



2018

MCQUAIG

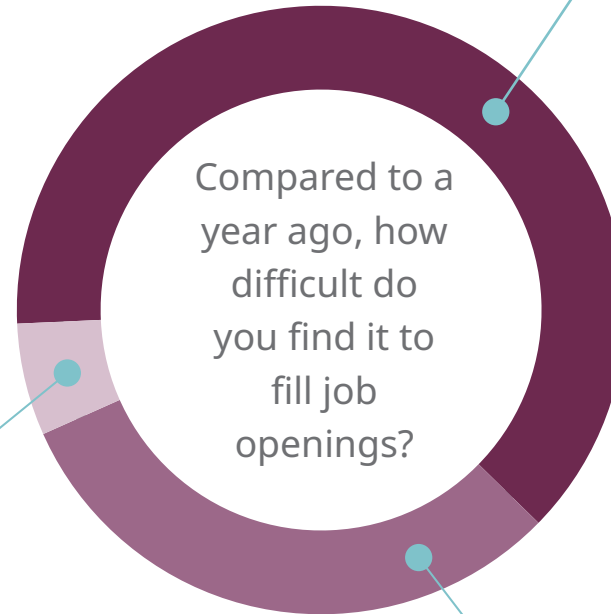
GLOBAL TALENT

REPORT

The McQuaig Institute surveyed approximately 500 business and talent management professionals from around the world to explore how leading companies are improving their talent acquisition and talent management functions.

6% High Performers

High performing companies are defined as those that find it less difficult to fill job openings compared to a year ago.



63% Moderate Performers

Those that have experienced no change in difficulty in filling positions compared to a year ago.

31% Low Performers

The low performers in this report are the ones that find it more difficult to fill positions than a year ago.

Data in this report is from a survey conducted in March 2018. The responses came from human resource professionals, consultants and business owners. Respondents were located across North America, Europe and Australia.



TURNOVER



The entire organization

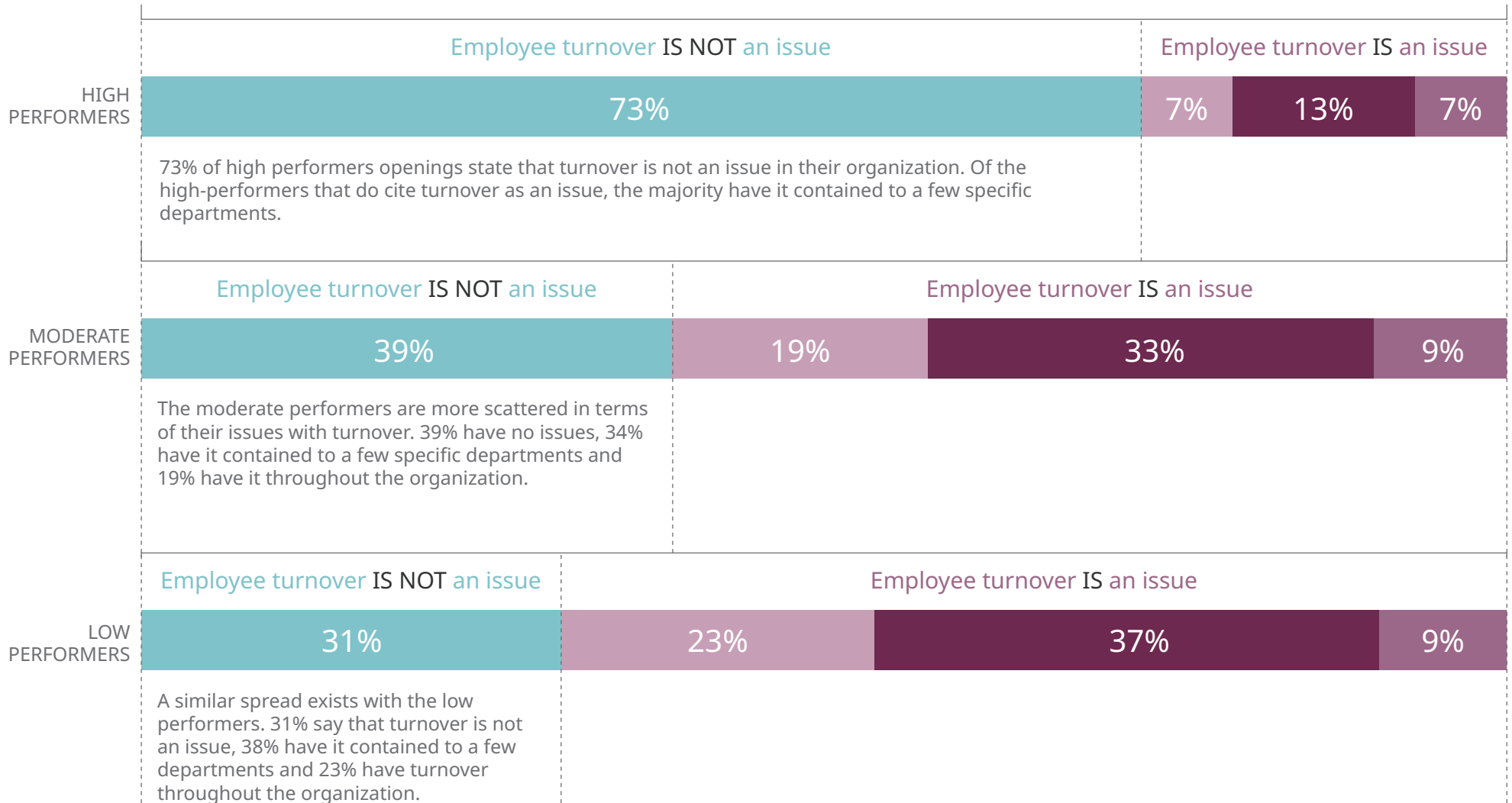


A few specific departments



Only one department

Turnover rate is a highly regarded metric in evaluating an organization's talent acquisition and talent management practices. The first step in evaluating turnover is to determine whether it is throughout the organization or in specific areas.

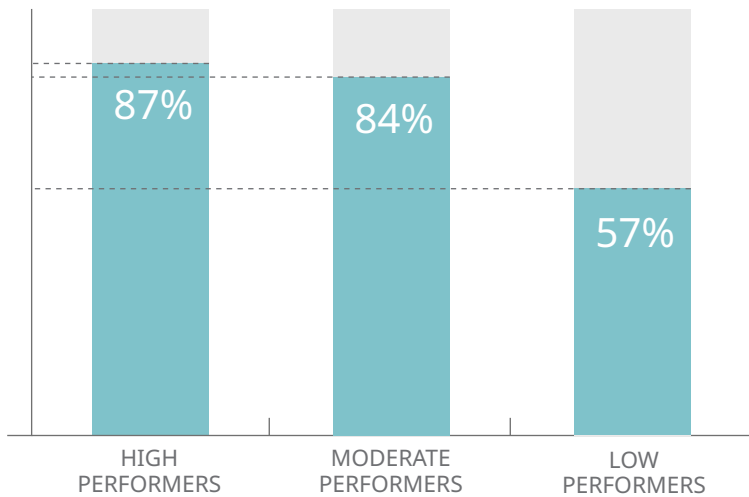




CANDIDATE EXPERIENCE

Candidate experience is an increasingly popular topic in today's so called "war for talent". There are many different components of a positive candidate experience, therefore we asked our respondents about a number of suggested practices.

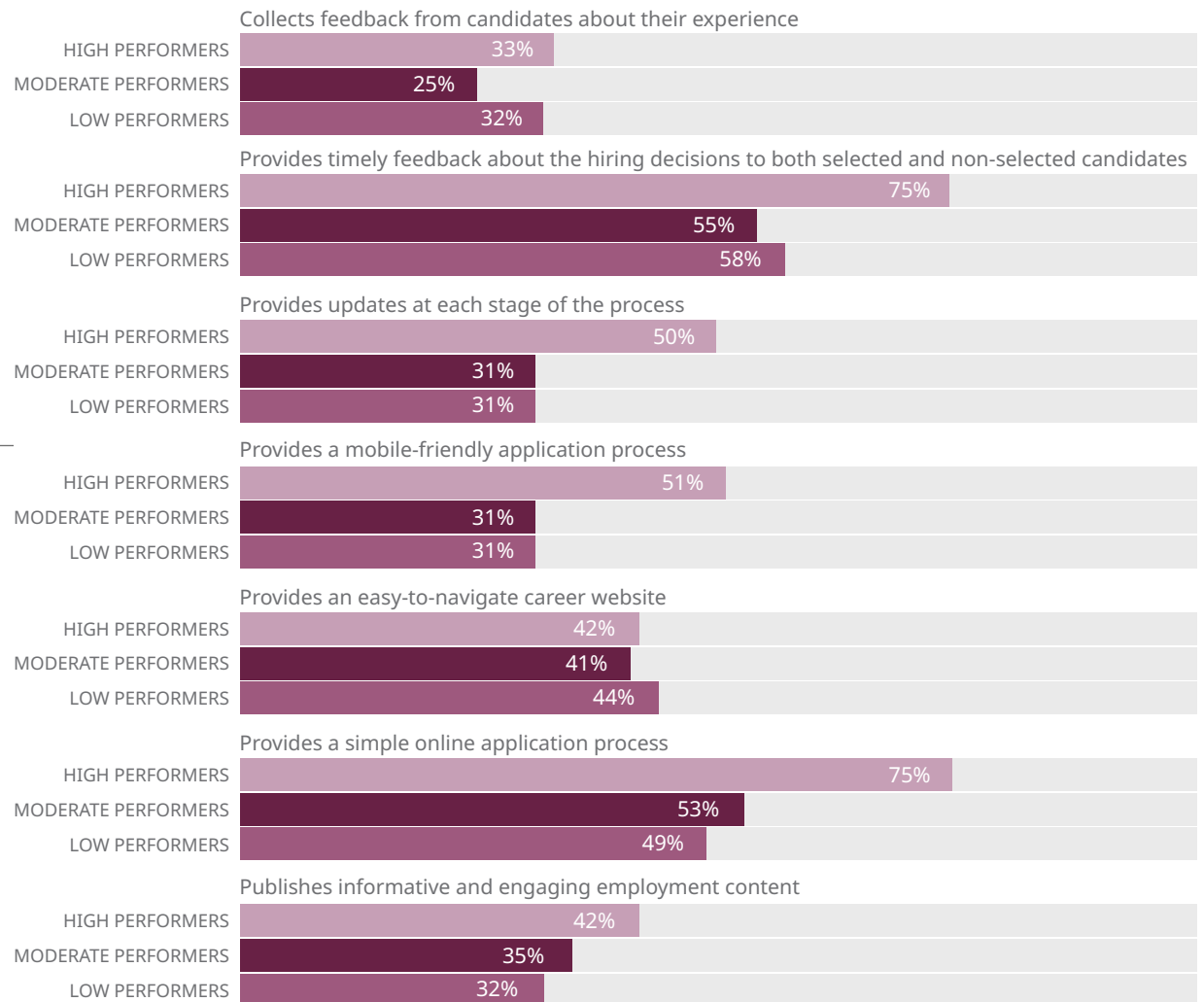
Effective or Very effective



87% of high-performers are either effective or very effective in providing a positive candidate experience.

