Vermont's Transformation to Strategic Talent Acquisition: Using

Business Process Reengineering to Drive Change

NOMINATOR INFORMATION:
Beth Fastiggi
Commissioner of Human Resources
beth.fastiggi@vermont.gov

CONTACT:
Douglas Pine, Ph.D.
Deputy Director, HR Operations
doug.pine@vermont.gov

State of Vermont
Department of Human Resources
120 State Street
Montpelier, VT 05620-2505
Main: 802-828-3491
Fax: 802-828-3409

VERMONT
DEPARTMENT OF HUMAN RESOURCES

Program Summary

The State of Vermont is trailing in the quest to attract and hire top talent. This is the most critical risk right now for the future of the state's workforce. This program supports one of Governor Phillip Scott's strategic goals: to modernize and improve efficiency of government. Specifically, to "Implement an improved talent acquisition process to attract and hire a high performing, diverse workforce for the state of Vermont."

This program had two stages. First, and key to the effort, was to reengineer our recruiting business process – this was the driver of change. The business process review sought to design a process that would be streamlined, introduce efficiencies, align with a best practice talent acquisition framework, better support our hiring managers and improve hiring outcomes. The result of the business process review was a completely new model that transformed the recruiting function. Our traditional transactional process-oriented function evolved into a talent acquisition framework - more centralized, customer-centered and strategic.

Second, we implemented a new, modern software solution, which had the system features that would support the successful execution of our new business process. Our primary concerns were (1) candidate experience - we wanted to provide an application process as straightforward and user friendly as possible and (2) streamlined applicant management between candidates, recruitment, and hiring managers in order to make the best decisions on screening, interviewing and hiring and move candidates through the process more efficiently.

This move to a modern and efficient talent acquisition process will better serve the State's needs to build a talented, diverse and skilled workforce to provide the quality services that our citizens expect.

1.   **Please provide a brief description of this program**.

This program transformed Vermont's recruiting function from a transactional, process focused and mostly decentralized model to a more centralized, customer-centered, strategic talent acquisition approach. This initiative had two stages. First, and key to the effort, we studied and then reengineered our recruiting process to streamline and introduce efficiencies. The new business process was designed to align with a best practice talent acquisition framework to better support our hiring managers and improve hiring outcomes. Second, we implemented a new, modern software solution, which had the system features that would support the successful execution of our new business process.

2.   **How long has this program been operational (month and year)?**

The changes in business process began in December of 2017. The implementation of SuccessFactors Recruiting software began in May 2018 and went live in October 2018.

3.   **Why was this program created? (What problem[s] or issues does it address?)**

We were faced with a dual challenge – the landscape for attracting and hiring top talent was becoming more competitive as our workforce ages and retires, our unemployment rate remains very (historically) low, and we have a net loss in our available working age population – yet we were without a talent strategy. At the same time, we had antiquated recruiting software that lacked modern functionality and provided a very poor candidate and hiring manager experience. With this "perfect storm" we chose to tackle both issues as a single initiative.

To address the lack of a talent strategy we needed to step back and critically examine our entire business process. We brought together a work group of stakeholders to help us identify opportunities for streamlining and improving our business process. Everything was "on the table."

The result of that exercise was a completely new model that transformed the recruiting function. Our traditional transactional process-oriented function evolved into a talent acquisition framework - more centralized, customer-centered and strategic.

A key goal in this new framework was for recruitment to engage with the hiring manager as early as possible in the process and that recruitment is the hiring manager's partner and primary contact throughout the talent acquisition phase. This more centralized approach shifted certain responsibilities from HR Business Partners, eliminating multiple handoffs, improved on what were inefficient processes, and avoided any confusion for the hiring manager when support during the recruitment process was needed. It placed the talent acquisition phase of the hiring process in the hands of specialists devoted to that mission.

To address our antiquated software, we sought out a solution that had modern functionality that would further our talent acquisition focus. There were two critical requirements for the new system. Talent Attraction and Candidate Experience: We wanted to provide a positive experience for job seekers in how they interact with our recruitment system. A big part of that is having a solution that makes the application process as straightforward and user friendly as possible, including mobile compatibility, resume parsing, and an intuitive user interface. "Hire Better, Hire Smarter": We wanted to reduce unnecessary time and labor on anyone involved in the hiring process while also reducing "time to hire" and improving "quality of hire." The new system streamlined applicant management and the workflow between candidates, recruitment, and hiring managers, so information is readily accessible in order to make the best decisions on screening, interviewing and hiring and move candidates through the process more efficiently. The system provides clear, user-

friendly interfaces, and logical communication channels that makes the task of engaging with candidates and internal parties more automated.

4. **Why is this program a new and creative method?**

This talent acquisition model is much more common in the private sector. The key to this program was to reengineer our business process first – this was the driver of change. In our analysis we interviewed talent acquisition leaders from large local companies to learn best practices, studied the literature on talent acquisition, and used a working group of stakeholders to critically examine our current practices. Because we had few constraints from either our collective bargaining agreements or "civil service rules," we were able to embrace the talent acquisition framework.

5. **What was the program's startup costs? (Provide detailed information about specific purchases for this program, staffing needs and other expenditures, as well as existing materials, technology and staff already in place.)**

Implementation of SuccessFactors Recruiting: $202,800 (this was for implementation contractor); We used only internal staff as a project team (with no backfill).

6. **What are the program's operational costs?**

Annual SuccessFactors Recruiting license cost: $86,130.

7. **How is this program funded?**

The cost of implementation was a one-time appropriation; operational costs are funded through an internal services fund (charge back to departments).

8. **Did this program originate in your state?** Yes

9. **Are you aware of similar programs in other states?**

We are unaware of any programs that have combined the implementation of significant business process changes with implementation of new software, specifically chosen to support the successful execution of the new business process.

10. **How do you measure the success of this program?**

The implementation of SuccessFactors Recruiting was done on-time and on budget. While we don't have the full Fiscal Year 2019 data, to date compared to Fiscal Year 2018 we have reduced time to hire nearly 13% or almost nine calendar days. While this is preliminary, it is indicative of the positive impact that we expected. We are waiting to have a longer period of user experience before conducting hiring manager and applicant surveys. However, we have and continue to receive highly positive feedback and high user acceptance from our hiring managers.

11. **How has the program grown and/or changed since its inception?**

First, our Talent Acquisition Specialists are moving to a higher level of engagement with their hiring managers – doing more coaching and "strategic consultations." That is, thinking about not just the immediate job that needs to be filled but how do we attract top talent, for instance, through using marketing campaigns, social networks, and building talent pipelines.

Second, we are tapping into the advanced features of SuccessFactors Recruiting to include building talent pools, marketing campaigns, customized data capture/landing pages, social media campaigns and advanced talent analytics. For example, we can track the source from which an applicant clicks through to our posting (e.g., Indeed), the number who complete an application ("apply conversion"), the number to reach interview, offer, and hire. This will inform decisions about where to concentrate our time and money to achieve the best outcomes.