



FILLING THE FUNNEL WITH THE RIGHT CANDIDATES IN TODAY'S LABOR MARKET

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INTRODUCTION

As result of the current recession, recruiters and hiring managers are forced to work with smaller recruiting budgets and fewer resources, making recruiting more challenging today than ever before. Despite the increasing unemployment rate (which means an increasing amount of available talent), over a quarter of employers report that they still cannot find qualified talent for their open positions, according to CareerBuilder's 2009 U.S. Hiring Forecast. The survey also shows that 20 percent of employers reported that the quality of job applicants they receive is lower than it was one year ago, and 29 percent say it takes them two months or longer to fill open positions.

In today's challenging economic times, companies simply cannot afford the costs associated with hiring unskilled workers, high turnover rates and time-to-hire. The time has come for companies to rethink their old recruiting strategies in efforts to quickly and effectively fill the "candidate funnel" with the quality of applicants they need.

By employing a combination of both multi-channel marketing and targeted recruiting tactics, companies can broaden the scope of their candidate searches while still targeting those with the desired range of skills, experience and attitude. This

whitepaper discusses how companies can effectively find the right candidates to fill their recruiting funnels and ultimately reduce their time-to-hire with cross-channel marketing tactics.

SOURCING CANDIDATES: CASTING A WIDE NET

The most obvious way for a company to reach a variety of candidates is to "cast a wide net" and utilize a variety of channels – both online and off – to advertise its open positions. Job seekers today are smarter than they've ever been when it comes to their job searches. No longer confining their efforts to newspapers, online job boards and career fairs, today's tech-savvy job seekers are using their social networks to not only search for jobs, but to research companies. So it only makes sense that companies also use a variety of resources to attract and recruit candidates as well.

START AT THE BEGINNING: SELL YOUR BRAND

The first step in any recruiting process is attraction. Companies are challenged with setting themselves apart as a desirable place to work. Because not only are they more resourceful, but job seekers today are more particular than they've ever been about what they want from an employer.

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In CareerBuilder's 2009 Job Forecast, 32 percent of job seekers surveyed indicated that they first consider a company's stability and longevity in the job market before applying to a position at that company. Twenty percent of job seekers look for good career advancement opportunities from prospective employers first, and 14 percent seek a good work culture.

Nothing will have as big an impact on the number of candidates a company attracts as the quality and strength of its employment brand. Employment branding is the process of placing an image of being a great place to work in the minds of the targeted talent pool. A strong employment brand is one that clearly and memorably communicates to job seekers those qualities – such as good work culture, flexibility, advancement opportunities – that make an organization a desirable place to work.

The most obvious place to start building one's brand is the company Web site. Not only does it provide a free place to advertise, it does not limit companies to what or how much they can say about their attributes and work culture. When utilized effectively, it helps ensure that candidates "screen themselves" before recruiters or hiring managers have to. After all, the applications that come through tend to be from candidates who have a genuine interest in the company to which they have applied and who have clearly done their research. According to a recent study conducted by KPMG, just by improving their corporate recruiting Web sites, in 2007, British companies Unilever, the BBC and the Royal Mail improved their recruitment while reducing their use of recruitment advertising agencies by up to 80 percent.

THE CONNECTION BETWEEN SCREENING AND BRANDING

Not only does building an employment brand aid in attracting those qualified candidates, but essentially, the stronger a company's employment brand, the less work it has to do to screen candidates in the end. Candidates tend to seek out companies with strong employment brands because they understand what those companies do and are also more likely to be serious about the opportunity. Thus, employment branding enables candidates to "screen themselves" in a way.

"A very strong candidate is on the market for two weeks, then off the market again for two years," says Elizabeth Schillo, Sales Director at consulting firm Personified, a CareerBuilder company. It is important that companies have a system in place that keeps the candidate engaged, and keeps the lines of communication open, Schillo says,

"so that a great candidate doesn't think a hiring company has forgotten about him or her."

One of the most valuable methods for keeping those lines of communication open is through networking with job seekers through social media sites. Once a niche activity, online social networking now engages millions of consumers and is an integral part of many people's lives. Job seekers increasingly go on blogs and use various sites like Facebook and LinkedIn for professional networking or company research. Using social media (also known as Web 2.0), job seekers engage in a variety of social networking activities online – from becoming a "fan" of a company on Facebook to joining its network on LinkedIn, to reading and commenting on employer blogs. Companies recruiting for candidate can take advantage of social media as well. According to Schillo, the biggest costs associated with recruiting are sourcing candidates and time to hire. Social networking, however, enables companies to screen candidates, which in turn significantly decreases these costs. Where traditional resumes only give recruiters and hiring managers a limited candidate profile, social networking sites help them get a better feel for candidates. Not only can companies check job seeker profiles in search of additional information about skills, experience and interests; but through these sites, they can engage potential employees in actual conversations, find qualified candidates to bring in front of hiring managers and ultimately have more impactful interviews.