75% of high performers provide a simple online application process as well as timely feedback about the hiring decision to all candidates.

High performers are **1.6 times** more likely than low performers to provide a mobile-friendly application process and updates at each stage of the process.





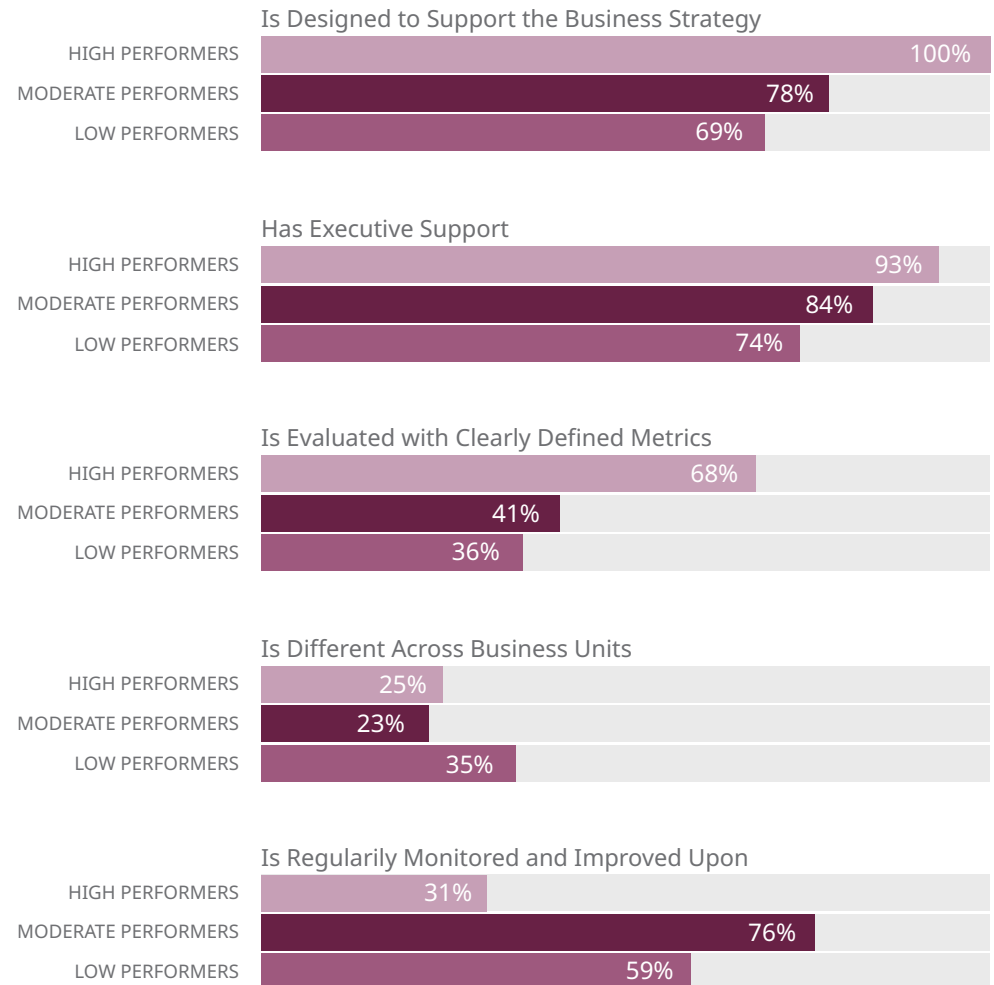
MY ORGANIZATION'S TALENT STRATEGY

100% of high performers have a talent strategy designed to support the business strategy and 93% of those individuals say that their talent strategy has executive support.

Every task that your talent management or talent acquisition team carries out should ideally be tied back to a well-defined strategy. However, as businesses become overwhelmed with demands, sometimes these strategies get forgotten or pushed aside in favor of just getting things done. For this reason, we tried to get a sense of how focused our respondents are on their talent strategies.

High performers are 1.9 times more likely than low performers to evaluate their talent strategy with clearly defined metrics.

Aside from being less likely to have a talent acquisition strategy that supports the business strategy and have executive support, we see that an even lower percentage of low performers evaluate their strategies with clearly defined metrics at 36%. This lack of strong direction may be a key reason that this group is not performing as well as their peers.



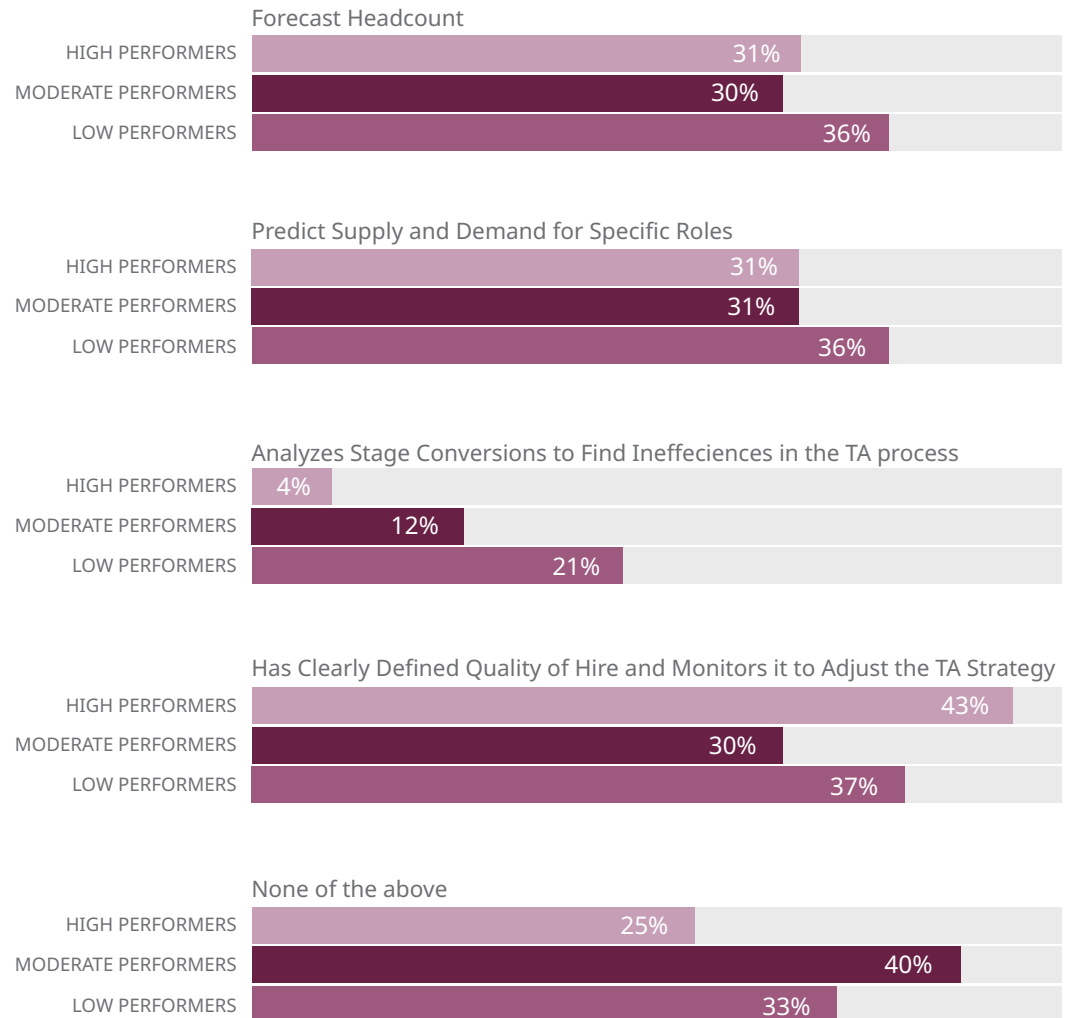


MY ORGANIZATION ANALYZES DATA TO

What very few respondents seem to be doing is analyzing stage conversions to find inefficiencies which is a practice that was adopted from marketing and sales departments. Perhaps this is something that will gain more traction as talent acquisition teams continue to mimic marketing methodologies.

Data and analytics. These are two very popular words being used throughout all business publications. However, ***as much hype as there is, it may not be something that most organizations are actually ready to use.*** The biggest challenge here is really foundational: having clean data. If your data is not clean, you cannot use it, and the process of cleaning it is heavily time consuming.

While no sweeping majority of any cohort seems to analyze data in the suggested methods, the largest percentage we see on this chart is that 43% of high performers have clearly defined quality of hire and monitor it to adjust the talent acquisition strategy.



