGHT FIT FOR YOUR ORGANIZATION?

It's going to be a little bit different for every company, but it's best to start at a very basic level. Every organization needs an ATS, an onboarding system and some type of recruitment marketing platform. That's what I call the trifecta. Every organization of every size should have that. Those three systems must be in place to make sure that you have a way of engaging, tracking and managing talent. That's the basic tech stack.

After that, it's important to look at what you need to support your goals – whether it's automation, enhancing communication, providing stronger branding, or sourcing and assessing candidates. Most organizations have screening and assessment solutions. We're seeing more and more companies using some type of interview management system. Then, there are a lot of sourcing and branding solutions.

I think we need to simplify the talent technology ecosystem as much as possible. That comes down to building the best trifecta – the basic tech stack – and strategically adding additional technology where it will have the greatest significance. There are companies that pull together all of these disparate solutions into one unified technology; PeopleScout's Affinix™ is a great example of that.

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WHEN YOU'RE LOOKING AT TECHNOLOGY PARTNERS, HOW DO YOU DETERMINE IF THEY ARE THE RIGHT FIT? WHAT KIND OF QUESTIONS SHOULD YOU ASK, AND WHAT SHOULD YOU LOOK FOR?

It's really looking beyond just a demo and beyond what's on somebody's website. I evaluate technology partners using four buckets: company, product, differentiators and roadmap.
First, I like to ask, "What are the company's values? What's the strength of their leadership team? How many employees do they have? How many employees are focused on research and development? What does their customer base look like? Who is their target customer?"

The next piece involves looking at the product, getting into technical questions, and thinking about things like mobile compatibility, the suite of services and the languages that are supported.

Then, it's about the differentiators. I like to ask technology providers to explain what their differentiators are, and then – after going through the process and understanding what they do – figuring out if I'm seeing the same differentiators. That can be very telling.

The final piece is asking about the roadmap. "What's planned for the future? Is this a provider truly invested in making enhancements and providing flexibility to organizations?"

HOW DO YOU SIMPLIFY YOUR TALENT ACQUISITION PROCESS? WHAT DOES SIMPLIFIED LOOK LIKE?

We've heard of Marie Kondo and her method for organizing and decluttering our homes. I think organizations need to take that approach to talent acquisition. This is especially relevant when it comes to talent acquisition technology.

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Companies are using so many different providers to accomplish certain goals – our research shows it's an average of 30. When you have so many solutions, you don't have consistent data sets to look at, so it's hard to know what's working and what isn't.

Leaders need to be able to figure out what talent technology their organization needs, how it's going to be used, and how they can narrow down the list of providers to only those that are most effective. As an example, when it comes to recruitment marketing, a lot of companies are using several different vendors within their organization; only 2% of companies are using all of the capabilities provided by each tool. Leaders need to look at what's not working and think about a provider that can support the organization with a more holistic strategy.

WHAT ADVICE CAN YOU SHARE WITH TALENT ACQUISITION LEADERS WHO ARE LOOKING AHEAD TO 2020?

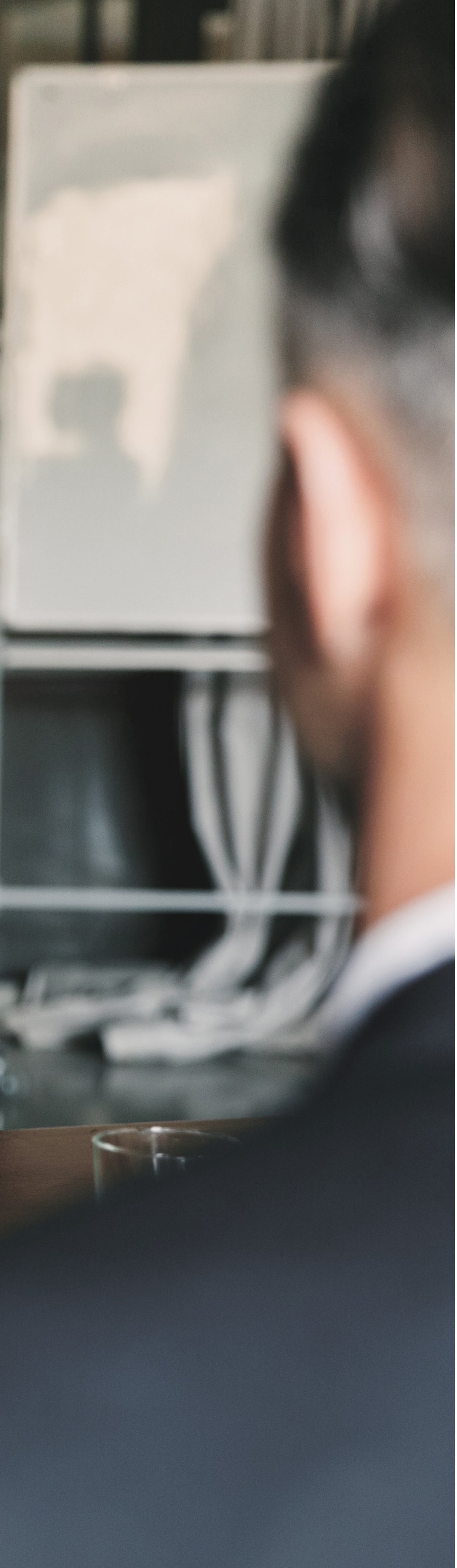
When it comes to making your talent acquisition program more manageable and simplifying your technology stack, think about which providers are truly partners and able to support you in many different ways. That's really important.