Of course it is not simply enough to collect resumes and set up interviews from there. Companies should have a good screening process in place so their recruiters and hiring managers are not overwhelmed with a high volume of unqualified candidates. Filtering questions should be attached to each job advertisement so unqualified candidates are screened out from the beginning, and recruiters are only dealing with the qualified candidates. This step will save companies time and ensure that no qualified candidates are lost in the sea of resumes. "With this economy, screening is one of the first things to drop off the list, as it's a time consuming process," Schillo says. "However, if some time is invested up-front in this process, it will save both HR and hiring managers time in the end."

SOURCING CANDIDATES: A MORE TARGETED AND SEGMENTED APPROACH

While it is important that companies make themselves attractive to job seekers, it is just as important that companies know which type of candidate they want to attract. One of the most effective ways to reach

candidates is with targeted sourcing. As opposed to multi-channel marketing, which reaches out to a wide range of candidates, targeted sourcing targets specific candidates through tactics like e-mail, direct mail, and banner ad campaigns. Thus, the success of this type of approach lies in how well companies define their ideal candidates.

KNOWING WHAT YOU WANT AND HOW TO GET IT: DEFINING THE IDEAL CANDIDATE

In its 2008 whitepaper “Multi-Channel Marketing Hits the Wall,” software company Neolane, Inc. asserts that, in order for an organization to have effective cross-channel marketing, it must first build a single view of each customer or prospect. “By creating single campaigns that are executed across various channels, marketers can ensure consistency of message and maximize the impact of their customer programs,” asserts Stephan Dietrich, president, Neolane, Inc.

For hiring managers and recruiters, the customer in question is, of course, the ideal candidate. Only when companies define their ideal candidates can they gauge what kind of message they want to send and where to send it.

One of the most efficient ways to get in front of desirable candidates is through the use of online employment banner ads. Banner ads enable companies to build a presence on niche and industry Web sites (such as CareerBuilder, WorkInRetail.com, BlackCareers.com, Facebook.com) – those sites where their ideal employees spend time, both professionally and socially. Companies can communicate their most compelling employment value propositions to specific sets of candidates at relatively little cost with online banner ads. They can also then link or direct candidates to their company Web sites or an online careers pages that provide further information about the position and working for the company. Banners placed through CareerBuilder are also highly targeted by geography, job category, education, level of experience, desired income and diversity related information, increasing applications by an average of 77 percent in 2008 for campaigns run over a 90 day period*.

According to December 2008 comScore Ad Effectiveness data, display ads lifted online search activity by an average of 155 percent across several industries. This increase indicates that, after viewing a company’s banner ads, people come back and search for more information on that company. In addition, companies that placed targeting banner ads on CareerBuilder saw a 79 percent average increase in job seeker views*.

Printing and direct mail campaigns are also extremely

effective for connecting with one’s audience; however, they are only as effective as the quality of the mailing lists the companies use. Companies need to consider their ideal candidate profiles as they create their mailing lists, in addition to finding quality sources from which to derive these lists. Company HR records, resume databases kept by online job boards and recruiting agencies are just a few resources companies can use. While the expense of producing direct mail campaigns can be considerable, the return on investment should outweigh these costs. According to separate CAP Ventures studies of personalized direct mail programs conducted in 1997 and 2001, companies who executed such campaigns saw an average return on investment of 31.6 percent.

Much like direct mail, e-mail campaigns provide an effective way for companies to show their target audiences why they are a great place to work – but at a much faster rate and for a considerably lower cost. E-mail enables companies to communicate to candidates a wide range of content – from available job opportunities and application deadlines to information about the workplace culture and benefits. As of December 2008, CareerBuilder e-mail campaigns elicited a response rate of 22 applications per every 1000 emails sent. “This [rate] is considered highly qualified EOI [applications], since we are pushing the e-mail onto the exact target audience we know the client is trying to reach,” says Jessica Frano, Sr. Product Manager at CareerBuilder.

THE BEST OPTION: A REFINED COMBINATION OF THE TWO

Certainly, both multi-channel and targeted recruiting campaigns have their strengths, but companies that want the best recruiting strategy will utilize a combination of the two.

While multi-channel marketing succeeds in generating a large number of applicants, it also creates the need to weed out the increased number of unqualified applicants who also use these avenues to find jobs. Companies are forced to spend a significant amount of time screening candidates, which, in effect, becomes quite expensive. On the other hand, targeting a specific candidate pool takes more time up front and is most effective when companies really know their target candidates. It can be more costly, but when done right, it produces a greater ROI and more applications.

* CareerBuilder internal data

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Employing the right mix of both, cuts down on the time and cost associated with screening candidates by reaching job seekers across multiple channels while focusing on communicating a single, consistent message. Thus, companies effectively reach a high quantity of candidates with similar skill sets, interests and experience.

Although it is a considerable investment, this approach – also called cross-channel marketing – is proven to be worthwhile, and saves costs in long term, once costs associated with lost production time due to screening and prolonged time-to-hire are considered. Cross-channel marketing results in higher response rates and stronger customer relationships than simple multi-channel marketing or targeted recruiting tactics alone.

ABOUT CAREERBUILDER

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