

Buyer beware

Critical trends are impacting the purchasing of talent acquisition solutions. **Eric Hutchison** shares practical advice on buying considerations.

As organizations seek to gain competitive advantage in this volatile market, their ability to attract and retain high-quality talent has become an area of intense focus. To support this imperative, businesses of all sizes are evaluating or re-evaluating their Talent Acquisition approach. As selecting both a best-fit partner and the best-fit application is a critical consideration, there are three important trends that organizations should note.

First, the talent acquisition system industry continues to undergo massive consolidation, making it confusing and potentially risky as a buyer. Secondly, more and more vendors in this industry are attempting to sell talent management suites as opposed to talent acquisition systems. Lastly, with many vendors there is a greater focus on bolting on new system components rather than on the quality of the talent that is delivered. These trends are marketed as positive changes by the vendors in terms of greater service, reliability and wider reaching automation. But are these 'benefits' best meeting your requirements? It depends. For organizations that have the budget and time commitment required to implement a full talent management suite, or who desire to work with companies that own the largest market share, the answer may be yes. For many others, the answer requires further examination.

knowledge and expertise they possess. Many times the acquired component is added to a portfolio that is only marginally related to the vendors' original core competency in the HR space. The trend towards companies offering integrated talent management suites is based on the perceived benefits of integrating multiple HR processes, placing the emphasis on software and not on utilizing the tools to focus on acquiring top talent.

So what if your requirement predicates a talent acquisition solution to assist you in competing for top talent now? Are you truly focusing on how the solution helps you accurately identify the best talent? Fortunately there are viable options, but making the best decision requires careful consideration. Best of breed talent acquisition solutions focus on the optimization of the hiring process and quality of hire.



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If your primary focus is Talent Acquisition, the buy side implications of these trends are clear. With increased consolidations there are less 'brand-name' options in the market. Players may change, product knowledge may be distilled, and support and migration options may be limited. Buying a fully integrated talent management suite will require more budget allocation towards that investment, and will result in

When considering best of breed talent acquisition solutions:

- Evaluate the configurability of the solution to support your workflow and meet your current and future requirements
- Find out if the vendor utilizes validated assessments to ensure quality of hire
- Ask questions about the organization's expertise in driving measurable impact through better hiring decisions
- Ask about potential mergers and acquisitions the vendor may be involved with, and their financial status
- Hold true to your requirements and guard against being oversold on unneeded functionality.

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As the industry consolidates, acquiring companies are looking to reduce cost structure, buy into a new market, and bolt on additional components to their talent management solutions. It is not uncommon for key solution and industry experts from the acquired company to leave the organization and take with them the

lengthy multi-phased implementation cycles. It may also mean pushing out the purchase to re-evaluate priorities and cost to justify the larger application. If your goal is to effectively recruit, identify and hire top talent, you may be going down a long and winding road with no end in sight.

Talent acquisition system purchases, like any other strategic purchase requires careful due diligence. Being aware of the key trends affecting this marketplace will help enable you to arrive at a well-informed decision. ■