Then, think about what skills you need to make your talent acquisition function successful, whether it's digital expertise, data scientists or more employer branding services. Focus on how you can either bring those onto your team or find an outside provider to partner with you.

The final piece is thinking about embracing some of the areas that haven't traditionally been part of a talent acquisition function – taking ownership and being a champion for them. Employer branding is one example. We've seen a lot of talent acquisition leaders and professionals embrace branding and become experts in that area. Data analytics is another. By advocating for solutions in these specialized areas, talent acquisition leaders move their program ahead of the competition.

Finally, have fun! There's so much in talent acquisition that can feel tactically overwhelming, but advocating for new solutions is empowering. So much is changing, but with that change, we're seeing exciting opportunities for improved data, robust employer branding and more. This is an amazing industry to be in, and we can't forget that.

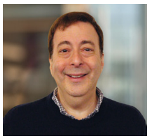
Listen to the companion podcast at peoplescout.com.



EMPLOYMENT & ECONOMIC TRENDS

IN THIS SECTION:

GLOBAL ECONOMIC SNAPSHOT: AUGUST 2019



By **DAVID BAROL**
Research Director

LABOR MARKETS SHRUG-OFF ANXIETY

The first seven months of 2019 have provided economists with an important lesson: labor markets can continue to expand and strengthen even during times of profound economic uncertainty. The unresolved trade issues that are at the root of this uncertainty include:

- The unclear future of the U.S.-Mexico-Canada trade agreement, which was negotiated to replace NAFTA. This treaty remains unratified in the legislatures of all three nations.
- The imposition of tariffs between the U.S. and China, the world's two largest economies. The escalation in tariffs has been routinely described as a "trade war," with significant increases scheduled for September.
- No Brexit agreement has been struck, but there is a deadline looming on October 31.

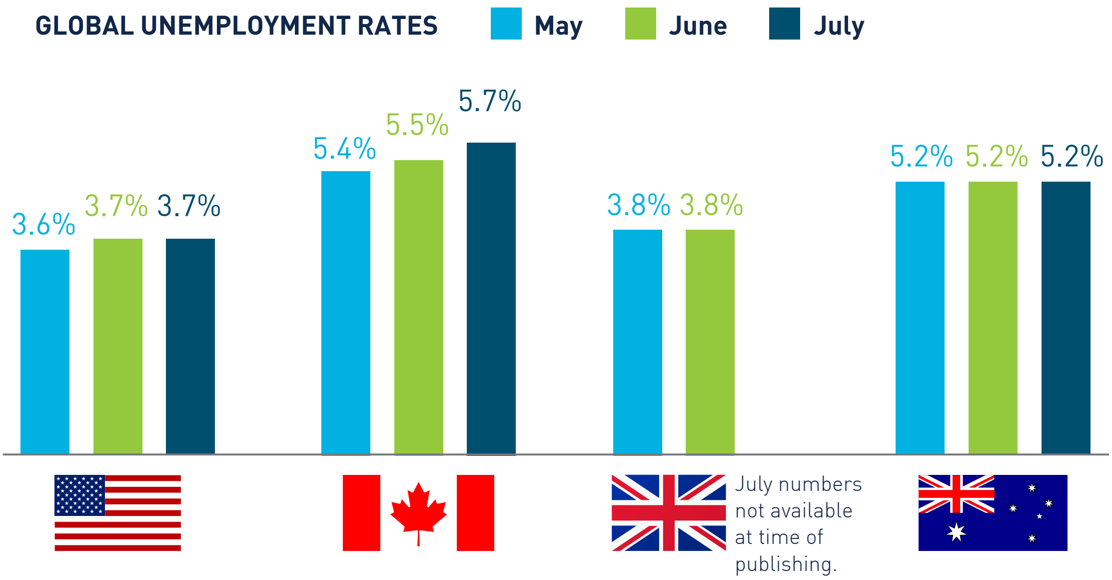
Yet, despite the threat of future instability, most leading economies continued to have low unemployment, strong job creation (although often at a reduced rate of growth compared to 2018), and high levels of job vacancies. As economic expansion continued well into the third quarter, employers were challenged by the scarcity of available talent and the ensuing need to raise wages to recruit and retain their workforce.