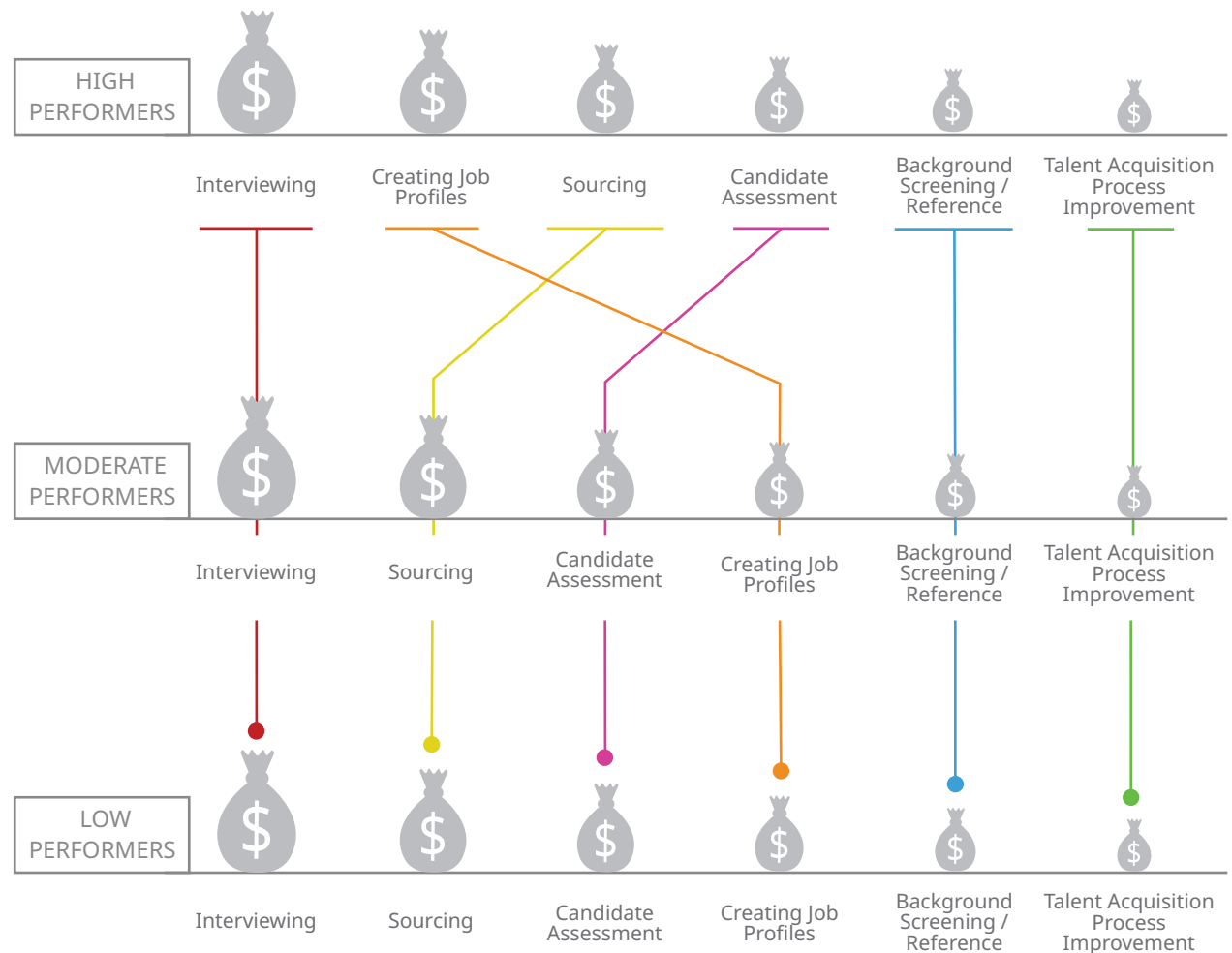
We asked respondents to rank order the following activities in terms of highest to lowest bandwidth allocation to uncover how talent acquisition resources are being spent.

Across all 3 cohorts, it is clear that the majority of the talent acquisition team's resources are spent on interviewing. This is not surprising as it is typically the most heavily weighted aspect in a hiring decision.

While low and moderate performers rank sourcing as the second largest bandwidth allocation, **high performers prioritize creating job profiles**. This more targeted approach may be the reason why they do not need to spend as much time sourcing. In addition, high performers spend less time on candidate assessment. Candidate assessments, if implemented properly, should be an efficient part of the hiring process and therefore not heavily time consuming.

All three groups are consistent in listing background screening/reference checking as well as talent acquisition process improvement as their final two activities.

What Activities Take Up the Most Talent Acquisition Resources

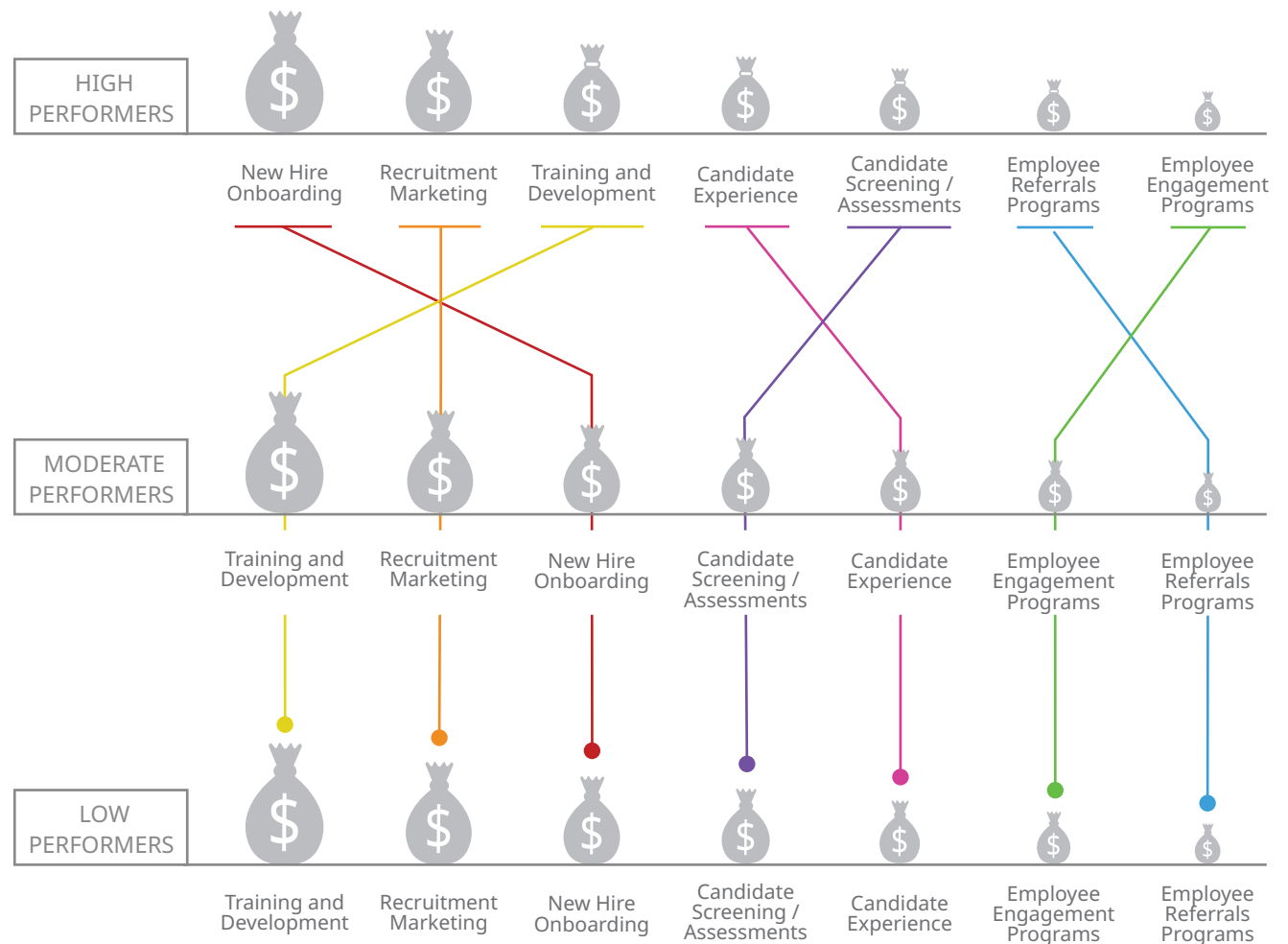


We asked our respondents to rank order the following areas in terms of highest to lowest budget allocation to gain and understanding of which areas provide the greatest return on investment.

