



TenStep Supplemental Paper

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The Latest Goldmine

When someone tells a manager that treating the candidate resume database as a corporate asset is a new human resource practice, he better believe it. To most organizations, their resume databases are nothing but a collection of documents.

However, if they were to treat their databases as directories that listed addresses of potential customers, that in itself would redefine an organization's success. The HR executives at Ikea, a global home-furnishings company did exactly that.

Setting an example

Compiled over years, Ikea has more than a million applications stored in its resume database. The database is visited only when positions fall vacant, as organizations typically do not consider going through their databases otherwise. However, one day, an HR executive suggested, "We do not need candidates, we need customers.

Why do not we send a lunch coupon to everyone in the database so we get more of them into our stores?" Until that moment, nobody realized what a treasure a resume database could be.

By rechristening the candidate database as their customer catalogue, Ikea chanced upon the most inexpensive way to discovering potential markets. The underlying belief is that if an individual is eager enough to apply for a job in the company, he is probably attracted to its products as well.

This individual can be converted into a customer if the organization shows a little interest in him, which is where the free lunch coupons come in!

As the furnishings' store runs its own restaurants, offering free lunch coupons was a convenient 'carrot' to offer. For other organizations, especially those whose potential employees are also their potential customers, various incentives or freebies could be used.

However, all this begins with treating the resume database as a corporate asset. An HR executive's responsibility in implementing such new practices is to help organizations uncover the true potential of their resume databases. Efforts towards that include:

Making two ends meet

A resume database acts as a pool of customers who have expressed some desire in the organization. However, in the absence of an interface between the recruiting department and the marketing and sales department, there is no way that this information can change hands. HR intervention can ensure that marketing and sales professionals have access to this information.

Additionally, such intervention mobilizes recruiting efforts that typically come into action only when vacancies arise. For instance, even if an applicant has been on their database for sometime, a recruiter would not think of building a relationship with him until a suitable position falls vacant.



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However, if recruiters were to pay attention to such 'stored' applicants even in the absence of any hiring, it would make an ideal launch pad for marketing and sales activities. As payback, the marketing and sales department can help recruiting with publicity and PR. Such inter-departmental collaborations augur well for the organization.

Recognizing opportunity

The 'stored' applicants are either candidate-customers or customer-candidates. Irrespective of how an organization looks at these individuals, the fact is that it presents an opportunity to sell the organization, either as an employer or brand of choice.

Such selling would require direct marketing which according to an expert is "an act of customer service". That being the case, it becomes that the organization must treat everyone on their database well.

As part of customer service, an organization must keep in touch with its candidate-customers regularly and use these frequent interactions to build relationships based on trust and loyalty. However, recruiters often complain that they do not have the time or the necessary skills to build relationships with 'stored' applicants.

This is where HR intervention is required. In addition to convincing recruiters about the value of such relationships, HR must offer support in terms of resources, dedicated staff and skills training.

In addition to frequent relationship-building communications, successful customer service is also about creativity. Services rendered must "surprise and delight, intrigue and inform, differentiate and ultimately sell out the organization to customers and candidates alike," says an expert.

One such creative idea is Ikeas' aforementioned initiative of issuing free lunch coupons to promote the company as both an employer and a brand.

Recruiting departments by themselves may not come up with enough ideas to entice candidate-customers. Moreover, since no department other than the sales and marketing department, has the adequate experience to handle direct marketing, HR must encourage this collaboration to ensure a steady flow of innovative ideas.

The benefits are two-edged. While recruiters get to improve their customer services, the sales and marketing department benefits in terms of access to a directory of pre-qualified customers.

Going technological

Since resume databases are both talent and customer reservoirs, it makes sense to invest in technology to ensure better returns. Technology helps upgrade customer service and direct marketing initiatives. Recruiters and marketing and sales professionals wholeheartedly agree that technology increases the efficiency of database management, supports relationship building activities and improves promotion initiatives.

More importantly, technology creates a user-friendly communications platform to enable better inter-department collaborations.



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Building a business case

If the resume database doubles up as pool of pre-qualified customers, it definitely is good news for marketing and sales. But, how does it help recruiting? It is important that recruiters perceive some amount of returns for their relationship-building efforts. To most recruiters, sharing their resume databases only means giving up potential applicants. However, that is a misnomer.

On the contrary, the impact of an interaction with a potential candidate-customer may extend to others as well. A person who has experienced something different and nice will want his friends and colleagues to experience it as well.

As a result, more people will show interest in the organization and chances are that this interest also includes the eagerness to be employed.

In short a little collaboration and HR intervention can make organizations realize the true potential of their resume databases. It definitely is time organizations list out their resume databases under the assets column.