PeopleAdmin

2011 Talent Management Trends in the Public Sector

INTRODUCTION

Managing human resource processes in state and local government agencies is complex. From managing multiple position types to juggling complex recruiting, hiring, and performance management processes, it requires a balancing act. At the same time, HR professionals must be able to track, audit, and defend personnel decisions — often with more job applicants and fewer internal resources than in years past.

For the second consecutive year, PeopleAdmin — a leading provider of web-based talent management solutions designed for government and higher education organizations — has created the Talent Management Trends in the Public Sector Report to help HR professionals in state and local government agencies benchmark their talent management practices with those of their peers. The goal of the report is to provide a solid understanding of talent management trends unique to government agencies, while providing the data HR professionals need to benchmark their progress against like-sized agencies.

KEY FINDINGS

The Talent Management Trends in the Public Sector Report includes survey data from more than 225 respondents. The survey included questions about challenges respondents are facing across all aspects of talent management — from recruiting and onboarding to position and performance management.

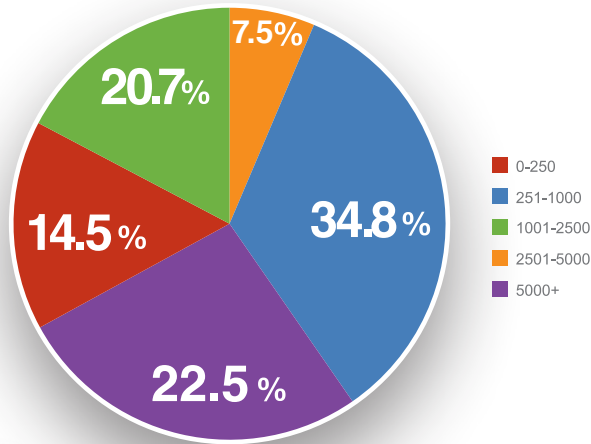### The survey results reveal the following:

- Succession planning, workforce planning, online competency testing, using social media technologies and managing employee performance evaluations are the most difficult areas for HR professionals to manage.

- The top five recruitment process challenges are: integrating hiring data with other HR systems, delivering reports and metrics, improving hiring workflow, selecting the most qualified candidates, and managing applicant testing and assessment.

- The public sector continues to adopt technologies to manage the recruiting process and expresses high levels of satisfaction with automated processes. 59% of agencies have automated the applicant tracking process, and 75.1% have automated the civil service hiring process.

- Fewer agencies have adopted technology for position management (30.6%) and performance management (39.7%). There is a significant opportunity for agencies to gain efficiencies in these areas.

- Only 36.9% of organizations are delivering reports and metrics in an automated and efficient fashion. The most important metrics are EEO, time-to-fill, first year turnover, and cost-per-hire. These point directly to four key areas of effective organizational management — compliance, efficiency, quality and cost.

59% of agencies have automated the applicant tracking process, and 75.1% have automated the civil service recruiting process.
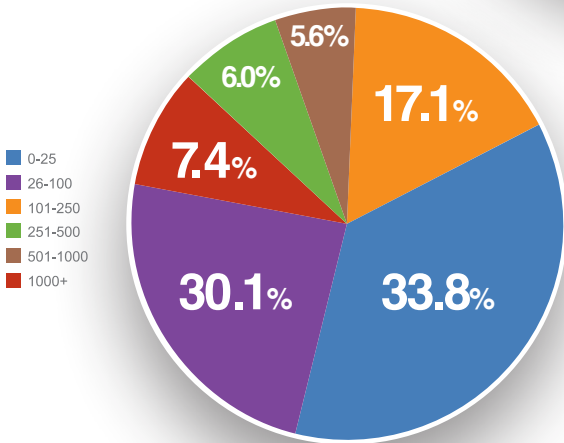
AUDIENCE DEMOGRAPHICS

More than 225 state and local government agencies participated in the 2011 survey. Of those responding, 53.2% manage 25-500 job vacancies per year, and 59.2% manage 500-25,000 applications per year.

HOW MANY EMPLOYEES ARE IN YOUR AGENCY?

- 7.5%
- 20.7%
- 14.5%
- 34.8%
- 22.5%

Legend:
- 0-250
- 251-1000
- 1001-2500
- 2501-5000
- 5000+

53.2% of government agencies manage 25-500 vacancies per year, and 59.2% manage 500-25,000 applications per year.

HOW MANY POSITIONS DO YOU HAVE OPEN ON AN ANNUAL BASIS?

- 5.6%
- 6.0%
- 7.4%
- 17.1%
- 30.1%
- 33.8%

Legend:
- 0-25
- 26-100
- 101-250
- 251-500
- 501-1000
- 1000+

HOW MANY APPLICATIONS DO YOU RECEIVE ON AN ANNUAL BASIS?