LOW UNEMPLOYMENT & SLOWER JOB GROWTH

The U.S. economy added 164,000 jobs in July and posted an unemployment rate of 3.7%. July capped 106 months of continuous job growth – the longest stretch in the nation's history. The unemployment rate dropped from 4% in January to just 3.6% in April and May. The slight increase to 3.7% in June and July was caused by more Americans joining the labor force, a sign of growing confidence in the labor market. There are currently more than 7 million job openings posted, greatly outnumbering the unemployed.

Job growth averaged 165,000 new jobs per month in the first seven months of 2019, decreasing from the rate of 227,000 during the same period last year. The slowing rate is explained by some analysts as a sign that the economy may be running out of workers. However, a more verifiable cause is that trade uncertainties have stalled growth in goods-producing sectors, such as manufacturing, and this is causing a drag in the overall growth rate. The decreased rate of job creation has not raised significant concern because it is still comfortably higher than the approximately 100,000 new jobs required each month to meet the growth of the working-age population.

Canada's employment numbers in the first half of the year were mixed. After starting the year with two months of strong job growth, Canada posted a net job loss in March. In hindsight, this decrease appeared to be an anomaly when 107,000 jobs were added in April.



However, the increase in jobs slowed significantly in May with only 27,700 new positions. In June, the Canadian economy posted a loss of 2,200 jobs, followed by a decrease of 24,200 payrolls in July, raising the unemployment rate to 5.7%.

In Europe, many economies posted strong job gains and continued low unemployment. The UK's August Labour Market Report showed 425,000 more people working than one year earlier, with employment rates at or near record-highs throughout 2019. Brexit continued to consume much of the public's attention after the March 31 deadline was missed. The rejection of Prime Minister Theresa May's negotiated Brexit agreement led to her resignation. She was replaced by Boris Johnson, who campaigned heavily for Brexit during the national referendum. With the October 31 deadline growing closer every day, fears have increased that the UK will leave the European Union with a No Deal Brexit, causing the pound to stumble and generating calls for renegotiation with the EU.

Even with no clear way to forecast near-term economic conditions, the UK unemployment rate was at 3.9% during the April through June quarter. For other major European economies, the unemployment situation was mixed. The Eurozone's unemployment rate was 7.5% in June, falling 0.3% from the end of the first quarter. France posted an unemployment rate of 8.7% in June, a decrease from the first quarter, while Germany's rate fell to the very low 3.1%.

In the Asia-Pacific region, unemployment rates in leading economies mostly remained at extremely low levels. During the second quarter, China reported an unemployment rate of 2.6%; in June, Japan was at 2.3%, Hong Kong at 2.8% and South Korea fell to 4%. In contrast to the steadily decreasing unemployment rates of other leading economies, India's unemployment rate rose to 7.9% in June.

Other APAC economies posted mixed employment numbers. Australian unemployment fell to 4.9% in February, the lowest in eight years. However, it has been higher ever since, ending the first half of 2019 in June at 5.2%, which held steady in July. New Zealand reported that its unemployment rate had fallen to 3.9% in the second quarter of this year, down from 4.3% at the end of 2018.

WAGES RISE WITH DEMAND FOR TALENT

When wages rise faster than the rate of inflation, households are able to increase their spending power, which, in turn, can benefit the economy as a whole. Wage increases have outpaced inflation in much of the developed world so far this year. When the supply of talent remains as low as it has in many of the world's largest economies, employers raise wages with the hope of recruiting new workers and keeping those they already have.

The U.S. annual wage increases stood at 3.2% in July, well above the 1.8% annual inflation rate. In the UK, nominal regular wages rose to 3.9% in June. This robust wage increase can be explained at least in part by an extended period of low unemployment. When unemployment in the UK stood at 4% in August of 2018, the annual wage increase rate was just 3.1%. But, after 10 months of sustained low unemployment and a decrease of just 0.2%, the rate of annual wage increases rose by 0.7%.

In two other major English-speaking economies, wage growth was both more modest and uneven. Canada posted anemic growth rates in much of the first half of 2019, reporting annual weekly wage gains of just 2.1% in May before jumping dramatically to 3.6% in June and rising again in July to 4.6%.

In Australia, annual wage growth remained at just 2.3% for the 10 months leading up to June 2019. After instituting a new law on July 1, Australia has the highest minimum wage law in the world. Australian wages are considered to be high in relation to comparable economies and some posit that the already-high wages blunt the demand for pay increases. Another reason offered for its comparably low rate of growth is Australia's relatively high unemployment rate. Wages have

grown much faster this year in the U.S. and UK, where unemployment rates are below 4%, while Australia's wage growth has stalled with unemployment rates above 5% for much of the year.