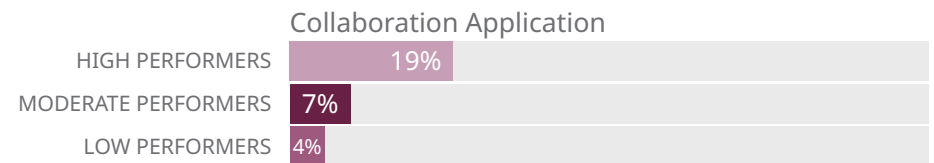
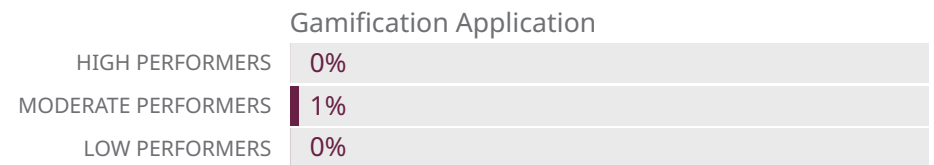
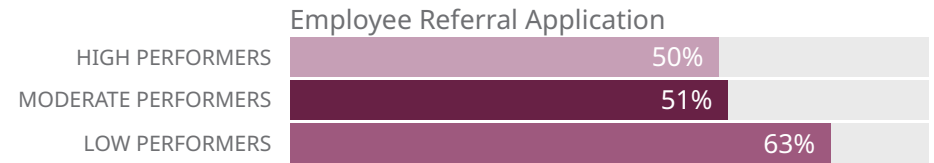
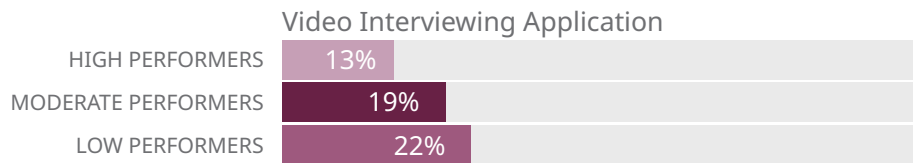
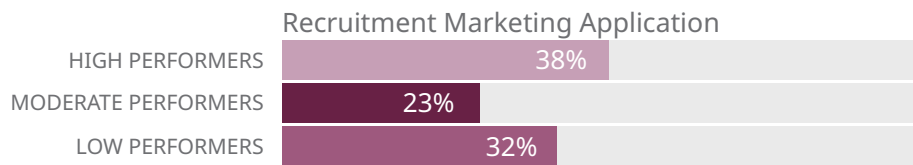
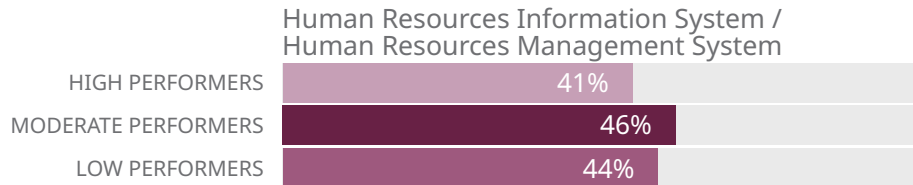
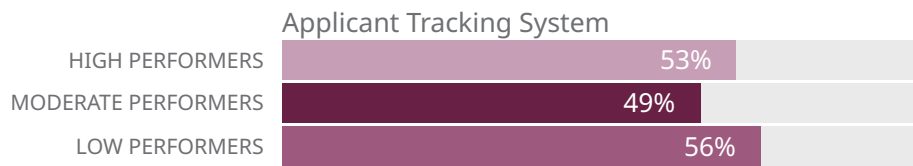
While low performers spend the majority of their budget on training and development, **high performers prioritize new hire onboarding**. New hire onboarding is the third priority for low and moderate performers.

Some similarities do exist across all groups. Recruitment marketing is a second priority for all. This is a trend that has gained a lot of traction recently. In a candidate's job market, employers need to promote themselves in a way that a) increases visibility to the target market and b) distinguishes them from the plentiful options available. Doing so can be quite costly, however, the opportunity cost is higher.

What Activities Take Up the Most Budget



Which of the Following Technologies are Leveraged by your Talent Acquisition Team



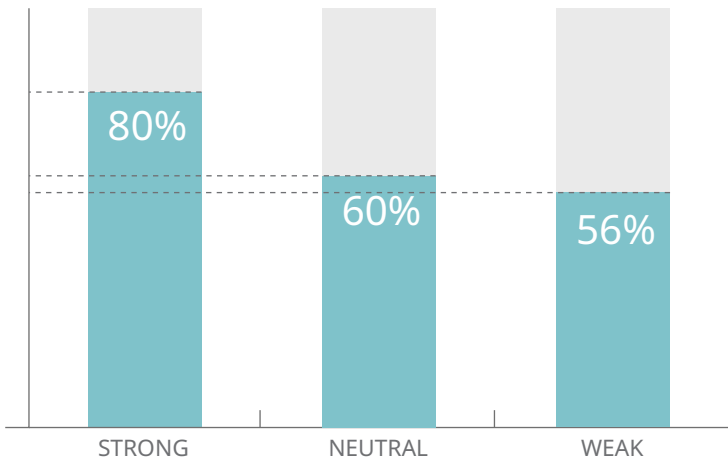
HR Tech is a rapidly growing industry in itself and everybody wants to know which solutions are the best to use. Before you even determine which provider to go with, you first need to nail down what type of solution would be most beneficial. In this survey, we focused on what technologies the talent acquisition team leverages.

The majority of high performers employ an applicant tracking system. Human resources information systems are not utilized by the majority of talent acquisition teams as these are typically more relevant post-hire.

High performers are more likely to use recruitment marketing and collaboration applications than the other two groups, however the majority of them do not.

A strategy that does not seem to have become very popular is searching the organization’s database of candidates before looking elsewhere. This is something that we have been hearing about amongst different publications and were expecting to see more of given the increased talk about analytics tools.

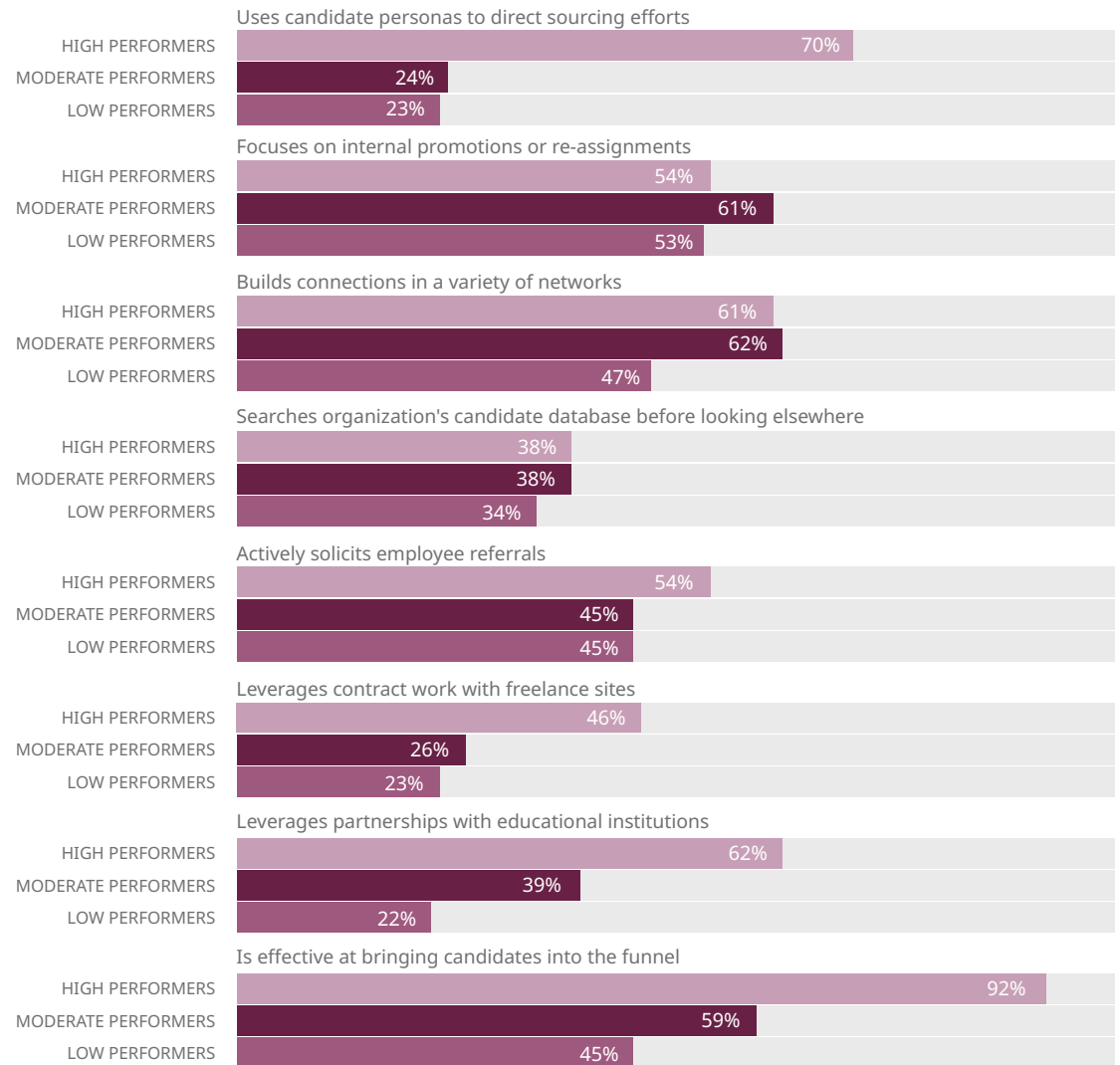
Effective or Very effective at Sourcing



80% of high performers say that their organization is effective or very effective at sourcing.

High performers are 3 times more likely to use candidate personas to direct their sourcing efforts than the other cohorts. An idea that originated in the marketing department and has made it’s way into talent acquisition.

High performers are **2.8 times more likely** than low performers to leverage partnerships with educational institutions and **1.3 times more likely** to build connections in a variety of networks.

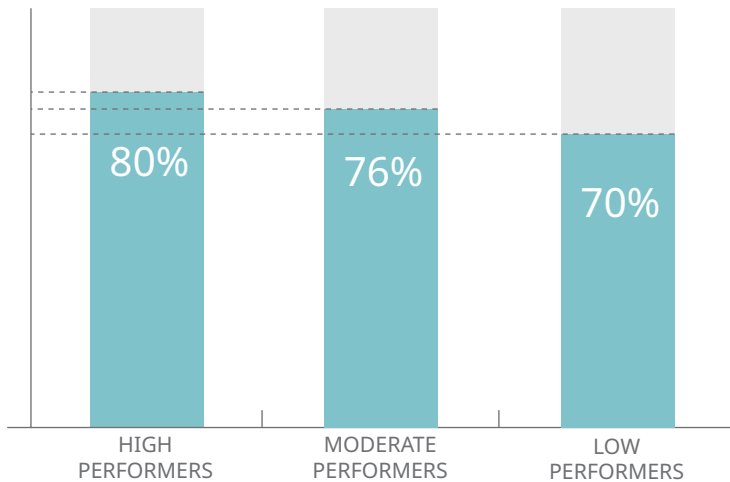




SCREENING AND ASSESSMENTS

92% of high performers use psychometric assessments and are 1.5 times more likely than low performers to use cognitive assessments in the hiring process.