- 24.2%
- 6.2%
- 6.6%
- 10.0%
- 26.5%
- 26.5%

Legend:
- 0-500
- 501-2500
- 2501-10,000
- 10,001-25,000
- 25,001-50,000
- 50,001+
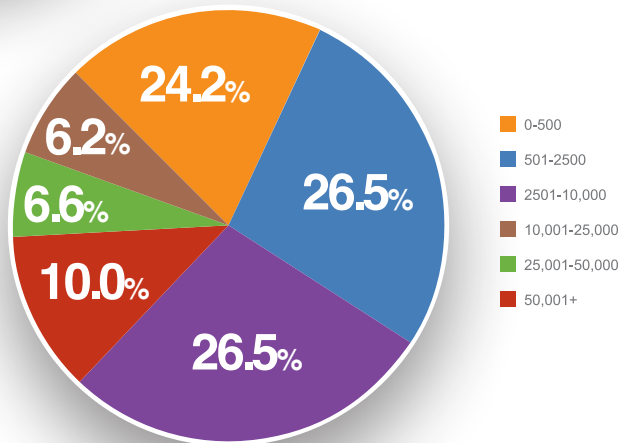
TALENT MANAGEMENT CHALLENGES

When asked to rank their top talent management challenges, respondents rated the following in the top five:

- succession planning
- work force planning
- online competency testing
- utilizing social media technologies
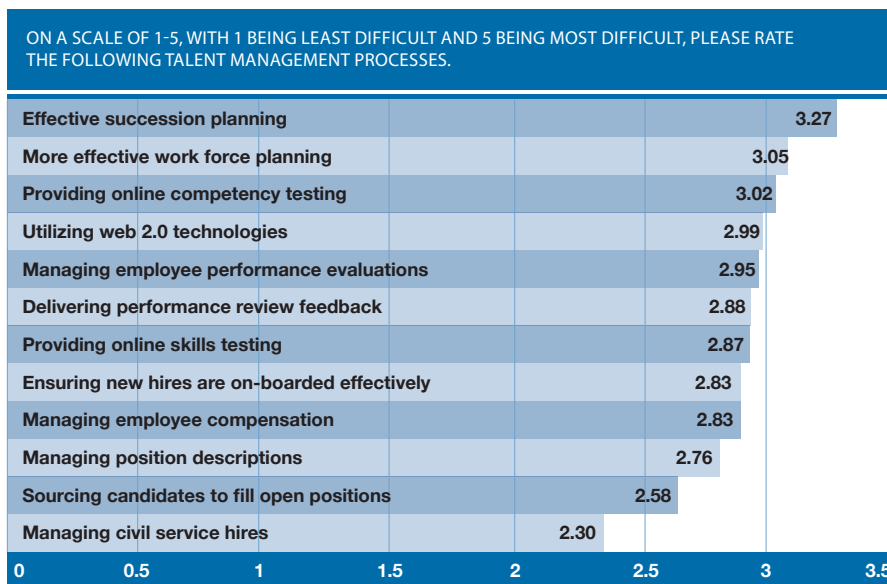- managing employee performance evaluations

ON A SCALE OF 1-5, WITH 1 BEING LEAST DIFFICULT AND 5 BEING MOST DIFFICULT, PLEASE RATE THE FOLLOWING TALENT MANAGEMENT PROCESSES.	
Effective succession planning	3.27
More effective work force planning	3.05
Providing online competency testing	3.02
Utilizing web 2.0 technologies	2.99
Managing employee performance evaluations	2.95
Delivering performance review feedback	2.88
Providing online skills testing	2.87
Ensuring new hires are on-boarded effectively	2.83
Managing employee compensation	2.83
Managing position descriptions	2.76
Sourcing candidates to fill open positions	2.58
Managing civil service hires	2.30