CALL THE MATCHMAKER? THE EVOLVING STATE OF TALENT SUPPLY & DEMAND

Indeed's Hiring Lab studied labor markets in four key economies – the U.S., the UK, Australia and Canada – for the past five years. Indeed leveraged its extensive job posting and résumé data to research how the distribution of job listings has evolved in these four markets and how successful job-seekers were in keeping up with changing demands for talent.

Key findings included:

- With improving labor markets, smaller overall talent pools are the challenge for employers, not poor matches between job-seekers and available positions.
- Overall, new job opportunities are changing at a similar pace across countries.
- Tighter labor markets are associated with lower mismatch between job-seekers and the types of positions employers are trying to fill.

Why does the mismatch rate between job candidates and job postings decrease when labor markets improve? Indeed offers the example of a construction worker applying for jobs during a recession when construction jobs are scarce. With few construction jobs available, this unemployed worker would need to look to other sectors – such as retail – to find work. Once the labor market strengthens, more construction job opportunities open up, increasing the chances of matching a job for which they are qualified. When the job market improves overall, so does the level of candidates matching the jobs being offered.

However, a greater rate of matching between job-seekers and job postings driven by an improved labor market is not necessarily a panacea for employers:

"In a tight labor market, employers see relatively few candidates compared with the number of jobs available," the report stated. "All that declining mismatch indicates is that the candidates employers are seeing are better suited for posted jobs than applicants were a few years ago. Overall, it's hard to find workers when unemployment is so low. And, that's particularly true for roles that are chronically tough to fill, such as some nursing or tech positions. But, when hiring is so competitive, the challenge of finding workers isn't confined to those tough-to-fill roles."

And, while mismatch rates have improved, they are still significantly high in all four countries. Australia has the highest rate at approximately 50%, while the mismatch rate is roughly a third in the U.S., 40% in the UK and just below 30% in Canada.

The research illustrates that, even in the best-case scenario, one in four active job-seekers are mismatching with the jobs being posted. With demand at or near historic highs, this can lead some employers to bring on those without the right skills and experience to succeed, potentially leading to increased training costs and higher turnover.

KEY TAKEAWAYS

- The demand for talent continues to grow, defying concerns about economic uncertainty. And, while the rate of job growth is slowing, the pool of available talent in many leading economies is diminishing.
- Rising wages present a challenge for employers who need to balance the right level of wage increases with a minimal effect on profit margins. This can be done most effectively with an understanding of prevailing wages and the market conditions that drive wage levels.
- Much of the available talent does not have the skills or experience to succeed in a significant percentage of the jobs currently being offered. The risk of onboarding the wrong people due to hiring pressures can be mitigated by leveraging the expertise of an outside organization with proven track records of successful employee recruitment and retention.

INCREASING RETENTION: THROUGH THE FIRST 90 DAYS & BEYOND

By **DANA LOOK-ARIMOTO**
Founder, Phoenix5 & Author

If you're only focused on recruitment but not retention, you're throwing away money.

According to Forbes, the cost of replacing an employee can range anywhere from 50% of the salary of an entry-level employee to more than 200% of the salary of a senior executive. Increasing retention – even by just a couple of percentage points – can save millions of dollars each year.

I think "engagement" and "retention" are just different words for the same thing. If you want to retain people, you need to engage them, and you should start as early as possible. Recent surveys have found that about 30% of job-seekers have left a job within the first 90 days of hiring. Despite this, most onboarding programs are too short. According to SHRM, nearly 40% of onboarding programs last one week or less.

This is important across the talent spectrum. In extreme-burnout, high-volume roles, culture counts. Rather than just dealing with unwanted turnover, you need to onboard employees to your culture early. You need them to be invested with you so they have a reason to stay.

On the other end of the spectrum, I consistently see specialized, rock-star candidates deflate when they become new employees. During the recruitment process, they are engaged and excited for a new role. But, when there is no onboarding process, they are left on their own – unengaged and more likely to respond to the next recruiter that pops into their inbox.

In this article, I'll walk you through how to set up an onboarding program that builds engagement from day one. Then, I'll share strategies on how you can continue to measure that engagement and build it further.

THE 90-DAY ONBOARDING PROGRAM

A well-developed onboarding program for the first 90 days makes all the difference in the world when it comes to engagement and retention. When new employees start on day one, they have a lot of expectations, and they're excited. However, many employers forget how critical the first impression is to a new hire.

For many organizations, the onboarding program starts and ends an employee's first day with HR basics. Employees fill out paperwork, get a badge, find their desks, complete a training and often receive some sort of handbook. That's it. Employees are left without any idea of what their first 90 days will look like. In some cases, employees go home from that first day not even knowing what's in store for day two. These programs are set up by default. They're easy, and they've often been in place for a long time.