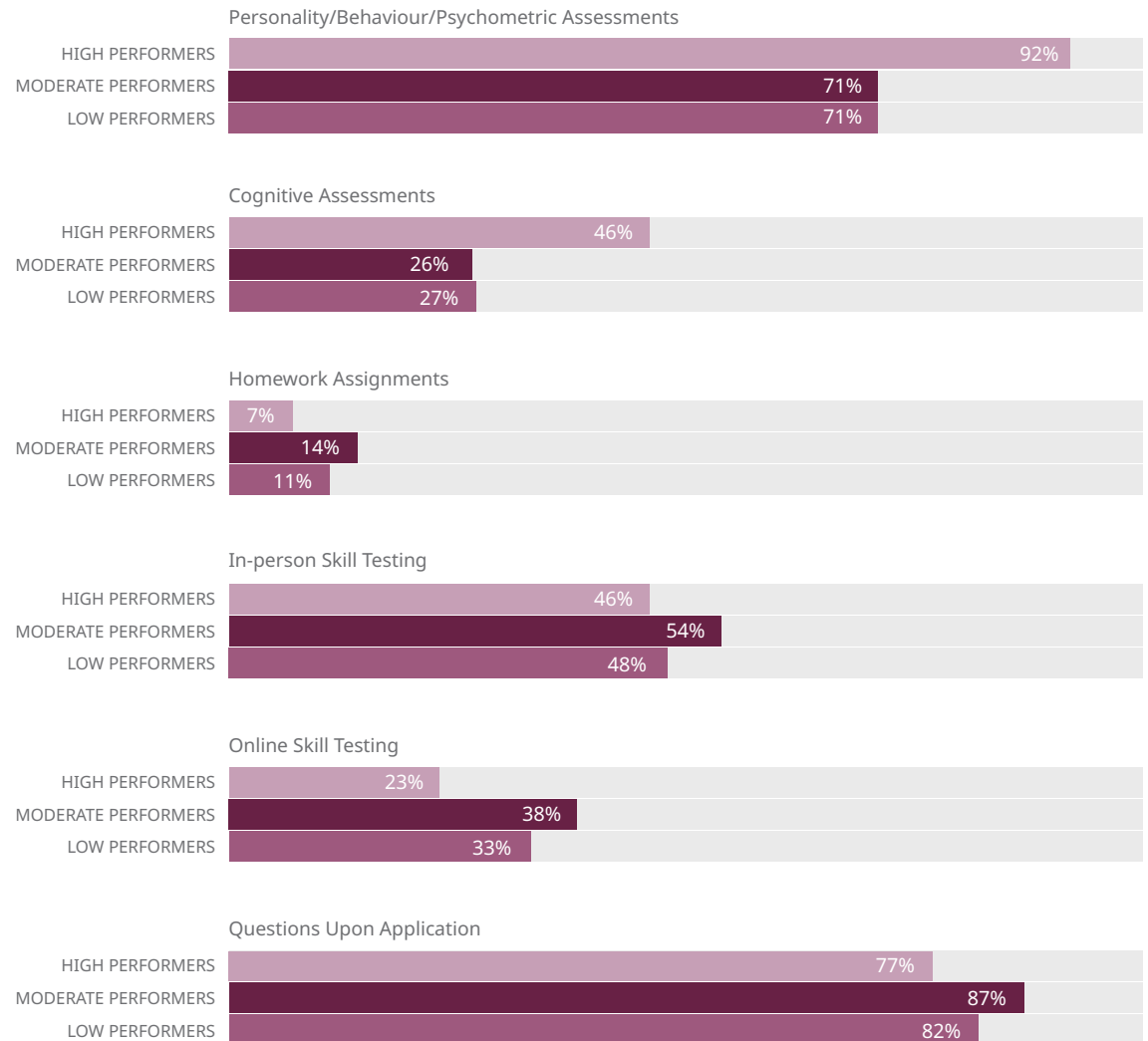
Effective or Very Effective at Screening and Assessments



A candidate may look great on paper and present well in an interview but it can be difficult to determine whether they really have what it takes to meet the demands of a role. That's where assessments come in. While we have bucketed screening and assessments together in this survey, they may come at different stages in the process.

All three groups seem to favour questions upon application while very few utilize homework assignments. Skill testing, whether in-person or online, are strategies that are also not used by the majority, other than the 54% of moderate performers who use in-person versions.

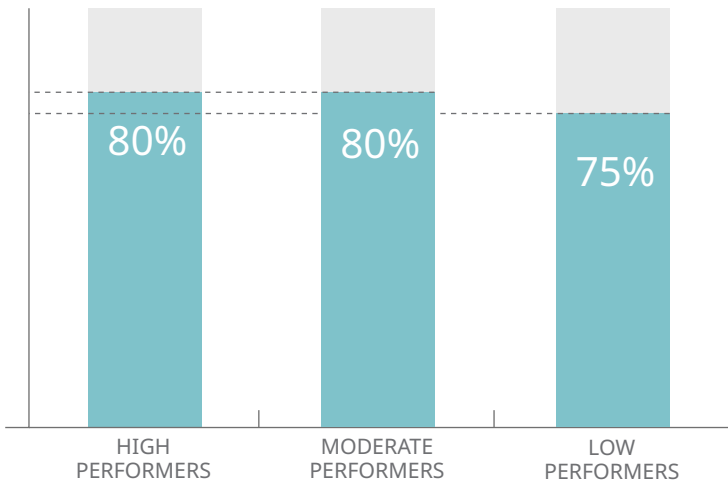
What Methods Does your Organization Use



INTERVIEWING / SELECTING

The interview tends to be the most heavily weighted aspect in a hiring decision, however, the way interviews are conducted varies greatly across organizations.

Effective or Very effective at Interviewing

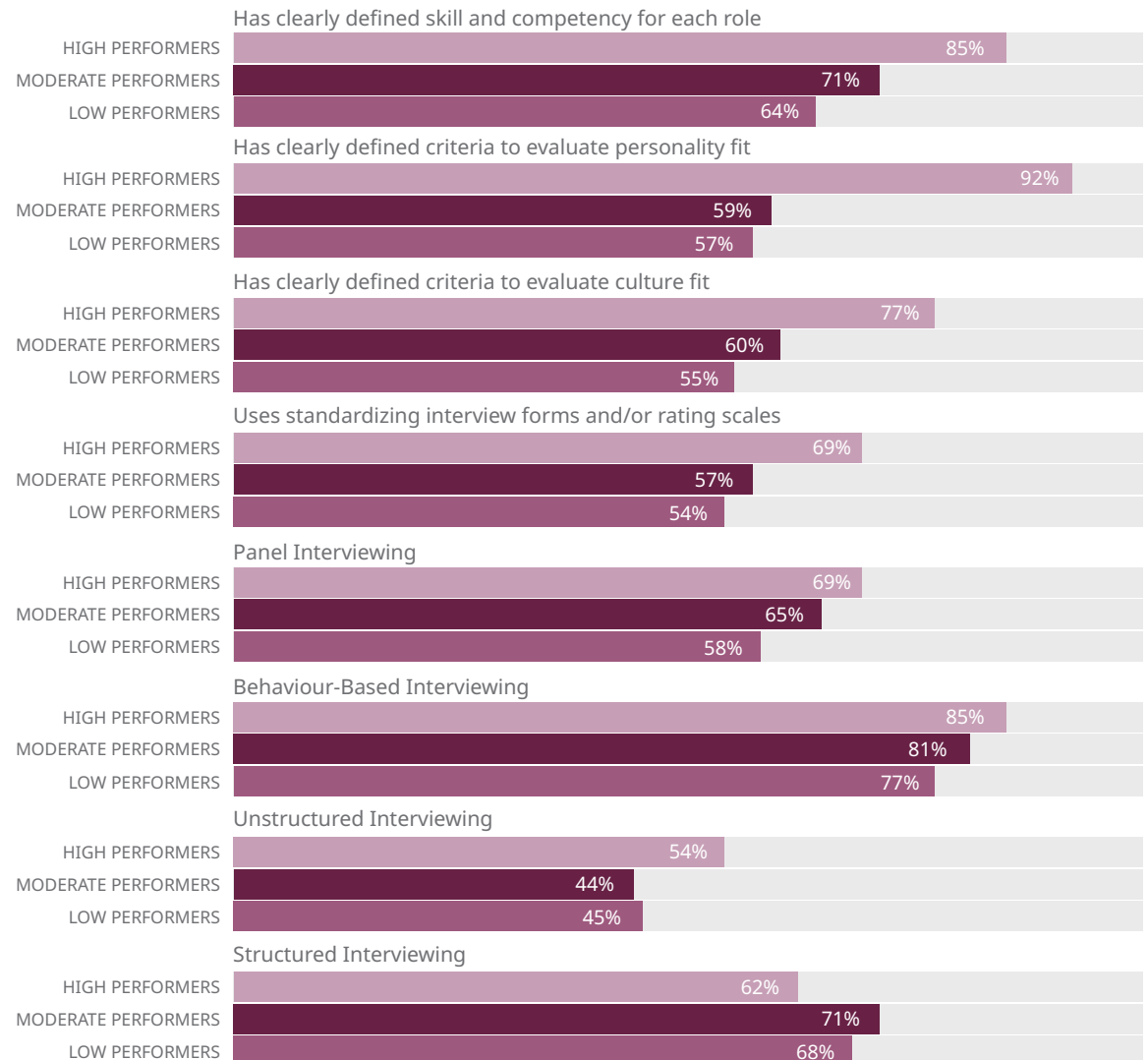


80% of high performers say that their organization is effective or very effective at interviewing.