The results were similar for organizations of all sizes though online testing was more important for small and larger organizations and performance management for mid-size organizations.
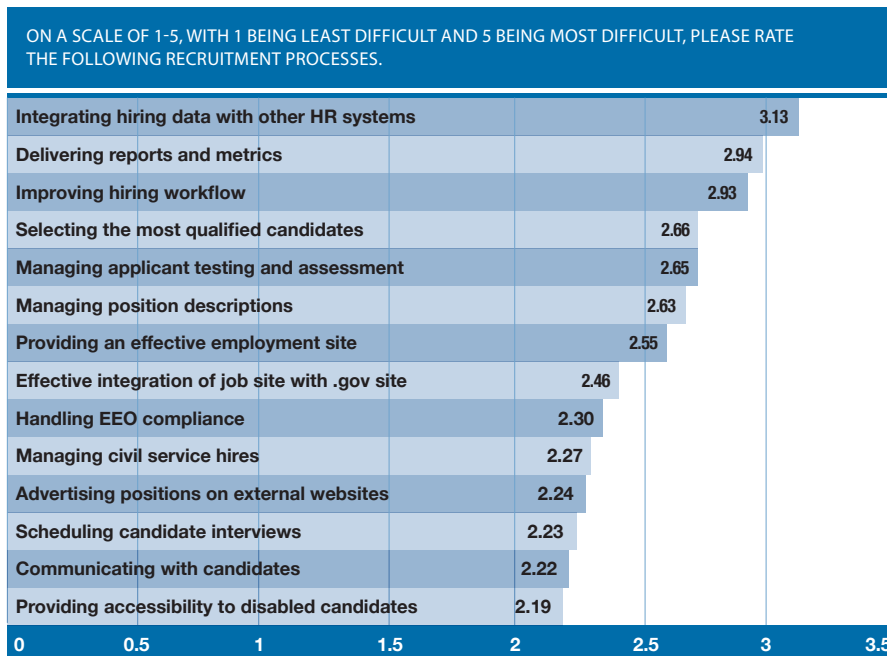
Responses by organization size

0-250 EMPLOYEES
- Online competency testing
- Succession planning
- Online skills testing
- Social media
- Workforce planning/Performance evaluations

251-5,000 EMPLOYEES
- Succession planning
- Workforce planning
- Performance review feedback
- Performance evaluations
- Social media

5,001+ EMPLOYEES
- Succession planning
- Online competency testing
- Workforceplanning
- Online skills testing
- Social media

RECRUITING PROCESS CHALLENGES

When asked to rank top recruiting process challenges, respondents rated the following in the top five:

- integrating hiring data with other HR systems
- delivering reports and metrics
- improving hiring workflow
- selecting the most qualified candidates
- managing applicant testing and assessment

ON A SCALE OF 1-5, WITH 1 BEING LEAST DIFFICULT AND 5 BEING MOST DIFFICULT, PLEASE RATE THE FOLLOWING RECRUITMENT PROCESSES.

Process	Rating
Integrating hiring data with other HR systems	3.13
Delivering reports and metrics	2.94
Improving hiring workflow	2.93
Selecting the most qualified candidates	2.66
Managing applicant testing and assessment	2.65
Managing position descriptions	2.63
Providing an effective employment site	2.55
Effective integration of job site with .gov site	2.46
Handling EEO compliance	2.30
Managing civil service hires	2.27
Advertising positions on external websites	2.24
Scheduling candidate interviews	2.23
Communicating with candidates	2.22
Providing accessibility to disabled candidates	2.19

0	0.5	1	1.5	2	2.5	3	3.5

Results were fairly consistent, regardless of organization size. However, reports and metrics ranked higher for smaller and mid-sized organizations. Managing position descriptions was more important to smaller and larger organizations. Selecting the most qualified candidates was more important to mid-sized and larger organizations.

Responses by organization size

0-250 EMPLOYEES
- Integrating hiring data
- Reports and metrics
- Hiring workflow
- Applicant testing and assessment
- Managing position descriptions

251-5,000 EMPLOYEES
- Integrating hiring data
- Reports and metrics
- Hiring workflow
- Selecting the most qualified candidates
- Applicant testing and assessment

5,001+ EMPLOYEES
- Hiring workflow
- Integrating hiring data
- Selecting the most qualified candidates
- Managing position descriptions
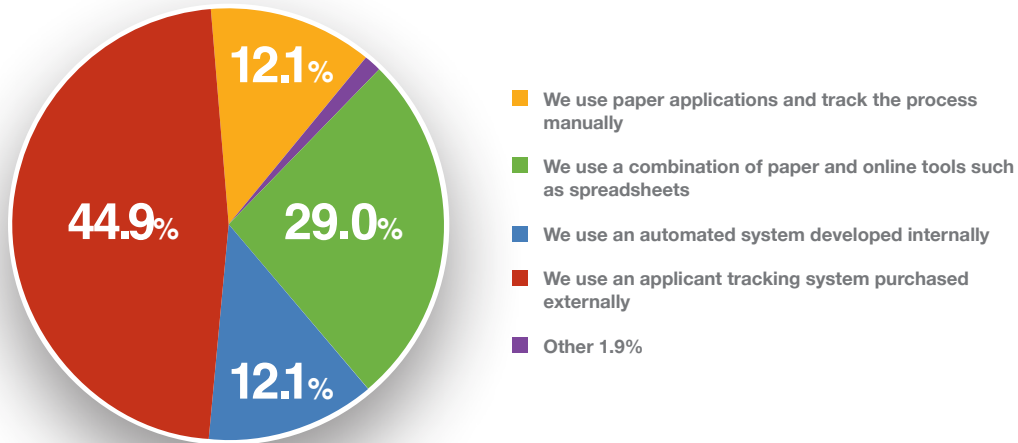- Applicant testing and assessment

