



CRM for the 'second place' Candidate

Reduce time to hire and costs and build your employment brand

June 2010 |

Candidate relationship management (CRM) undertaken by internal recruiters often neglects 'second place' candidates. However, building and deploying a CRM strategy that incorporates a tailored strategy for second place candidates can achieve significant business benefits including a reduction in time to hire and costs, and a positive impact on employment brand. A structured approach is needed that utilises the business' strategic direction, a methodology for recognising good second place candidates and a framework for identifying business critical and scarce roles. CRM tactics can then be developed that are suitable both for the candidate and business needs.

We are all aware that current labour shortages demand a focus on the attraction of candidates. However to successfully combat candidate scarcity in the current climate, you also require an effective approach to managing relationships with those candidates who you have been fortunate enough to attract. A well designed Candidate Relationship Management (CRM) strategy will ensure your organisation builds relationships throughout the life cycle of engagement, not just during the attraction phase. Successfully managing your candidate relationships can translate into business benefits including reduced time to hire and reduced recruitment costs. The biggest benefit will be an increase in candidate satisfaction that will have a positive impact on your organisation's employment brand.

For internal recruiters, one of the most useful applications of CRM tactics is in the management of 'second place' candidates; those candidates who were unsuccessful in winning a position but have the required experience, skills and personal attributes your organisation is seeking to attract. Unless the reason for not hiring was a deal breaker,

it makes sense to try to retain these candidates so they can be referred for future job opportunities. Agency recruiters have the advantage of a wider pool of possible clients to which they can market 'second place' candidates, whereas for internal recruiters it is likely there will be a greater time delay between the original recruitment exercise and the next suitable opportunity. Therefore it is essential to ensure that firstly the candidate is declined in a positive way that encourages future interest, and secondly, a relationship is established and maintained that keeps these candidates 'warm'. Using defined CRM practices will assist recruiters to do this effectively.

Of course many recruiters already maintain relationships on an informal basis, for example through setting Outlook calendar reminders to call and obtain an update on the candidate's job search. Taking a more structured approach will lead to better outcomes, particularly if you apply the principle that however and whatever you communicate, you must acknowledge the candidate's existing connection to your organisation. Doing this maintains interest, and instils loyalty so



that the next time you have a suitable vacancy, you also have a candidate ready for the role.

In order to develop an effective CRM strategy, a good understanding of your organisation's strategic direction is required to ensure a focus on both current and future capability needs. It is equally important that you have a simple methodology for recognising a good 'second place' candidate. The easiest approach may be to determine this by exception, by identifying which scenarios mean you will not consider an unsuccessful candidate for other positions, for example, serious reference issues.

The next step is to develop a framework that will help you to identify which of the roles within your organisation that you recruit for are critical to core business, and / or scarce. It is important to note that this exercise is not about eliminating the need to undertake CRM for roles that do not fall into this categorisation. Instead it is about focusing your efforts most efficiently. All candidates who can be classified as good by virtue of their 'second place' status deserve, and should receive some level of CRM.

Once your roles are segmented, you can progress to developing relationship management tactics. A match should be made between low, medium and high-touch (and bigger cost and effort) tactics, and the scarcity or value of the role or job family. While the tactics may be similar to what you might use for generally keeping in contact with candidates, there should be an underlying acknowledgement of the existing connection between the candidate and your organisation. Communication with the 'second place' candidate is like having a conversation with a friend; you take a different tone than if you were speaking with someone you have never met before.

Examples of tactics in the low, medium and high touch category include:

Low touch

- Sending regular emails that enquire about the candidate's current job status and reiterating the organisation's interest in them as a candidate.
- Providing personalised industry information, topical publications or white papers via email.
- Running webinars / podcasts and inviting candidates to listen or participate for free.

Medium touch

- Sending a 'thank you for participating' gift to the candidate.
- Inviting candidates to targeted company events, i.e. for a particular professional group that provide networking opportunities.
- Inviting candidates' opinions or advice on a topic of interest to both the candidate and organisation via surveys or focus groups.
- Conducting career planning workshops and inviting the candidate's free attendance.

High touch

- Allocating an ambassador from the organisation (ideally someone who works in the same job function as the candidate) who phones or arranges a face to face meeting with the candidate to thank them for their time in going through the process.
- Offering free mentoring sessions with a key business stakeholder.
- Inviting the candidate to a function, hosted by a business stakeholder, their attendance is as special guest - someone whom the organisation would like to employ in the future.



Naturally before deploying any of these tactics, there are some important considerations to address:

- What will be required to gain internal support? Many tactics will require significant involvement from the business, so buy-in is essential.
- Is there an opportunity to automate tactics using your eRecruitment system (if you have one)? If you don't, how will you record activities and progress?
- What metrics will you use to measure your success? How will you demonstrate the ROI to your business stakeholders?

In conclusion, by keeping candidates 'warm', you are effectively reducing the need to go to market each time you have a vacancy, which will positively

impact both your time and cost metrics. You are also addressing one of the complaints most consistently raised by candidates; a lack of timely, appropriate communication. Given that many organisations do not maintain even a basic level of contact with candidates, imagine the positive impact on your employment brand that deploying these tactics would have! It is almost negligent not to capitalise on the opportunities presented by good 'second place' candidates given the current employment environment. After all, the sustainability of your organisation depends on growing and building internal capability. Keeping candidates 'warm' is an easy and effective way of increasing your organisation's competitive advantage.