I recommend a 90-day program that is designed to give the employee control over their onboarding experience. When a person owns their career experience and expectations are clear from the beginning, they are more likely to stay. They will be set up for success in those first 90 days and beyond.

The Background
I like to think of a new employee's first 90 days in three phases.

30 DAYS

SHADOWING

Phase one is often the first 30 days a new employee is at an organization. They are integrating themselves into your organization and absorbing your company culture, structure and processes. They're learning what their own role entails and what's expected of them.

60 DAYS

REFLECTING BACK

Phase two takes place during days 30 through 60. The new employee is taking the information they learned in the first 30 days to start developing and sharing their own ideas. However, they are doing this cautiously, looking for feedback and checking to see how their role fits in the organization.

90 DAYS

STARTING TO SOAR

In phase three, or days 60 through 90, the employee is taking more freedom and action on their own, but still checking in with some regularity. As they transition out of this phase, they have a base where they know who to go to and how the organization operates, but they are taking control over their own career.

Building the Program
As employers build an onboarding program, I encourage them to think of it as a 360, where they introduce the employee to everything they will touch and be touched by at an organization. To do this, employers need to ask two questions:

What tools, technology and equipment does the new hire need to do their job?

Most organizations have some sort of onboarding program to get a new employee acquainted with the tools they need, but they fall short on the second question:

What processes and people does the new hire need to know to do their job?

We can break this question down into more pieces. Who is the new employee going to interact with? Who are they going to learn from? Will they have a mentor? Who will they go to for what kinds of information or resources? What is the operating philosophy at this organization and in different departments? What are the fastest and most efficient ways to navigate this organization?

Your onboarding program should provide a new hire with the answers to both of these questions and empower them to take control of their role.

A Program That Empowers

In many organizations, it's unusual for companies to give a new hire control of their onboarding process, but I recommend creating an onboarding plan and handing it over. With that plan and the right guidance, employees will be engaged in their own career success from day one.

However, that doesn't mean they are on their own. There's a lot of hand-to-hand or shoulder-to-shoulder work that has to take place. If you have people working virtually, video is important. You can gauge someone's total emotional responses. You can see if they're learning and absorbing. Make sure you can see each other more than once or twice in the first 90 days. It makes new virtual employees feel like part of the team.

As a best practice, I encourage one-on-one, short meetings with key team members. These can be as short as 15 minutes. Managers should provide a new hire with a guide to what their first 90 days will look like – who they are going to meet with, where they are going to get the things they are going to need, and access to people's calendars. In these meetings, the new hire can learn team members' responsibilities, processes and philosophies, and can also share information about themselves. These conversations help facilitate better working relationships.

Instead of relying on traditional trainings for critical material, I encourage different interactive teaching styles so the new hire can absorb and apply the knowledge. This could be training on technology, best practices for outward-facing roles, or company culture – things that are tempting to stick in a guidebook or slide deck. However, because people often don't retain information well from passive, instructor-led training, challenge the status quo and explore better ways to deliver training.

Transitioning Out

The transition out of the formal onboarding period should also be included in the onboarding plan you provide new employees. When you empower them to take control of the process, it should be simple. In the last 30 days, the new employee should already be starting to soar in their role, and check-ins will be less frequent. However, for some strategic roles, the process may take longer than 90 days.

What About New Promotions?

I also recommend using this same approach with people who are promoted from within. While most employers typically have at least a very basic onboarding program, newly promoted employees are rarely given any onboarding support. You can use the same strategies, but I recommend – at the very minimum – an abbreviated version.

HOW TO MEASURE ENGAGEMENT & WHAT TO DO WITH THE NUMBERS

We know what engagement feels like. When you walk into a workplace with an engaged workforce, you can feel the positive energy. When you walk into a workplace with a disengaged workforce, you want to turn around and walk back out the door.

Your battle for engagement may start with the onboarding process, but it doesn't end there. Once, I took over a company for a founder and morale was really low. We measured it, and it was a three out of 10. Within six months, we scored it again and we were at a seven out of 10. When engagement is low, you need to measure and then act.

Measuring Engagement Effectively

There are so many engagement tools out there, but I say: just keep it simple. Measure engagement consistently, do it on a frequency that makes sense for your organization, share the results, and share what you're willing to do about the results.

Most companies have some form of employee survey, and tons will do these surveys once a year like clockwork, but they don't do anything with the results. If you're going to survey people and do nothing with it, don't survey at all. You actually do more harm to yourself and to your employees because you're demonstrating that their wants, needs and engagement don't matter.

First, ask for the right information. There are three areas I always recommend:

1. Do you know what is expected of you at work?
2. Do you have the tools that you need to do your work?
3. Do you have the opportunity to do what you do best at work?

From there, you can ask more specific questions related to your organization or changes you are considering making, but only ask about areas where you are willing to make changes. You can ask more simple questions to make early wins. For instance, you could ask about upward mobility, career pathing or development – if you're prepared to put something in place to address it.