HIRING PROCESS AUTOMATION AND SATISFACTION

In this year's survey, 41% of agencies are managing their recruitment process manually or with basic tools such as spreadsheets. This is down from 45% in the 2010 study, implying that the adoption of recruitment automation technology continues in government organizations.
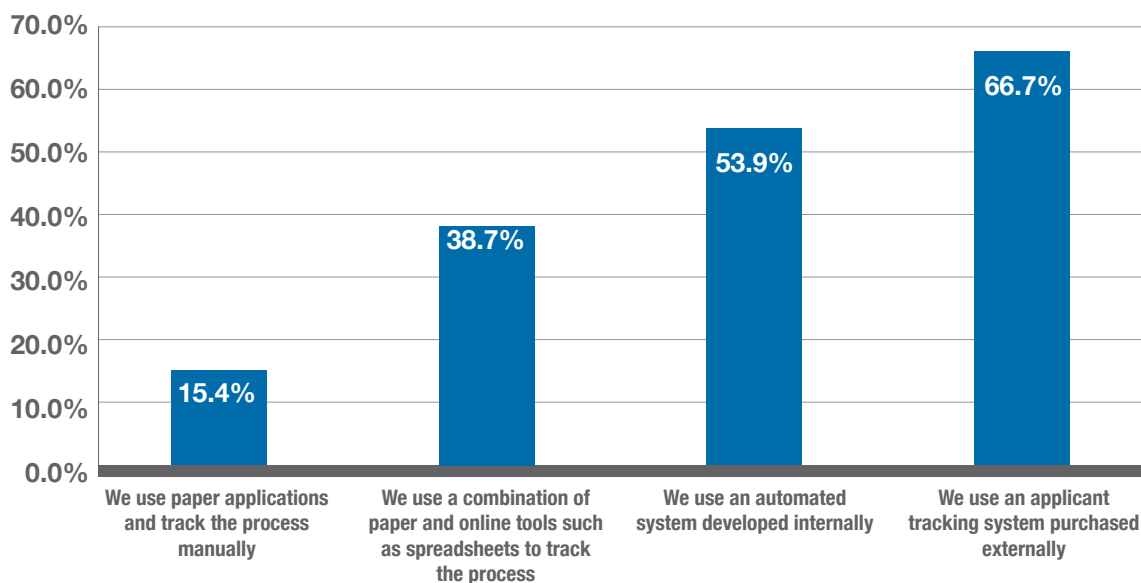
When asked to rate their satisfaction with the hiring process, those that use a third party applicant tracking system are 4.3 times more likely to be satisfied with their process than those who have yet to automate.

Respondents using a third-party applicant tracking system are 4.3 times more likely to be satisfied with their hiring process.

WHICH BEST DESCRIBES YOUR HIRING PROCESS TODAY?

- 12.1% We use paper applications and track the process manually
- 29.0% We use a combination of paper and online tools such as spreadsheets
- 12.1% We use an automated system developed internally
- 44.9% We use an applicant tracking system purchased externally
- Other 1.9%

% HIGHLY SATISFIED WITH THEIR PROCESS

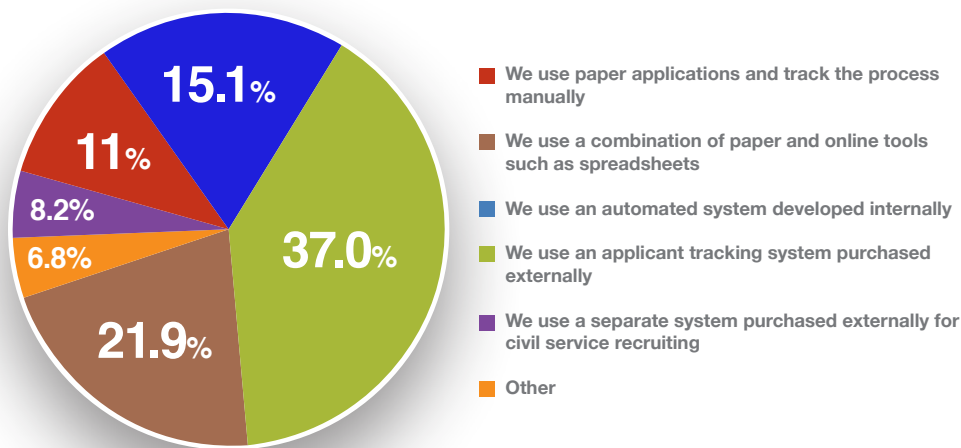|	We use paper applications and track the process manually	We use a combination of paper and online tools such as spreadsheets to track the process	We use an automated system developed internally	We use an applicant tracking system purchased externally
	15.4%	38.7%	53.9%	66.7%

