To conclude, Bill, I would suggest that we look at our Source data in such a way as to accumulate knowledge for targeted use on future searches/requisitions. In this manner, we will be better able to increase performance by using forward-looking projections to formulate leading indicators (an example would be TPRs' or Corp Recruitment using the knowledge that Pivotal Talent Pool 'X' is populated primarily with candidates from Source 'A').

Our industry is in perfect position for a more intelligent decision framework to be architected and implemented, much as is being done by John Boudreau (Research Director of the Center for Organizational Effectiveness at USC Marshall School of Business) has done with the new notion of "Talentship". I would hope that some of the above answer adds to the growing field of opinions and research in our sector and I look forward to your thoughts and feedback.

At this point, we can then overlay this time information onto our aforementioned mother metrics. Examples would include the following:

Third-Party Recruitment (LinkedIn Annual Review)
a. Time Spent Within Source = 240 hours
b. # of Source Placements = 12
c. Source Avg Placement Fee = $25,000
d. ROTI = 240 hours / 12 placements = 20:1 (i.e. we make a placement for every 20 hours spent within this source).

Third-Party Recruitment (Direct Sourcing)
a. Time Spent Within Source = 800 hours
b. # of Source Placements = 24
c. Source Avg Placement Fee = $28,500
d. ROTI = 800 hours / 12 placements = 66.7:1 (i.e. we make a placement for every 66.7 hours spent within this source).

Third-Party Recruitment (OVERALL Source Review - Annual)
a. Source A (LinkedIn) = 20:1
b. Source B (MySpace/Facebook) = 120:1
c. Source F (Direct Sourcing) = 66.7:1
[Note: Obviously, the lower the ratio, the more effective the source.]

Corporate Recruitment (Facebook Annual Review)
a. Time Spent Within Source = 110 hours
b. # of Source Hires = 6
c. Source Cost-of-Hire = $5,500
d. Time-to-Fill = 45 days
d. Quality-of-Hire = 3.5/5 Stars
e. ROTI = 110 hours / 6 hires = 15.7:1 (i.e. we make a hire for every 15.7 hours spent within this source).

Corporate Recruitment (Boolean Search 'xyz' Annual Review)
a. Time Spent Within Source = 150 hours
b. # of Source Hires = 15
c. Source Cost-of-Hire = $4,000
d. Time-to-Fill = 27 days
e. Quality-of-Hire = 4.1/5 Stars
f. ROTI = 150 hours / 15 hires = 10:1 (i.e. we make a hire for every 10 hours spent within this source).

Corporate Recruitment (OVERALL Source Review - Annual)
a. Source B (Facebook) = 15.7:1
b. Source E (Boolean Search 'xyz') = 10:1
c. Source F (Direct Sourcing) = 200:1
[Note: Obviously, the lower the ratio, the more effective the source.]

human beings and some take more emotional attention, persuasion, and closing than others.

Another factor that may serve to greatly complicate our attempts to quantify source value is how many degrees away our placed candidate is from the original source that led us in the candidate's direction. For example, let's say we find an initial candidate on LinkedIn, who then refers us to the candidate we actually place. Would that mean LI was not of value to us? Obviously, the original source was of great value, but it's not so easy to identify this if we're looking at things with black-and-white ratios.

In going through this process, I've given the concept of 'waste' considerable thought (in the Six Sigma and LEAN sense). I say that because some may say that although we spent 40 hours within a given search, 20 were spent on sources that did not yield a placement or hire. But were those hours technically waste? Not really, as sourcing is an overall process. An analogy would be an engineer that spends 40 hours trying to correct a problem, but spends the final 1 hour reconnecting a wire that was disconnected. Would this mean his prior 39 hours were waste? No, not at all. His previous 39 hours may have led him to the root cause of the problem.