Then, publish your results. You don't have to share every detail, but you do have to publish the themes, and you do have to be authentic. If the results aren't great, people already know that. However, it gives you an opportunity to demonstrate that you hear your employees and are willing to make changes to address their concerns.

Building a Pulse Team
I also like to create what is called a pulse team – the culture team for your company. The team should be a cross-functional group of key stakeholders – not executives. The group can pulse what's going on, how people are feeling, if they are supported, if they are happy and if they are productive.

The pulse team reports up and out to the executive team on a frequent basis – many do it quarterly, but some companies even have it monthly. This gives everybody a pulse on what's happening on the ground, especially if an organization is virtual or global. Then, leaders have a chance to understand when something isn't going well and address it.

ORGANIZATIONAL INFLUENCES

When you take time to follow these steps – building an onboarding program, measuring for engagement and responding, your people are more likely to become invested in your organization. They can see their career path. They can see that your organization cares. There's depth and predictability. All of that increases engagement, which increases retention.

Recall what I said at the start of this article: engagement and retention are just different words for the same thing. To increase both, you need to start with the first 90 days, and you can't stop.

THE EXPERT: DANA LOOK-ARIMOTO

Dana Look-Arimoto is a mentor, speaker and change agent. Dana has more than 20 years experience in the talent ecosystem. She's created Phoenix5 to evangelize a new mindset: Stop Settling™. She coaches executives and leaders of all kinds to become their all in every part of their life: work, home, community and giving back. Dana also recently released the book, "Stop Settling, Settle Smart: Rethinking Work-life Balance, Redesign Your Busy Life."

ARE YOU GETTING IT RIGHT? HOW TO MANAGE YOUR INDEPENDENT CONTRACTOR WORKFORCE

By **ERIC DYSON**
Trend Writer

Increasingly, organizations are harnessing the talents of contractors to augment their current workforce, respond to rising talent demands, staff large strategic projects, add new skills and expertise to their teams, and accelerate growth.

The rising trend of contract labor is a global phenomenon. According to an Oxford Economics survey, 61% of executives reported an increase in the usage of contract labor to meet business objectives. What's more, according to CareerBuilder's Annual Jobs Forecast, 47% of employers are looking to hire part-time or contract workers.

It's not just organizations getting in on the contractor market; more and more professionals are opting to work as "free agents." In fact, according to a Bureau of Labor Statistics report, 79% of independent contractors in the U.S. preferred their arrangement over traditional employment.

While there are many types of freelance, SOW, consultant, temporary and contingent workers in a multitude of settings, in this article, we focus on the proper classification and management of independent contractors.

CO-EMPLOYMENT RISKS & CONSIDERATIONS ASSOCIATED WITH THE USE OF INDEPENDENT CONTRACTORS

Leveraging the skills of independent contractors may provide many significant benefits, such as decreases in taxes, fewer employee liabilities and increased workforce agility. However, improper management and classification of independent contractors can result in co-employment and compliance issues.

What is Co-Employment?
In the U.S., when an independent contractor has two employers whom both have potential legal responsibilities to them, that relationship is known as co-employment. Co-employment situations are common when independent contractors are hired through a staffing vendor because both the vendor and its client can claim an employer-employee relationship with the contractor.

In most cases, the staffing vendor is called the primary employer or employer of record. Co-employment risks occur when the client, or "secondary" employer, oversteps the bounds of the contractor-secondary employer relationship. Simply put, when the client exercises more control over the contractor than the laws and regulations permit.

Organizations that overstep their boundaries run the risk of taking on the role of the employer of record as determined by the IRS's 20 Factor test. If an organization is deemed to be the employer of record, they then become responsible for all the tasks their staffing vendor has been performing.

For example, lawsuits connected to co-employment can result in an organization having to repay lost wages, overtime or benefits. In these cases, organizations may also be responsible for any associated court fees, which, because many of these cases are protracted over many years, can accrue over time.

A famous example of co-employment litigation is the Vizcaino v. Microsoft Corp case. The court found that Microsoft failed to properly identify the roles of temporary workers, resulting in nearly $100 million in penalties.

Mitigating Co-Employment Risk
One way to avoid potential co-employment risk is to have a single point of contact for staffing vendor management. A Managed Service Provider (MSP) can act as this single point of contact. MSPs can mitigate co-employment risks by ensuring compliance and proper classification of 1099 workers. MSPs also mitigate risk related to workers themselves by conducting drug testing, background screenings and skills assessments, and determining worker eligibility.

Comprehensive MSP programs include pre-screening and onboarding best practices; these are designed to drive compliance and mitigate co-employment risk. They include drug testing, worker eligibility, skills assessments, wage rate, bill rate and performance ratings. Enterprise-wide independent contractor (1099) risk assessments enable MSP clients to understand their exposure and provide strategies for independent contractor replacement or migration to W-2 status when necessary.