CIVIL SERVICE HIRING PROCESS AUTOMATION AND SATISFACTION

Of those respondents indicating they are responsible for the civil service hiring process, 24.9% are managing this process manually or with basic tools such as spreadsheets. A majority of organizations are using their applicant tracking system for both civil service and non-civil service hiring.
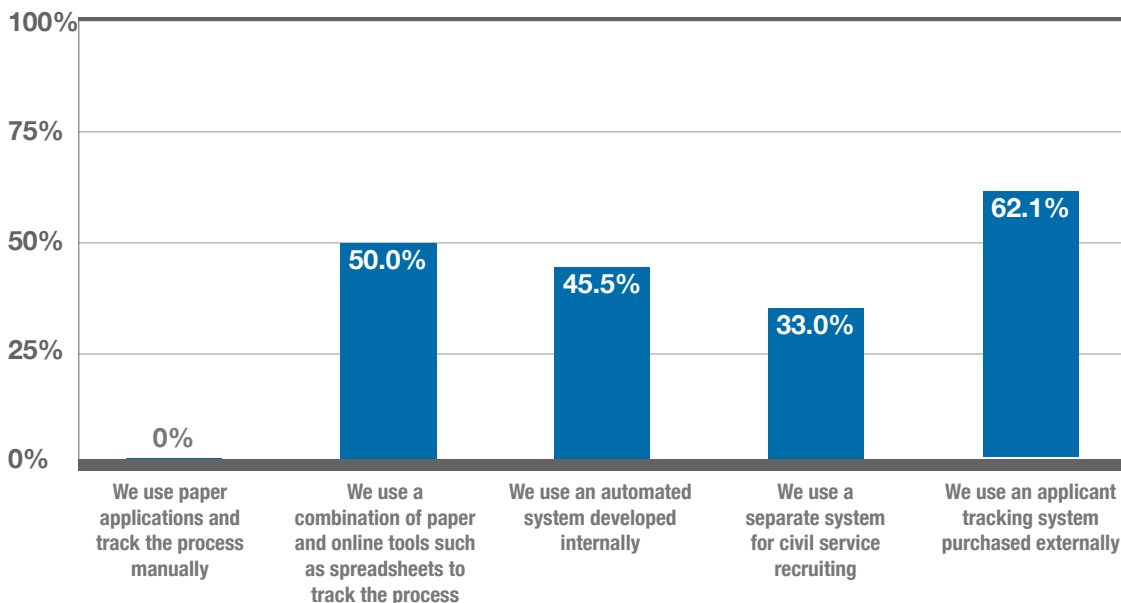
When asked to rate their satisfaction with the civil service hiring process, those that use their applicant tracking system for civil service recruiting are most satisfied.

24.9% of responders are managing their civil service hiring process manually or with basic tools.

WHICH BEST DESCRIBES YOUR CIVIL SERVICE HIRING PROCESS TODAY?

- 15.1%
- 11%
- 8.2%
- 6.8%
- 37.0%
- 21.9%

- ■ We use paper applications and track the process manually
- ■ We use a combination of paper and online tools such as spreadsheets
- ■ We use an automated system developed internally
- ■ We use an applicant tracking system purchased externally
- ■ We use a separate system purchased externally for civil service recruiting
- ■ Other

% HIGHLY SATISFIED WITH THEIR PROCESS

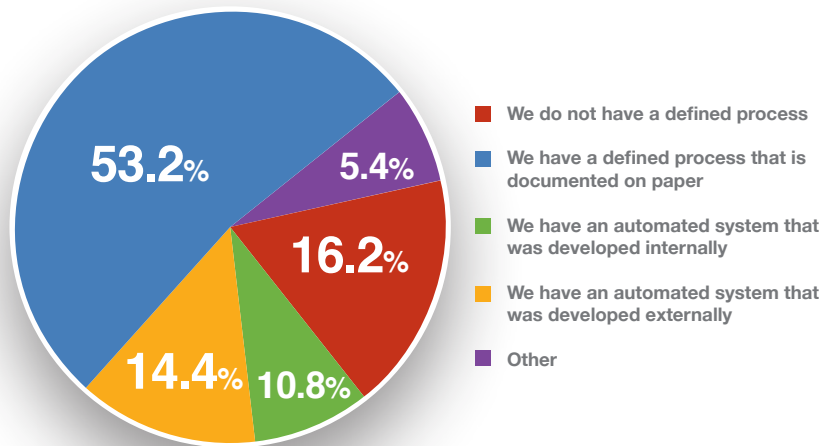| Process	% Highly Satisfied
We use paper applications and track the process manually	0%
We use a combination of paper and online tools such as spreadsheets to track the process	50.0%
We use an automated system developed internally	45.5%
We use a separate system for civil service recruiting	33.0%
We use an applicant tracking system purchased externally	62.1%

