



Building an Effective Talent Pipeline

Focus on a proactive recruitment strategy taking into account future needs

June 2010 |

The successful establishment of pipeline of suitable talent for your organisation can deliver outstanding recruitment results. However it requires significant planning and most importantly, a recruitment strategy that pre-empts future needs in advance. Different types of talent pipelines deliver different results; short-cycle pipelines target high volume and the active candidate market, whereas long-cycle pipelines enable longer term growth and sustainability. Understanding the criticality of different your different job families to business operations, the degree of passivity in the market and anticipated volumes of demand will help to determine the correct configuration of pipeline for your organisation.

The idea of pulling the perfect candidate out of a database, saving the time, cost and energy involved in going to market, is utopia for most recruiters. The challenge however, is not only building the talent pool, but in maintaining its accuracy and relevance. This entails an ongoing process of relationship and trust building, communication, networking, screening and expectation management. This underpins the concept of “proactive recruitment”.

Proactive recruitment is a strategy, enabled by an operating model and tactics, aimed at building a pipeline of talent in alignment with an organisation’s *future* capability needs.

The key word in this definition is “future”. It’s about pre-empting future needs and building resources and capability in advance of the requirement. It’s not dissimilar to the approach a restaurant would take to preparing for a week’s meal service. The chef would plan the menu, identify the produce required for the meals and purchase them in advance, saving him a trip to the market every time

an order came in. In contrast, the majority of recruitment functions I’ve observed take the trip to market for almost every order.

Fundamental to proactive recruitment is the “pipeline”. The pipeline is the process that transitions an individual from being someone we don’t know to someone that is ready to accept a job offer from us. Pipelines will differ in three key aspects: length, target and tactics.

Short-cycle pipelines are designed to deliver short term results. They generally target high volume positions and “active” candidate markets. Where they do target passive markets, the objective is to “activate” the candidate as soon as possible. The tactics should be orientated heavily around pre-screening and low-touch (automated) relationship management. The objective is that when the candidate reaches the end of the pipeline the offer is ready for them, and they are ready for the offer.

Short-cycle pipelines will differ in cycle time starting from around two month or even less in industries



such as retail. The key to efficiency and effectiveness with a short cycle is accuracy of workforce scheduling and forecasting, ensuring seamless alignment between projections and pipeline outputs. Workforce planning in its conventional long-range form is less critical.

Long-cycle pipelines are designed to enable longer term growth and sustainability and are therefore typically built around strategic or critical skill sets. In contrast to short-pipelines they should be designed to target a more passive audience. Given the passive nature of its members, the pipeline should be geared heavily toward personalised relationship building and less so toward screening.

In common practice a long-cycle pipeline means 6 to 12 months, however this is extending constantly as organisations come to terms with the critical skill shortages. For this reason, workforce planning is a key enabler. Recruitment functions with separate workforce planning departments need to forge strong partnerships with them and position themselves as vehicles for the deployment of planned change. Organisations without workforce planning capabilities frequently default into an unstructured and haphazard pipelining approach.

We have referred to short and long cycles but there's clearly a world of options in between. While there is no magic formula to tell you how to configure your pipeline, you should consider these three points.

How critical is the job family to business operations and sustainability?

Bearing in mind that a longer pipeline cycle requires a higher degree of investment for proactive sourcing and personalised relationship building, it will be

more difficult to justify for non-critical roles or capabilities that are not key to sustainability.

What degree of passivity do you see in the market?

There is a high degree of correlation between skill specialisation, scarcity of supply and candidate passivity. The more specialised the skill-set in terms of education and experience, the more scarce the skill-set will tend to be, which usually points to a passive market. Candidates who fit this category will often require the relationship building approach afforded by a longer cycle.

On the other hand, skills markets in (relatively) greater supply tend to have a much higher proportion of active candidates, therefore allowing a shorter pipeline. Call centre workers for example are a transient pool of candidates – actively looking one day and hired the next.

What volume of demand will we see?

Short cycle pipelining done properly can achieve economies of scale by leveraging capabilities across volume activities. This drives efficiencies and therefore delivers a strong return on investment. Even longer cycle pipelines may be problematic without some element of volume, unless your objectives are purely strategic.

And Finally...

The final point we would make is that before you get to designing your pipeline strategy you need to understand the objectives of your organisation. The different approaches we have outlined can be directly linked to Efficiency, Quality and Competitive Advantage business drivers. Engage your stakeholders using workshops and focus groups to explore and understand the expectations the business has of the recruitment function.