ENGAGING YOUR CONTRACT WORKFORCE

Behavioral scientist Dr. Ashley Whillans from the Harvard Business School, who researches what makes people happy in the workplace, summarized the power of engagement succinctly:

"Cash matters in people's lives, but it's not all that matters," she said. "What really matters in the workplace is helping employees feel appreciated."

To get the best from your contract workforce, your organization needs to treat contract workers with the same respect and appreciation you give to your full-time employees. Just like any worker, contractors value the opportunity to advance in their careers and take on challenging projects. Providing contract workers with opportunities to learn and grow as professionals can keep them satisfied and happy to work for your organization, and will encourage them to extend engagements rather than seeking new opportunities.

Improve the Contract Candidate Experience
While seeking new engagements, a contractor may review multiple opportunities a day. To stand apart from the crowd, clearly articulate what makes your contract opportunity worth their time. This will make it easier for them to quickly assess whether the opportunity is a good fit and, if so, motivate them to toss their hat in the ring. For example, job postings for contract positions should be more precise and to the point. Try not to include a long list of rigid experience qualifications and responsibilities.

Contractor hiring experiences can be very different from full-time employees. Therefore, don't use the same process to recruit and onboard them. Instead, develop and employ a consistent onboarding process designed for independent contract workers.

INTEGRATING CONTRACT WORKERS INTO YOUR TEAM

For your contract workforce to be effective, your leadership should go above and beyond to ensure that members feel welcome and are properly integrated into the larger organizational culture. A worker's hiring status should not preclude them from feeling like they are a part of the team. In other words, make sure all your contract workers know that they are valued contributors.

What's more, treating contract employees like "second-class citizens" can result in bad morale – not just with your contractors, but also with your permanent workforce who work beside them. Organizations can find a myriad of ways to welcome them into the corporate culture while avoiding co-employment risk. For example:

- Involve contractors in all relevant meetings.
- Include them on team email lists.
- Solicit their opinions and ideas for process improvement.
- Remember contract employees when you celebrate project milestones.

Contract workers have more than likely been a part of many projects and organizations across industries. So, by properly integrating them into your team, you are also integrating the collected wisdom and perspectives of multiple organizations and industries.

Communication

Establishing good communication is the key to maintaining strong relationships between contractors and employers. The first step in establishing good communication is letting your contracted team members know that you are always available to answer questions and address concerns.

Hold regular meetings with members of your contract staff to stay updated about the progress and obstacles they might be facing on projects. You can also assign each contractor a point person they

can go to when questions arise, or they are unclear about their assignments.

Video calls, chat messages and emails are all great ways to keep in touch – especially if the worker is remote – but don't rely too heavily on technology to communicate; just like with your full-time employees, contract workers who work on-site like to have personal and face-to-face communications with their employer.

Onboarding Contract Employees
Walking into an unfamiliar office, parsing out the do's and don'ts of a new workplace, and locating the restrooms and water coolers can be daunting on the first day of a new job. So, imagine a contractor who may have to go through this process multiple times a year as they move from assignment to assignment. This is where providing a seamless onboarding process to contract hires can help reduce the stress related to starting a new assignment, and establish trust and comfort from day one.

During the contractor onboarding process, make sure you have everything prepared on a worker's first day. Security badges, equipment, office supplies and access to the information required to navigate projects should all be ready to go once they enter the door.

While the onboarding process for contractors will and should look different from an administrative perspective, it should be an equally positive experience. Every employee, once onboarded, should feel as much a part of the team as anyone. Doing so will promote trust in the workplace, and will ultimately lead to more creativity and production across the board.

Fostering Relationships
Workers – regardless of employment status – are more effective and productive when they have strong relationships with their colleagues. According to research conducted by Gallup, employees who report having a best friend at work constantly perform better than employees without similar connections.

When workers respect and view their colleagues as friends, they are more likely to value each other's input and ideas, and may feel more comfortable sharing their own. This mutual respect and comradery leads to better teamwork and the development of solutions based on the collective insight, wisdom and creativity of the whole team.

Early on in an assignment, introduce your contractors to each other and their full-time counterparts. During the initial meeting, encourage everyone to share their background, experience, personal achievements and interests. This can help build rapport and engender greater trust and cooperation.

Tracking & Supervising Projects Assigned to a Contract Employee
Managers who oversee contract employees do so without a formal supervisor-employee hierarchical relationship. They can specify what projects need to be done and when they need to be completed. However, they cannot dictate the specific hours that contractors work or exactly how they are to perform the work. So, to effectively manage projects assigned to a contract employee, managers need to employ a more hands-off supervisory approach.