POSITION MANAGEMENT PROCESS AUTOMATION AND SATISFACTION

Of those respondents indicating they are responsible for position management in their organization, 69.4% are managing this process manually or with basic tools such as spreadsheets.
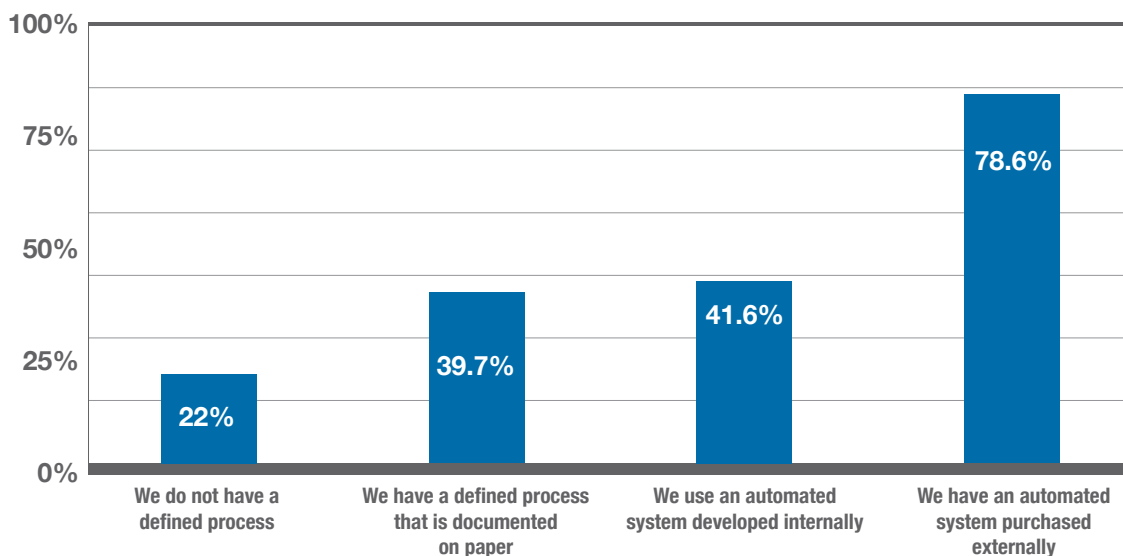
When asked to rate their satisfaction with the position management process, those that use a third-party system for position management are 3.5 times more likely to be satisfied with their process than those who have yet to automate.

Respondents using a third-party system for position management are 3.5 times more likely to be satisfied with their process.

HOW WOULD YOU BEST DESCRIBE YOUR POSITION MANAGEMENT PROCESS?

53.2%   **5.4%**   **16.2%**   **14.4%**   **10.8%**

- We do not have a defined process
- We have a defined process that is documented on paper
- We have an automated system that was developed internally
- We have an automated system that was developed externally
- Other

% HIGHLY SATISFIED WITH THEIR PROCESS

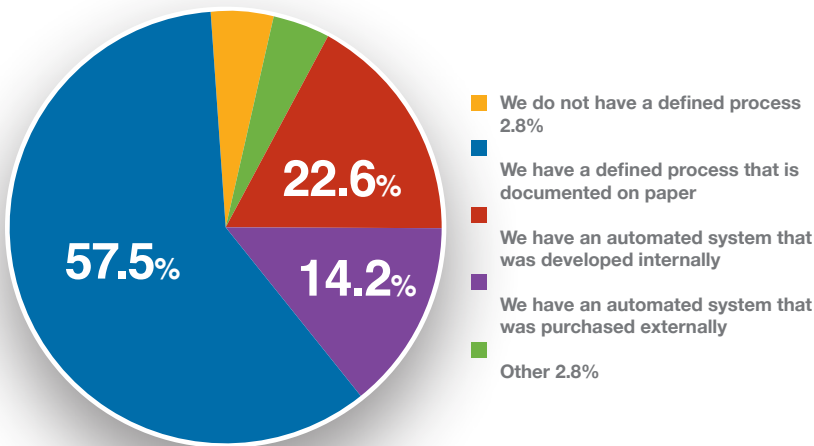|	22%	39.7%	41.6%	78.6%
	We do not have a defined process	We have a defined process that is documented on paper	We use an automated system developed internally	We have an automated system purchased externally