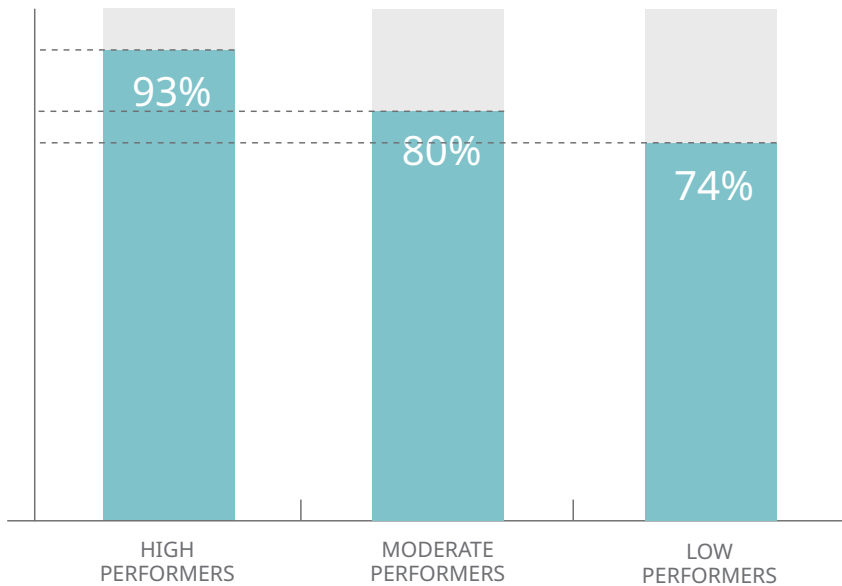
92% of high performers have clearly defined criteria to evaluate personality fit.

85% of high performers have clearly defined skills and competencies for each role.

77% of high performers have clearly defined criteria to evaluate culture fit.



Effective or Very effective at Hiring



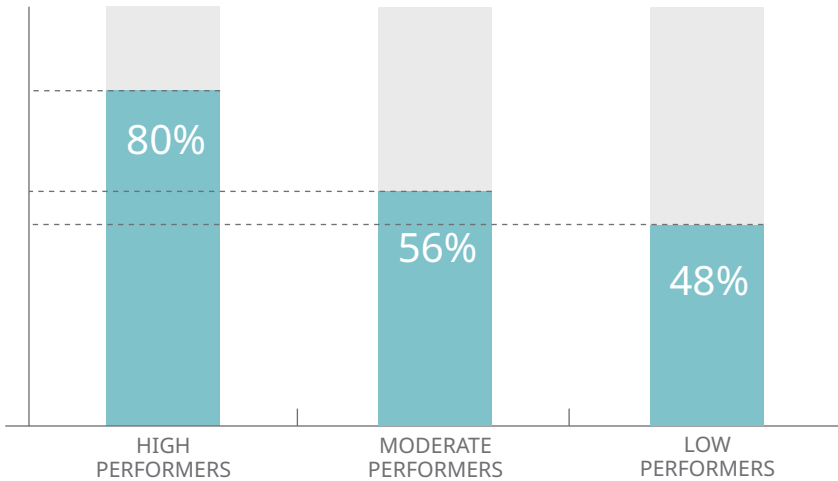
In this report, when we use the term hiring, we are referring to the final decision that is made to fill the position. There are always many factors at play in this type of decision but the question is always in the weighting of them.

100% of high performers hire for cultural fit, **99%** hire for attributes other than skill and **98%** hire for long-term potential.



ONBOARDING

Effective or Very effective at Onboarding



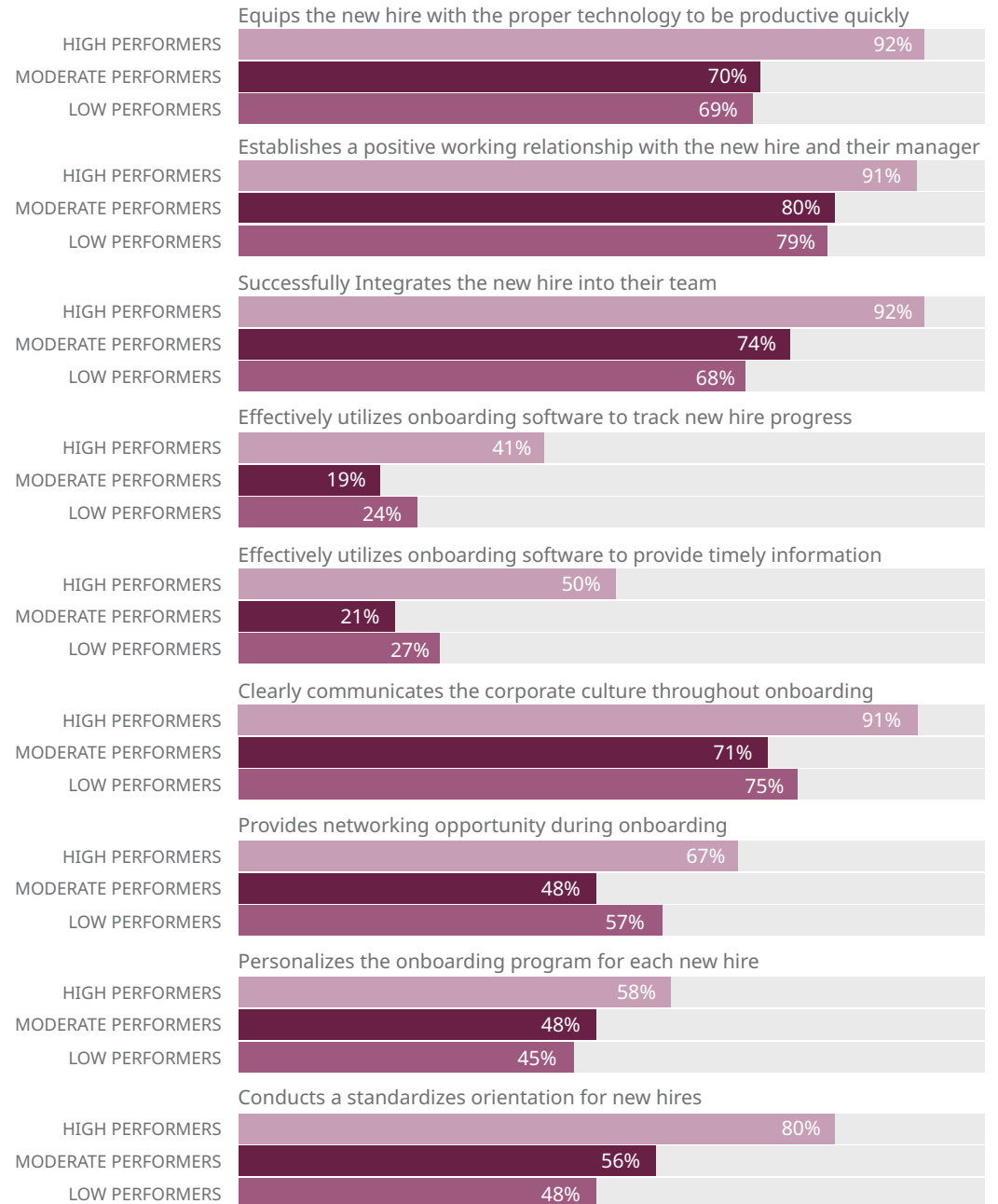
As we saw previously, our high performers prioritized new-hire onboarding as the area that takes up the most budget, therefore this is a critical step in the process.

92% of high performers equip new hires with proper technology to be productive quickly.

91% of high performers establish a positive working relationship between new hires and managers.

92% of high performers successfully integrate the new hire into their team.

91% of high performers clearly communicate the corporate culture throughout onboarding.

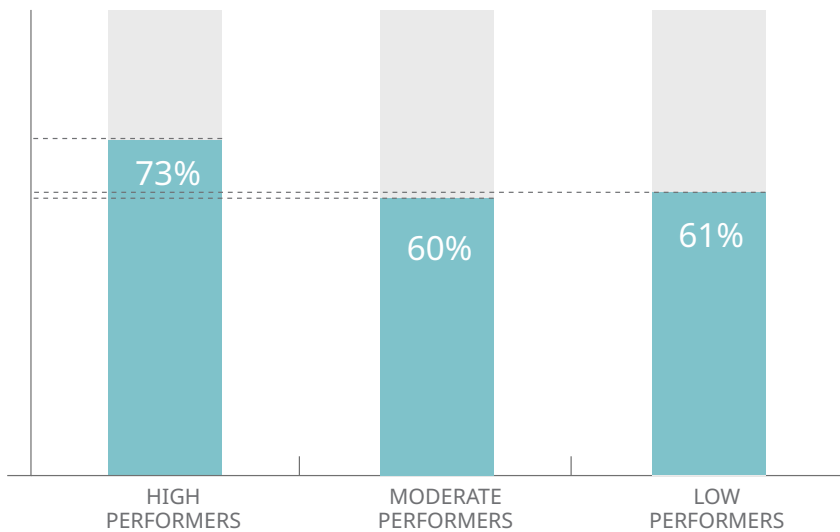




TRAINING AND DEVELOPMENT

75% of high performers provide training on assessing and selecting talent for hiring managers and they are 1.5 times more likely to do so than low performers.

