

# Finding More Fish in the Staffing Sea

*A recruiting strategy is critical for credit unions to find key talent.*

By S.R. Johannes

As businesses across America continue fighting to attract and hire the best people, it will also be important to minimize turnover and retain their current workforce. According to a recent CUNA & Affiliates E-Scan article, "We are headed for one of the most severe shortages of skilled workers ever. The number of U.S. workers will dwindle as baby boomers retire and there are fewer workers in the subsequent generation to take up the slack." Fewer workers means less talent in the staffing pool. Companies that develop and implement successful recruiting strategies can ensure they attract and keep the best talent.

## CUs Need to Implement a Formal Recruiting Strategy

In the book *War for Talent*, authors Ed Michaels, Helen Handfield-Jones, and Beth Axelrod found that "only one in four companies is actually focusing on making its talent pool a top priority." The key is to plan now for the future in anticipation of the changing hiring trends. In developing a recruiting strategy, credit unions must understand the barriers to success, the goals of their recruiting, and the components of an effective strategy.

Possible barriers to a credit union's successful recruiting strategy:

- Shortage of talent based on changing population.
- Limited focus and money on growing and keeping internal candidates.
- Increased competition for talent within the same industry or outside the industry.
- Ineffective marketing of job openings and overall company benefits.
- Minimal or immature recruiting channels.
- Lack of a formal recruiting strategy.
- Ineffective human resource (recruiting) departments.
- Low associate satisfaction.
- Poor on-boarding process for new hires.

Possible goals for creating a recruiting strategy:

- Plan for future turnover.
- Need to fill open positions.
- Prepare for ongoing growth of business.
- Want new skill sets and perspectives.
- Ongoing search for key talent.

## Components of an Effective Recruiting Strategy

Having a clearly defined recruiting strategy focuses hiring efforts beyond a short-term, tactical approach. When designing a recruiting strategy, the following components are critical to ensure a competitive advantage in gaining the best workforce talent.

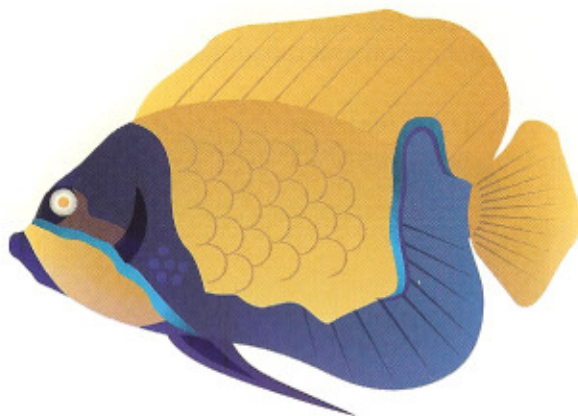
- 1) Forecasting hiring needs.
- 2) Prioritizing critical positions.
- 3) Identifying and building recruiting relationships with multiple channels.
- 4) Focusing on a multi-faceted marketing strategy.
- 5) Developing a "recruiting culture."
- 6) Creating an effective on-boarding and training process.

## Attracting Key Talent

When developing a recruiting strategy, a critical step is to be sure the company and jobs posted attract the highest quality talent. Companies need to create competitive positions and internal policies to entice the best people to the job and the company.

Ensure these aspects in jobs and the company:

- 1) Work that is exciting and stimulating.
- 2) A company that aligns with values and beliefs.
- 3) A company that is well-managed.
- 4) Managers that recognize and reward associates for accomplishments.



- 5) A position that provides ongoing opportunities for growth and development.
- 6) A company that treats its people well.
- 7) A company that values work-life balance.

Implement ways to entice a variety of talented people to your organization:

- Treat people right.
- Target multiple external sources.
- Market company's benefits.
- Market recruiting efforts.

To create a compelling recruiting campaign, credit unions must address these elements and articulate them well through marketing and job postings.

### Hiring the Right People

"Talent," as defined in *War for Talent*, "is shorthand for a key employee who possesses a sharp strategic mind, leadership ability, communications skills, the ability to attract and inspire people, entrepreneurial instincts, functional skills, and the ability to deliver results." Credit unions need to define what kind of talent they want to attract. Targeting talent one at a time ensures the right people for the right company. Credit unions can define what type of talent they need and identify ways to ensure the people they interview possess those skills.

Studies have shown that poor cultural fit is a major cause of turnover for new hires. For credit unions to achieve greater results, they should define what their corporate culture is, ensure current employees know the desired culture, and hire people that fit into that culture.

- Define key values of company.
- Create list of core company competencies.
- Define the talents and skills needed.
- Clearly define job and role definitions.