PERFORMANCE MANAGEMENT PROCESS AUTOMATION AND SATISFACTION

Of those respondents indicating they are responsible for performance management in their organization, 60.3% have a paper-based process.
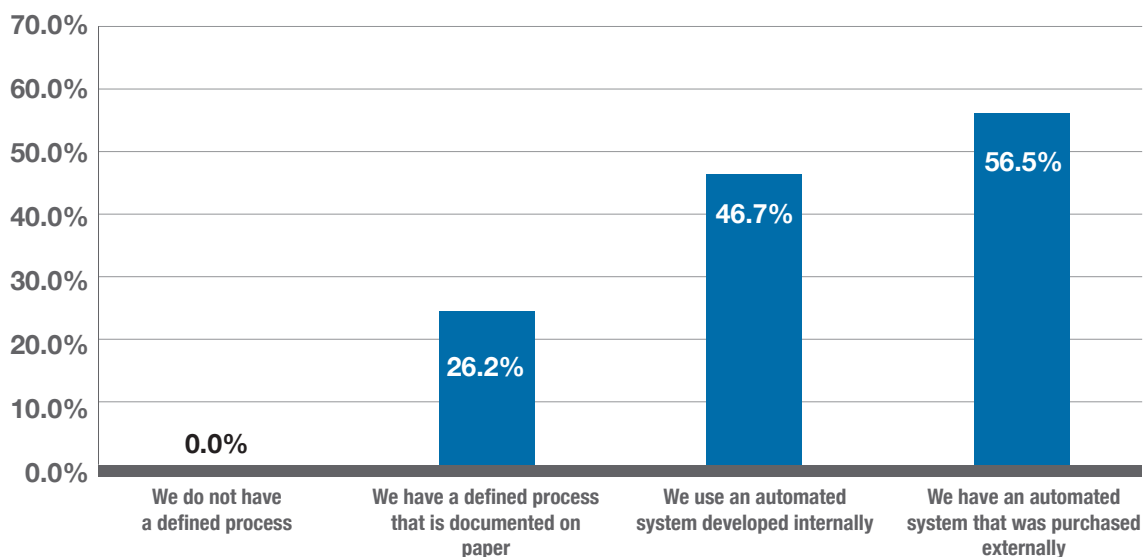
When asked to rate their satisfaction with the performance management process, those that use an automated system for performance management are more satisfied with their process than those who have yet to automate.

Respondents using a third-party system for performance management are more likely to be satisfied with their process.

HOW WOULD YOU BEST DESCRIBE YOUR PERFORMANCE MANAGEMENT PROCESS?

- We do not have a defined process 2.8%
- We have a defined process that is documented on paper
- We have an automated system that was developed internally
- We have an automated system that was purchased externally
- Other 2.8%

57.5% 22.6% 14.2%

% HIGHLY SATISFIED WITH THEIR PROCESS

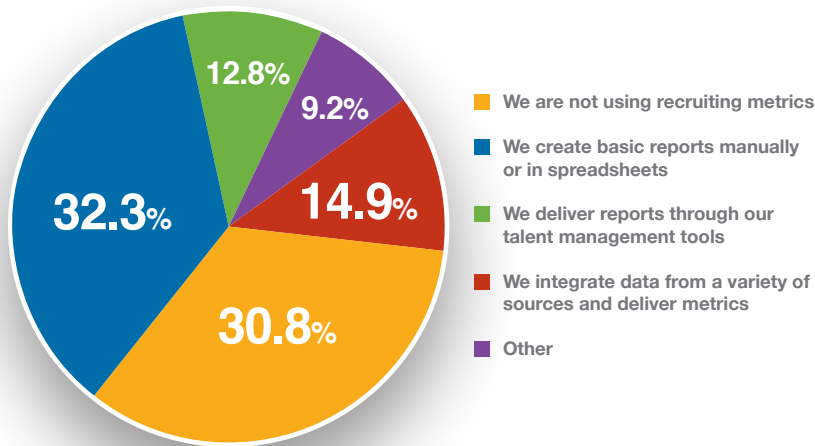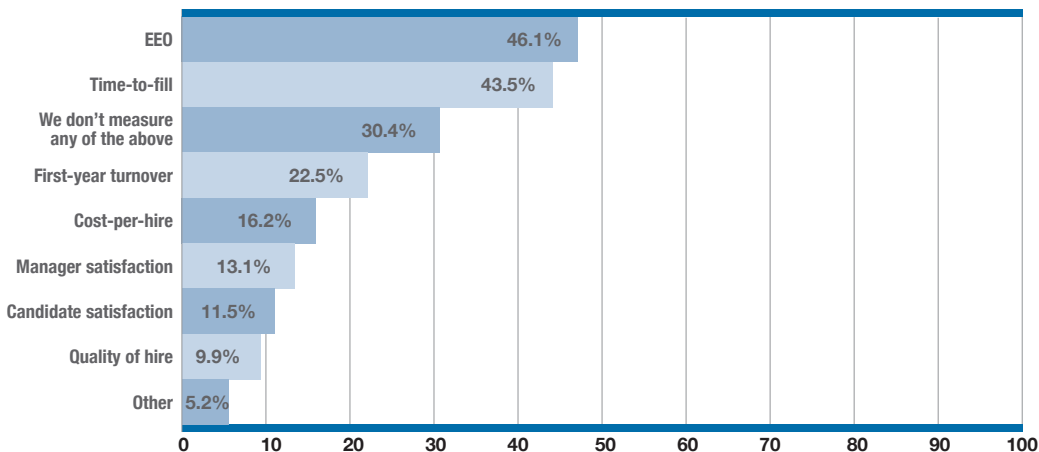| We do not have a defined process	We have a defined process that is documented on paper	We use an automated system developed internally	We have an automated system that was purchased externally
0.0%	26.2%	46.7%	56.5%

