

CP Perspectives: Building a Talent Pipeline

*By Steven Landberg, Managing Director
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Leading corporate recruitment functions are increasingly building talent pipelines on a proactive basis to best serve ongoing and anticipated talent needs for their organizations. These organizations tend to recognize the importance of having top quality talent and that strategically building a talent pipeline is a source of competitive advantage in obtaining top quality talent. The implementation challenge is how to best build and maintain a talent pipeline via a strategic and cost effective approach, especially with limited recruitment resources.

Importance of Building a Talent Pipeline

Almost all organizations recognize the importance of having an effective sourcing strategy for their talent needs. Most organizations also understand the key role that building a talent pipeline serves in those sourcing efforts. However, few organizations are currently engaged in proactively building their talent pipelines. Most corporate recruitment functions tend to largely be preoccupied with filling their current open requisitions.

An organization needs to have an effective talent sourcing strategy to provide a framework for its recruitment activities and development needs. Without a talent sourcing strategy to guide recruitment efforts and to coordinate business and recruitment functions, an organization will be challenged to have an effective talent sourcing approach. While the primary focus tends to be on more effectively meeting current talent needs, proactively building a talent pipeline is becoming an integral and important component of recruitment platforms for progressive organizations.

Proactively building a talent pipeline involves a number of key factors including:

1. defining key talent need areas for the near future
2. identifying the best competitive sources for that talent
3. establishing an applicant tracking system for storing, organizing, and tracking the talent pipeline
4. investing in sourcing talent to fill the talent pipeline in a strategic and cost effective manner
5. maintaining the talent pipeline via ongoing communications and updates with identified top talent

Building a talent pipeline is particularly attractive for those organizations that are growing or expanding, have critical talent needs on an ongoing basis, and can generally predict certain types of talent that will be required in the near future. An organization cannot anticipate all its future talent needs, but there are usually a number of key areas that will be essential for ongoing success.

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Building a talent pipeline reaps a number of key *benefits* for an organization including:

- Enhances the ability to recruit top quality talent which is usually based upon long term relationships and mutual respect with an organization
- Establishes contact with desired passive candidates which takes more time and effort than processing active candidates
- Provides a better basis for judging talent levels in a business area versus just talking with those currently active in the marketplace
- Enables the recruitment function to respond more rapidly and confidently to emerging talent needs.
- Creates the ability to focus on diversity hiring needs as a critical ongoing need.

There are also *constraints* for organizations consider when investing in building a talent pipeline including:

- Limited recruitment resources and budget to proactively build talent pipelines
- Ability to identify critical future top talent needs necessary to focus the investment
- Potential conflict with resources focused on filling current openings

Approaches to Building and Maintaining a Talent Pipeline

Leading organizations are increasingly investing a designated portion of their recruitment budget and resources on building talent pipelines. Best practice approaches include:

- Developing a workforce plan that identifies critical current and future hiring needs.
- Establishing a talent sourcing strategy for both current and future staffing requirements including desired channels and employers, internal versus external recruitment resources, and desired recruiter roles and responsibilities.
- Allocating resources to building a talent pipeline in critical areas of the business where top talent will make a significant difference.
- Devoting internal recruiters or establishing an outsourcing arrangement with a talent sourcing vendor to identify the top quality talent.
- Building a contact and candidate relationship management approach to initiate and maintain communications with identified top quality talent for potential future needs.
- Measuring the impact and cost of utilizing a talent pipeline approach to justify future investments.

Building a talent pipeline should be an integral component or an organization's talent sourcing strategy. It requires ongoing support to maintain contact and build relationships with desired top talent to truly provide a high return on the initial investment in identifying that talent and establishing contact.

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Call to Action

Leading organizations understand the importance of having a workforce plan and talent sourcing strategy to support their business strategies and enable their effective implementation. Many desire to build a talent pipeline as part of that approach, but generally feel a resource constraint to pursue that important endeavor. While organizations typically devote 5-15% of their budgets towards Research & Development activities to enable future growth in terms of products and services, few are doing that in terms of their future talent needs. It is also important to devote a portion of the recruitment budget to building a talent pipeline to obtain the best quality talent available to support future growth as well. It is now time to make those investments through a well-designed approach to reap the greatest benefits for your organization.

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