Define Your Goals, Expectations & Timelines
Before assigning a project or task, you should discuss the goals of the project, the contractor's role in it and what you expect from them. You can avoid future confusion about when they should complete tasks by sketching out a clear timeline of when the project starts, when they should report on the progress, and when they have to turn in the final product.

Check In Regularly
A good way of checking up on project status is to schedule intermittent check-ins with your contract employees to gauge progress toward goals and objectives. While checking in, do not explicitly direct your contract employee's actions, as this may run the risk of employee misclassification and run afoul of co-employment regulations. Think of it as managing for results rather than specific activities.

Evaluate & Review
Just like your permanent employees, contract workers need constructive feedback to improve on their skills. When a contractor submits a task, evaluate it right away and provide speedy feedback. This will not only help them review their work, but also allow you to check on whether the project that you assigned the worker is on the right track or if it needs a course correction.

CONCLUSION

As more professionals choose to make their living working as contract employees, the contractor workforce is becoming a bigger part of the labor mix. Developing a best-practice management strategy is essential to attracting and retaining them, and it's required for optimizing organizational growth.

Forward-thinking organizations are providing contracted workers with a greater say in the work they do; they're connecting them with teammates and they're recognizing them for their contributions. In other words, they're positioning themselves to become employers of choice for contractors.

KEY TAKEAWAYS

- Having a single point of contact for all staffing vendors can help mitigate co-employment risks.
- Treat contract workers with the same respect and appreciation you give your full-time employees.
- Clearly define goals, expectations, and timelines with contract workers to ensure projects are completed on time and to your satisfaction.

OUR CONTRIBUTORS

MEET OUR CONTRIBUTORS

Shannon Bennett
Digital Marketing Manager
Shannon is a digital marketer with more than 10 years of experience in the execution of marketing and sales initiatives, market research and creative digital branding (including print and digital graphic design and video editing). Shannon has a successful track record of developing and launching local and national marketing, social media and email campaigns, managing the creation and production of marketing collateral, including: content creation for internal and external websites, social media sites, press releases, surveys and more.

Chris Kapcar
Leader of Technical Delivery
Chris brings more than 22 years of experience building world-class software solutions for businesses and consumers. As Leader of Technical Delivery at PeopleScout, Chris is focused on scaling its products, teams and processes. He has a successful track record of leading effective teams in high-growth organizations in a variety of industries. Prior to joining PeopleScout, Chris was the CTO at EZLinks Golf, and held various leadership positions at Redbox, Outerwall and BearingPoint/KPMG Consulting, among others. He holds a bachelor's degree from Bowling Green State University.

Madeline Laurano
Co-Founder, Aptitude Research
Madeline Laurano's primary focus during the last 12+ years has been on the talent management market, specializing in talent acquisition. Her insights are based on her work as an analyst and advisor in the human capital space and her latest research with HR and talent acquisition practitioners. Madeline's work helps companies both validate and reevaluate their strategies, and understand the role technology can play in driving business outcomes. Before Aptitude Research, she held research roles at Aberdeen, Bersin by Deloitte, ERE Media and Brandon Hall Group. She is co-author of "Best Practices in Leading a Global Workforce" and has been quoted in *The Wall Street Journal*, *The Boston Globe*, Yahoo News and *The Financial Times*. She is a frequent presenter at industry conferences, including the HR Technology Conference and Exposition, SHRM, IHRIM, HCI's Strategic Talent Acquisition conference, GDS International's HCM Summit and HRO Today. Visit her website at **https://www.aptituderesearch.com**.

Dana Look-Arimoto
Founder, Phoenix5 & Author

Intellectually curious, passionate and grounded in intuition, Dana has always felt that it was in her DNA to understand and decode challenges around her. It is a core value that has served her well throughout her life. Her decades of networking, managing, mentoring, and developing thousands of individuals and leadership teams, as well as founding her own coaching company, Phoenix5, have given her a wealth of experience when it comes to helping people master their faceted selves.

It was these years of accumulated evidence that birthed the Stop Settling method, mindset and movement. Stop Settling® offers a sustainable alternative to the work-life balance myth through a simple composite stratagem/domain-charting that frees companies and professionals from giving in and giving up on sustainable success. Growing from the method, mindset and movement of Stop Settling®, Dana released her first book, "Stop Settling, Settle Smart: Rethinking Your Work-Life Balance, Redesign Your Busy Life," in February 2019.

Eric de los Santos
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Eric de los Santos, Associate General Counsel and Senior Director of Employment Law, is Chair of TrueBlue's Diversity Council and was also President of the National Filipino American Lawyer's Association (NFALA). He has been nationally recognized for his commitment to diversity, not only for legal professionals, but also for TrueBlue. Eric has over 15 years of experience providing strategic advice and leading teams that respond to all labor and employment-related claims and issues. He has also successfully executed numerous compliance initiatives, resulting in a significant reduction in employment claims and risks.

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