Effective or Very Effective at Training and Development

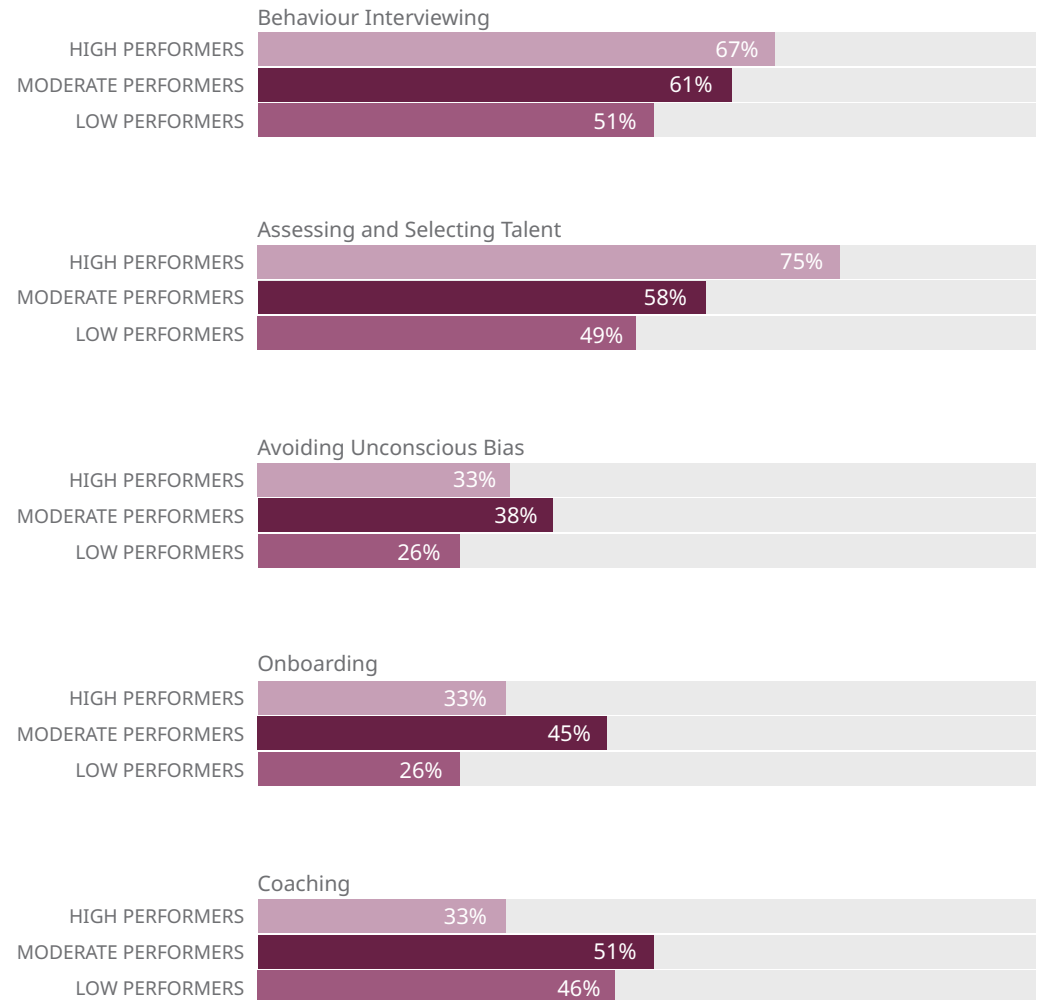


Although there are many arguments for and against the age-old adage “People don’t quit their jobs, they quit their managers”, the manager is no doubt an important piece of the equation. This is why we asked respondents what training opportunities organizations are providing to their managers.

67% of high performers provide training on behavioral interviewing to hiring managers.

75% of high performers provide training on assessing and selecting talent to hiring managers.

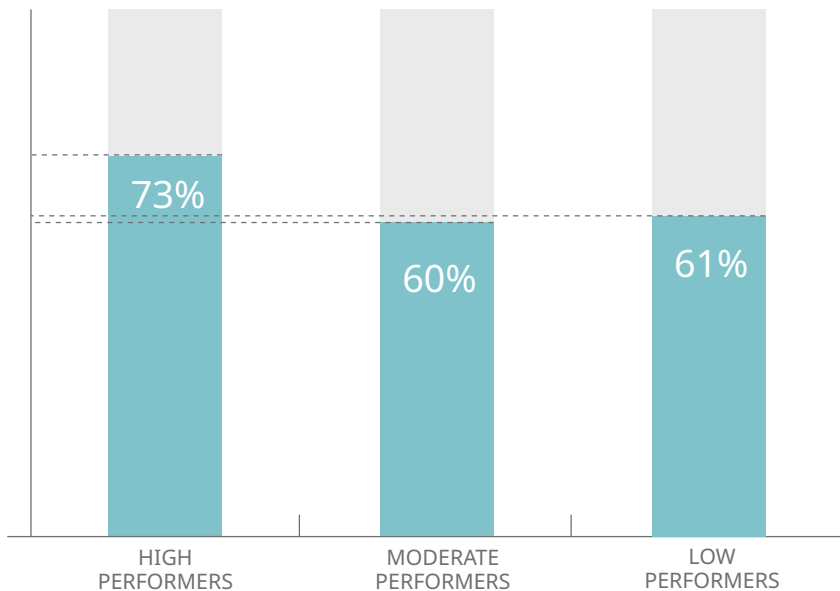
Which of the following trainings are provided to hiring managers



TRAINING AND DEVELOPMENT

Training and development has always been an important factor in being able to acquire and retain talent. Companies that do not offer opportunities for their employees are not only falling behind in their employer value proposition but are also increasing the skills gap.

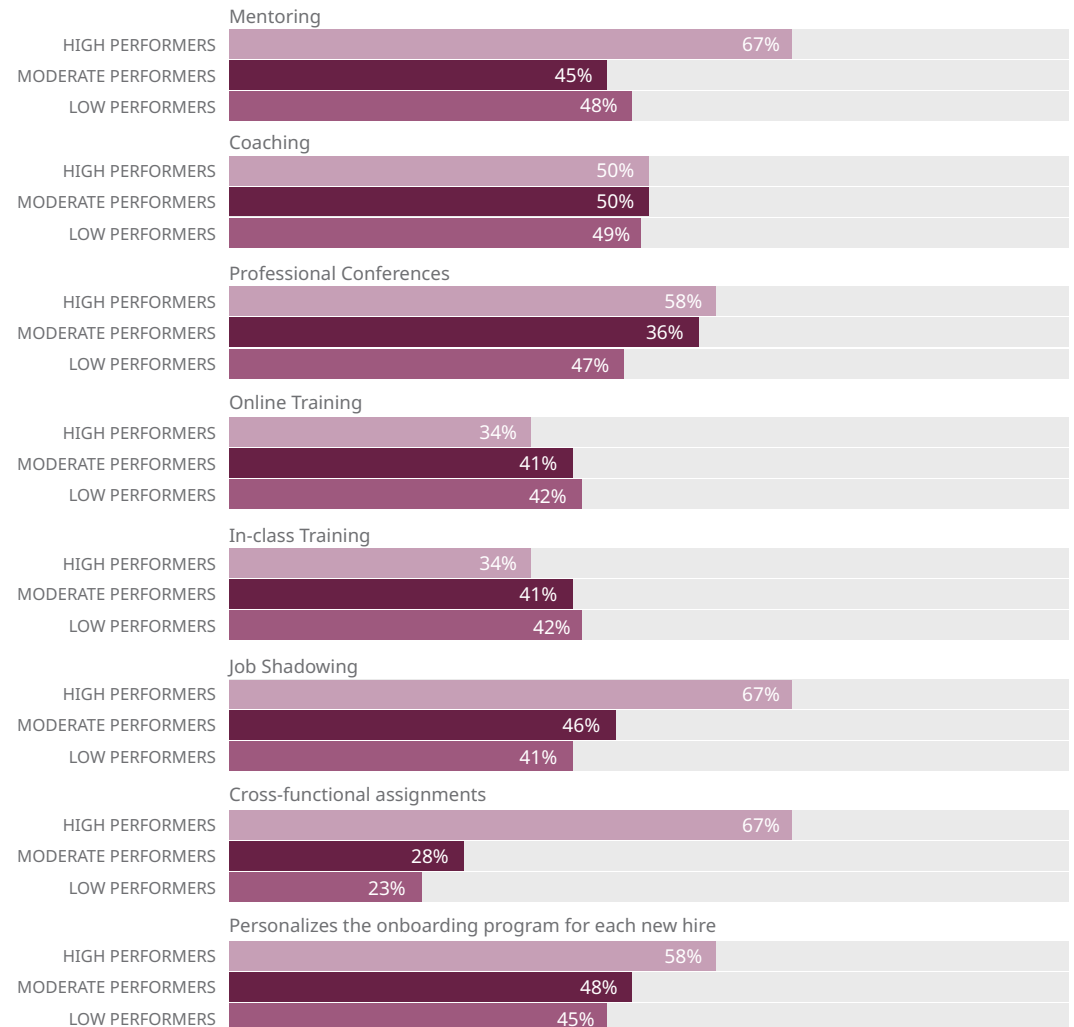
Effective or Very Effective at Training and Development



67% of high performers say that their organization is either effective or very effective at providing and delivering mentoring, job shadowing and cross-functional assignment opportunities.

58% of high performers say they are effective or very effective at providing and delivering professional conference opportunities as well as personalizing the onboarding program for new hires.

To what extent is your organization at providing and delivering the following development options

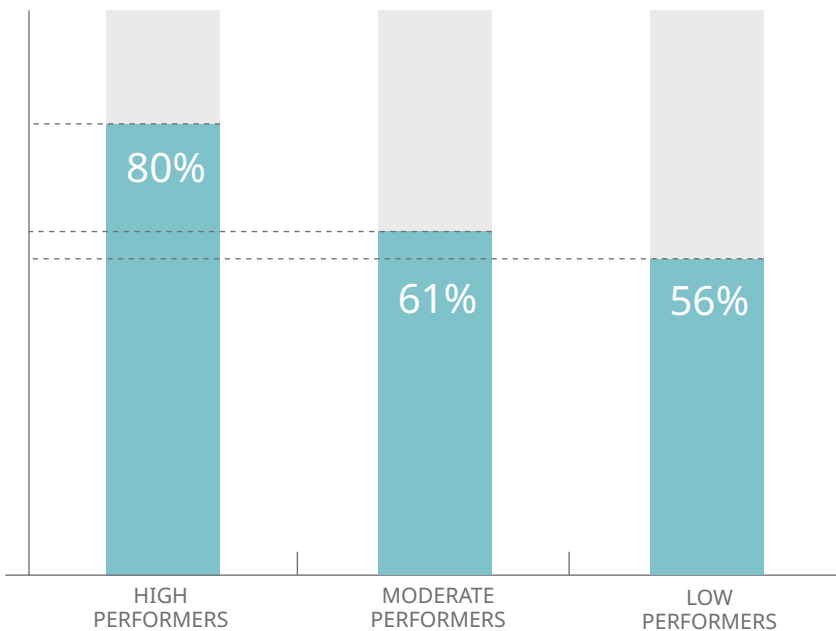




RECRUITMENT MARKETING

High performers are 1.4 times more likely than low performers to say that their organization is effective or very effective at recruitment marketing.