In the book *Interviewing and Selecting High Performers: Every Manager's Guide to Effective Interviewing Techniques*, Richard Beatty states that "behind every business problem is a human resources problem – we either have the wrong person in place or the person lacks the necessary skills and/or motivation to get the job done." This can be addressed in a multi-step interviewing process:

- 1) **Screening Interview** – Credit unions can conduct initial screening in several different ways:
  - Screening resumes without speaking to candidates. This is efficient but provides no way to gather information on the person.
  - Phone screening interviews allow credit unions to determine if a candidate's qualifications, experience, workplace preferences, and salary needs fit with the position and organization. The telephone interview saves managerial time and eliminates unlikely candidates, but also provides some insight into personality traits.
  - In-person screening interviews can provide a more holistic perspective on the individual's personality in addition to skills and experience.
- 2) **Group Interview** – A group interview requires a candidate to get to know people in a group and show how comfortable they are in a group setting. Group interviews are efficient and are ideal for situations where a candidate will be expected to work in a team. This technique can also test for interpersonal skills and confidence traits.
- 3) **Behavioral Interview** – This technique can be used by credit unions to evaluate a candidate's experiences and behaviors to determine their potential for success. Behavioral interviewing, in fact, is said to be 55 percent predictive of future on-the-job behavior, while traditional interviewing is only said to be 10 percent predictive. The interviewer identifies desired skills and behaviors, and then structures open-ended questions and statements to elicit detailed responses. An example would be: Describe a situation in which you were able to use influence a more senior manager to see things your way.

In addition to creating an interviewing process, it is critical to ensure that your managers and associates





are trained to conduct these types of interviews. This includes preparing, conducting, documenting, and following-up.

### Retaining the Talent

Today's workforce is much more independent. Most of the key-talent associates expect to be trusted and empowered. This is one essential piece in keeping the best people. A recent study at Berkley's WTS Center found that "turnover costs for a manager average 150 percent of salary, including tangible costs of hiring new workers and relocation, and intangible costs such as the new worker's inefficiency and lost productivity while the job is vacant." There are several other ways to retain key talent:

- 1) Offer competitive salaries.
- 2) Create new hire on-boarding and training.
- 3) Develop skills of internal talent.
- 4) Provide ongoing rewards and recognition.
- 5) Develop career pathing/succession.
- 6) Create a work-life balance.
- 7) Don't be afraid to get rid of low performers.

Eliminating turnover and keeping the best people cannot happen by chance. This can only be achieved by developing long term strategies that ensure a positive and motivating environment. These strategies, partnered with trust and respect, can create the best place to work. When you treat your employees as an asset, and not an expense or liability, you can ensure your people are satisfied, productive, and loyal.

### Measuring the Effectiveness of a Recruiting Strategy

According to a Society for Human Resource Manage-

ment Recruiting Practices Survey of 2000 SHRM members, 56 percent of the survey respondents do not conduct formal evaluations to measure the effectiveness of their recruiting methods.

For organizations where formal programs are in place, top metrics can include measuring:

- 1) The time it takes to fill a position.
- 2) Retention and turnover rates.
- 3) The total cost per hire (direct and indirect).
- 4) The total number of applicants per year.

"The fact that most of the HR professionals surveyed do not have a system in place to measure the effectiveness of a core HR function indicates that they may be missing an important opportunity to demonstrate the value they offer as a strategic business partner to the entire organization," notes Joy Waltemath, CCH assistant executive editor for human resources.

### Conclusion

Ultimately, a company is only as good as the people who work for it. In a recent interview, Juri Valdov - CUNA chairman and CEO of Northwest Federal Credit Union - was asked to discuss the major pitfalls he felt credit unions made in retaining key talent. Mr. Valdov says:

"Finding the right fit for employees, focusing on strengths of employees, defining the right results, and selecting staff for talent - not just knowledge and skills. Good managers can make a difference in retaining key talent. There's much more to it than the golden rule of 'treat others the way you want to be treated.' Employees are individuals and managers need to do a better job of knowing, understanding and adjusting to the individuals that work for them. What works for one, doesn't work for another. A solid and thoughtful approach to learning and development also makes a big difference in retaining talent and keeps employees engaged."

With the low unemployment rate in America, company's are beginning to have a harder time finding and retaining high quality talent. Credit unions need to be more proactive by creating aggressive recruiting strategies to ensure they stay ahead. **CUB**

*Shelli Johannes-Wells owns her own company, bilan, inc, and is a corporate freelance writer. She has written articles and marketing brochures for Fortune 500 companies including Accenture, Bank of America, Delta and Care.*