Based upon all these things, this is my recommendation:

a. Group sources into categories. For example, LinkedIn may be in its own category due to its power as a source. Facebook, Twitter, and MySpace may also be in their own categories. Blog Searching may fall into a distinct category, as may several Boolean search strings using Google and MS Live. This would all be dependent on the individual organization and the differing external talent pools, etc.
b. Block out your 'Sourcing Time' into 15-minute blocks. By doing so, you will allow yourself to remain committed to a given 'Source Category' without overdoing it.
c. Source individual projects at a time. When I say this, I mean to focus on a given requisition or job family, etc. This is imperative for tracking purposes later.

[Note: I would recommend against grouping too many sources into the same category as this will reduce the power of this technique. If you know certain sources are effective given your personal needs, ensure the source is in its own category for tracking purposes.]

By engaging in categorizing out your different channels and sources, blocking out your time spent within each source/channel, and by sourcing individual projects or job families at a time, you'll be able to track the entire time spent sourcing for a search. Upon doing so, this is how your tracking matrix may look per project or job family:

a. Source A (LinkedIn) = 6 hours
b. Source B (MySpace/Facebook) = 8 hours
c. Source C (Blog Searching) = 2 hours
d. Source D (Twittering) = 1 hour
e. Source E (Boolean Search 'xyz') = 4 hours
f. Source F (Direct Sourcing) = 16 hours

At the end of a month, quarter, or year, you can return to review your sources and total time spent within them . . . in addition to the mother metrics given your role (TPR or Corp Recruitment).

of the following manners:

a. Ratio (i.e. x:x, 5:1, 7.3:1)

b. Percentage (i.e. 200%, 0.98%)

c. Index Score (this will take into account certain independent variables and sometimes allows for a better side-by-side comparison of values.)

3. Thirdly, it is important that we define 'Effectiveness' to properly answer this question. The best definition I was able to find is, "The extent to which actual outcomes are achieved, against the outcomes planned, via relevant outputs or administered expenses." The reason I believe this to be the superior definition is because there is attention given to 'impact' as well (this is where well-intentioned HR and TA programs fail as the programs may be effective, however lack true impact on organizational performance).

4. Third-Party Recruitment is concerned with several metrics, however there are 3 true mother metrics that drive all others:

a. Number of Placements

b. Avg Placement Fee

c. Annual Billings

[See note below.]

5. Corporate Recruitment is concerned with several metrics, however there are 3 true mother metrics that drive all others:

a. Cost-of-Hire

b. Time-To-Fill

c. Quality-Of-Hire

[See note below.]

[Note: Some may argue that there are several other important metrics to follow on the TPR side (such as Sendouts:Offer, Sendouts:Month, etc.), however the true mother metrics are listed above. Likewise, some may argue that there are several other important metrics to follow on the Corp Recruitment side as well (such as Interviews:Offer, Recruiter Efficiency, etc.), however the true mother metrics are listed above. The analogy is that we can follow numerous financial indicators for a firm and each metric offers independent value (such as ROE, ROA, Asset Turnover, etc.) . . . however the true mother metrics are Earnings-Per-Share (EPS), Market Capitalization, P/E Ratio, and Stock-Price.

This is where the tricky part begins – time allocation in terms of identifying ROTI. For example, we may spend a total of 8 hours 'sourcing' for a given role, however only 1 of those hours may have been spent on the actual source/channel upon which we've identified the passive candidate. What compounds this is exactly what Shally mentions – the current notion of an 'integrated' desk which involves several applications and browser windows open. As such, we may quickly source 10 channels in an hour period, upon which we enter a 'deeper dive' depending on our initial results. I only mention this because it's easy to see just how complex the answer to your question can become. The only 'real way' to note true ROTI would be to keep clicking a timer as you move from source to source and from channel to channel.