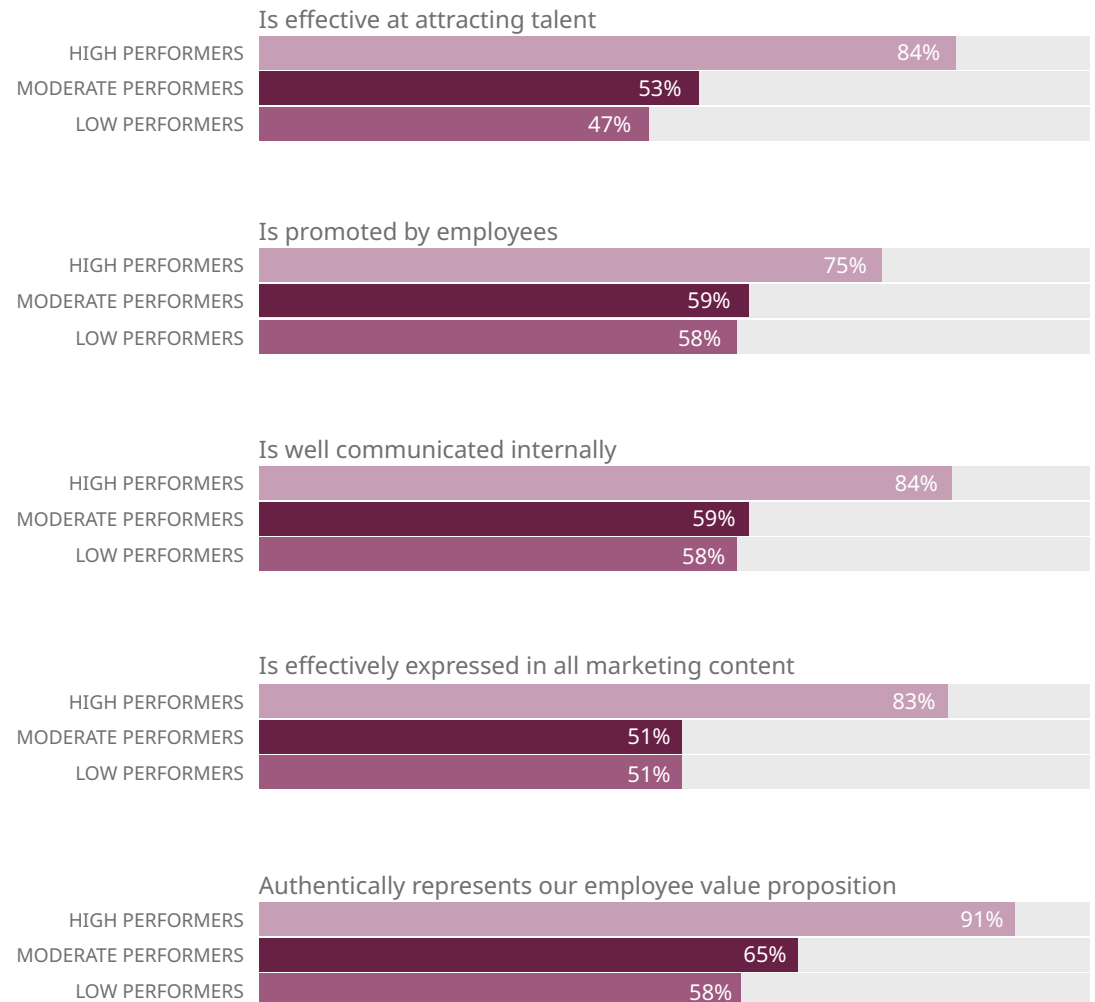
Effective or Very Effective at Recruitment Marketing



84% of high performers say that their organization's employer brand is effective at attracting talent and is well communicated internally.

High performers are **1.6 times more likely** to have an authentic representation of their employer value proposition and effectively express it in all marketing content compared to low performers.

My Organizations Brand

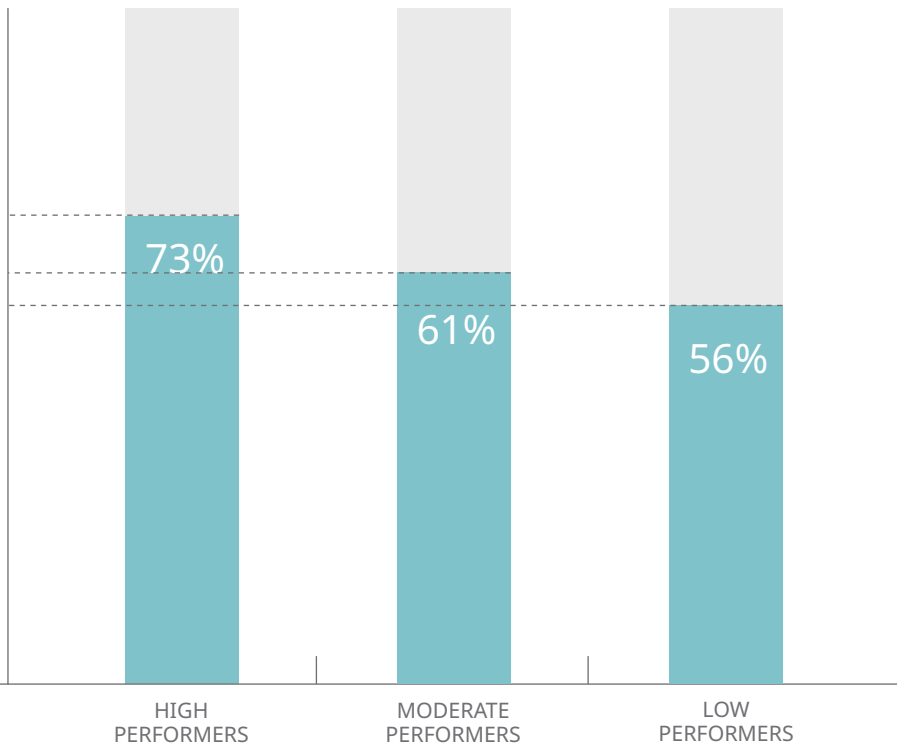




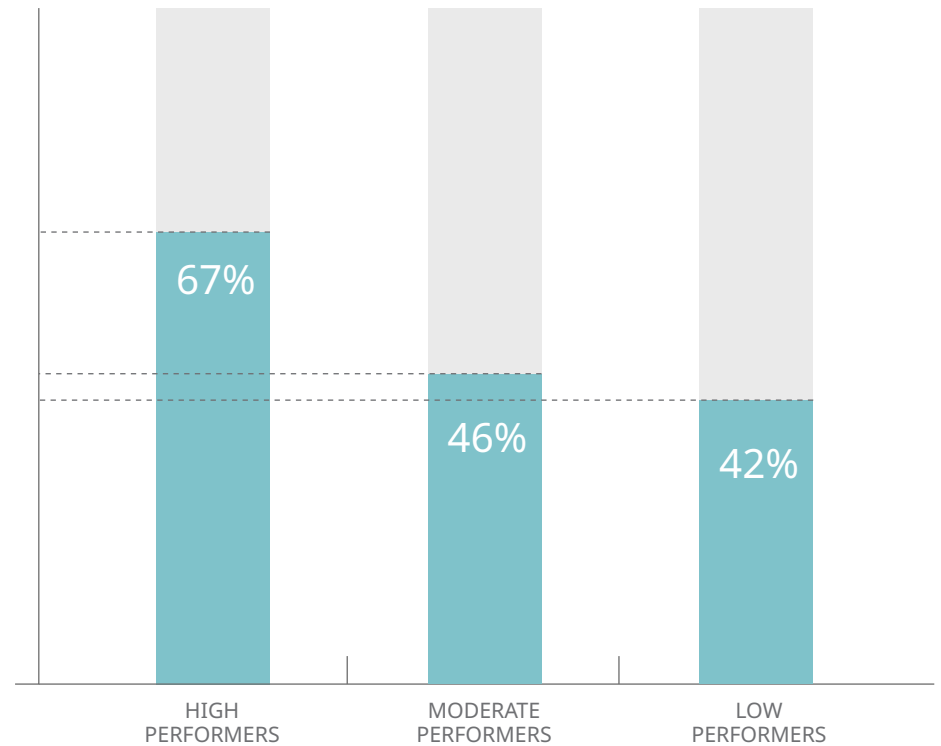
EMPLOYEE ENGAGEMENT

High performers are leading the pack in terms of fostering employee engagement as well as generating employee referrals.

Effective or Very Effective at Fostering Employee Engagement



Effective or Very Effective at Employee Referrals



73% of high performers say that their organization is either effective or very effective at fostering employee engagement and are **1.3 times** more likely than low performers to say so.

67% of high performers are effective at translating that engagement into employee referrals and are **1.6 times** more likely than low performers to be effective at doing so.



CONCLUSION

Now that we have seen what high performing companies are doing to improve their ability to acquire talent, here are the key strategies to replicate:



Design your talent strategy to be in-line with the business strategy and ensure executive support.



Clearly define criteria to evaluate competencies, personality fit and culture fit.



Enhance candidate experience by providing a simple, online application process as well as timely feedback about the hiring decision.



Provide training to hiring managers on behavior interviewing as well as assessing and selecting talent.



Allocate more talent acquisition bandwidth to creating job profiles and use candidate personas to direct sourcing efforts.



Develop an authentic EVP and ensure it is well communicated internally and externally.



Leverage personality / behaviour / psychometric assessments in the hiring process.



Enhance onboarding with manager-employee and team relationship building, communication of corporate culture, and proper technology.



MCQUAIG - HIRE. DEVELOP. RETAIN



Who are we?

The McQuaig Institute was founded in 1966 by Industrial Psychologist Jack H. McQuaig. The company's mission is to help organizations refine corporate culture and grow human capital. This goal is achieved with software that empowers organizations to hire top talent, eliminate the cost of bad hires, improve employee retention, and strengthen employee relations. Today McQuaig works with more than 1,500 organizations in over 30 countries with multiple language support.



What is the McQuaig System?

————— **McQuaig's three step system allows you to** —————

- 1 Define** the role you are trying to fill to create a measurable benchmark
- 2 Assess** your candidates to provide insight into their fit with the role as well as with your team and culture
- 3 Develop** and retain your workforce through self-development action plans and leadership reviews

For more information or to try the McQuaig Psychometric System yourself visit www.mcquaig.co.uk