RECRUITING METRICS

In this year's survey, 63.1% of responders are either not measuring the recruiting process/function or are using basic reports. This indicates a great deal of opportunity for improvement in this area.

Of those actively measuring their recruiting processes, EEO, time-to-fill, first year turnover, and cost-per-hire are the top areas of measurement.

WHICH BEST DESCRIBES YOUR USE OF RECRUITING METRICS TODAY?

- 12.8%
- 9.2%
- 32.3%
- 14.9%
- 30.8%

- ■ We are not using recruiting metrics
- ■ We create basic reports manually or in spreadsheets
- ■ We deliver reports through our talent management tools
- ■ We integrate data from a variety of sources and deliver metrics
- ■ Other

WHICH OF THE FOLLOWING RECRUITING METRICS DO YOU TRACK REGULARLY?

EEO	46.1%
Time-to-fill	43.5%
We don't measure any of the above	30.4%
First-year turnover	22.5%
Cost-per-hire	16.2%
Manager satisfaction	13.1%
Candidate satisfaction	11.5%
Quality of hire	9.9%
Other	5.2%

0 10 20 30 40 50 60 70 80 90 100

CONCLUSION

In this year's study, we found that human resources professionals in government agencies continue to face many of the same recruiting and talent management challenges that they faced last year. Though we did not ask survey respondents specifically about the effects of the economy on their talent management challenges, we believe HR professionals in government are currently in a position to manage more job applicants with fewer internal resources than they have had in years past.

At the same time, the public sector continues to see the benefits of adopting recruiting and talent management technologies. In fact, agencies that have taken on such technology initiatives are citing higher rates of satisfaction across the board for hiring, position management, and performance management processes.

We also found that the majority of human resources professionals are measuring few, if any, metrics around recruiting. Given the importance of tracking and analyzing recruiting metrics to improve recruiting processes over time, we believe that HR professionals are not ignoring this aspect of recruiting, but simply lack the automation and reporting tools needed to track, analyze and act on their recruiting metrics.

No matter where a government agency falls in comparison with the results of this study, the trends are clear: an increasing number of agencies are using recruiting and talent management technologies to automate complex processes and gain efficiencies. And, those that do are more satisfied than ever with their processes.

ABOUT PEOPLE ADMIN

Founded in 2000, PeopleAdmin leads the way in providing web-based Talent Management solutions for Higher Education and Government. PeopleAdmin solutions enable clients to automate and simplify the hiring process, manage position descriptions and classifications, improve candidate communication and selection, drive a compliant, defensible process, and improve reporting methods. Our offering includes modules for applicant tracking, position management, onboarding and performance management. Delivered through a software-as-a-service model, PeopleAdmin solutions are rapidly deployed, easy-to-use and supported through a world-class customer service organization. More than 650 leading organizations throughout North America use PeopleAdmin solutions to gain talent management efficiencies while minimizing risk. PeopleAdmin's customers include the City of Austin, the Commonwealth of Virginia, City of Gahanna, City of Wichita Falls, Dartmouth College, Princeton University, The Scripps Research Institute, University of Chicago, University of Notre Dame, and University of Pennsylvania.

For more information visit www.peopleadmin.com