Also, we must ask ourselves whether we are going to allocate the entire amount of time spent on the search itself into our ROTI number. Doing so will truly allow us to answer the question of how much our time was worth (for example, if we spend 40 total hours on a $40k fee, then we can identify that our time was worth $1k per hour on this individual search). However, although this will allow us to identify specifically how valuable our time was, there is no correlation back to the source itself. When I say that, I mean that we're dealing with

Since I recruit internationally, I've used sites recommended by friends in my network, blogs, videos and static web pages. Yes – sharing of information is critical piece in how effective I am as a recruiter. I build my networks with potential candidates and others that may see me as the competition. I don't see other recruiters as competition, but as potential colleagues and partners. I've certainly run into my share of recruiters who don't feel the same way, but it's just like a candidate – NEXT.

I now have two decades of experience in using a 'pay it forward' philosophy in recruiting and trying (and buying) the latest and greatest technology available. I've determined that when it comes down to measuring my return on time invested and effectiveness of various web tools, obviously I can look at numbers and sources. However, the differentiator for me has been the ability to grow something that eventually sustains and grows itself. Of course I feed it, water it and attend to it, but can I get it to grow and thrive on it's own, and produce increasingly impressive results and be my top source of passive candidates? How I measure things today will probably differ than how I'll do so in the coming months or years. Dashboard me! I check the pulse of my resources, network and success, and the only tool I use that I've been able to grow to this level is LinkedIn. As Shally mentioned, if you use it to network, get involved and help others grow as well as figuring out how to effectively search for candidates – you've got a winner!

Finally Joshua Letourneau:

Randy: JoshDog! You could not have sung this song any better. Every note was perfect. There just might have been a few too many for this question.

Paula: Oh Joshua you are a brilliant, brilliant man.

Simon: Joshua, I don't know what to tell you. Technically everything is perfect. Even the bit of watch manual in response to what was actually not a very complex question would probably have been enough to win if not for the soulful performance of Sheree Ruland.

Joshua Letourneau: Bill, you pose a powerful (and some would say 'complex') question because social media as a source (from a more pragmatic, mass-adoption standpoint) is in its relative infancy. I have been a strong proponent of pushing for more of a decision science within the Talent Acquisition function since first entering the field – even in my early days of recruiting inexperience, I knew that we were not leveraging any of the similar decision sciences I had seen or used among my previous marketing, sales, and/or operations background.

Due to the potential complexity of your question, it's important that we set a few guidelines up front. From a scientific standpoint, it's important we state our assumptions before attempting to build a model. Let's quickly do that:

1. First, your question involves web tools that enable 'identifying and recruiting passive candidates'. Since your question revolves around the 'passive' candidate, we can eliminate any job boards and explicit advertising from our answer. In addition, we can also eliminate any non full-time direct-hire employees (as most are aware that short-term contractors usually fall into the 'active-candidate' category).
2. Secondly, your question involves the notion of 'Return on Time Invested' (ROTI). The notion of 'Return' originally derives from the Accounting and Finance function, and is stated quantitatively. As such, there must be a numerator and denominator, and depending on the circumstances, the quotient/product can be stated in one

Randy: Yo, Doug, check it out…is this beat poets night? I just don't get it man.

Paula: Doug , you are a lovely, lovely man. Will you come home with me tonight?

Simon: Doug, If this HAD been about old-school pick up the phone and talk recruiting you'd have had a pretty standard song here. Not great but not horrible. I did wonder though, how you got 5% from web tools in one paragraph and 1% in the next? Even if this was due to one being overall and one being 2007 you didn't say that. And finally, either way, is this because you can't get results from things you do not use? You give us no metrics about how many tools you did try or what 'we' means. This is a VERY valuable paragraph from you but it just doesn't have ANYTHING to do with our competition.

Doug Beabout We track, very closely, the genesis of every candidate we recruit or is referred to us. This allows us to determine which approach to recruiting is the most successful. This analysis is unique to each recruiting firm and its niche industry/discipline. In our case, in 2007 we found that 84 % of the candidates we placed were by executing telephone based direct sourcing techniques, 11% were from referrals of existing contacts and 5% were created by various web tools from "soup to nuts". By this we determined where the vast majority of our candidates can be found, at work and available by telephone. Much of the recruiting lead generations came from existing industry database listing. In summary, 92% of our placed candidates came to us via telephone based direct sourcing techniques, 7% by referrals and the balance by web tools.

Sheree Ruland: (Our winner of this weeks iPod)

Randy: Sheree! Oh my God,girl! What a performance! How could anyone top that? If it's not Eric or Jason it HAS to be you.

Paula: Oh Sheree Sheree Sheree! Will you come home with Doug and me tonight? I just lovelovelovelove you!

Simon: THAT might just do it. Simon says, You are probably going to take home this award.

With the many tools available for identifying and recruiting passive candidates how do you measure your return on invested time and effectiveness for your favorite web tools?

Today we have so many tools to choose from for finding passive candidates, that it can become overwhelming for the even the novice to know where to start. Because of forums such as Recruiting Blogs, Six Degrees, ERE and many others, we now have the choices narrowed down and can learn from the wisdom of others.

I've been recruiting for 20 years and the one thing I know about my style is that I've learned to work smarter, not harder. Interestingly, I've narrowed my most effective tools for finding passive candidates to LinkedIn, Boolean Search strings on various Search Engines and our in-house database of candidates. I have my Firefox browser set up with various tools I use, networking sites, and folders for active search categories. The top entries in the folders are the search strings, with the remaining bookmarks being the passive candidates I've found that match my criteria – through plenty of sorting through results.

Our corporate applicant tracking system allows us to run reports based on where our candidates are generated, so I can look at data (my specific metrics) that shows me how many submittals, phone interviews, in person interviews and hires I've made in the last X period of time. I can easily run through and see where I've had the most hits – was it LinkedIn, Xing, Spoke, Facebook referrals, a pre-existing candidate in our database, etc.?

have been a winner. I wish ,for your sake, the question HAD been more about the blizzard of stuff out there to evaluate and how to choose which ones to even look at. IF the theme was lobster and not Kobe beef this might just have done it.

Al Siano: With the many tools available for identifying and recruiting passive candidates how do you measure your return on invested time and effectiveness for your favorite web tools? Well... it's not always easy to measure unless there is repeatability. Therefore one could say with a watch a calendar and an accounting system use to ally collected fee or commission earned... Next question?

Of course it is not the answer. The answer will only come with experience that enables a recruiter to develop set of metrics to measure our own recruiting performance . Of course such measurement criteria, too, begs for repeatability to support viability. Until then, I say let's not be so hard on ourselves... When we devise something that works keep basic track of how long it took to reach each step in the recruiting process. Make the placements repeat and improve as we track. Most successful recruiters are tracking their performance in one way or another - if you are not yet you should be otherwise we can get lost in inefficient and process work.

Eric Beauford, Sing your song:

Randy: Yo Eric Check it out check it out check it out MAN! THIS has a chance. I have not heard a performance like this since Jason! Great stuff!

Paula: Eric, you are just a superduper guy! I can't wait to buy your album.

Simon: Eric. This COULD do it. You clearly read the question. You clearly answered it. I think you just might be in the top two. I'll certainly remember THIS performance.

Eric Beauford If I am reading the question correctly, you are asking us how we measure the return of the time we invest in "finding and recruiting" passive candidates using web tools and its effectiveness, not the actual hiring of them, so my answer will reflect that.

First, no matter the sourcing tool for passive candidates, I do look at a number "industry standards" that make up a total cost of hire, such as:

Time spent searching,
How many prospects identified
Ease of use contacting prospects and time spent (including emails/electronic messages, phone calls/voicemails)
Number of returned emails and phone calls (positive vs. negative)
Number of direct connects (positive vs negative)
How many pass initial screening,
How many interview (phone or in person)

Now with the advancement of Web 2.0 technologies I have a new metric that I find invaluable; How many of the connections I make, both email and phone, can I convert into a connection with me within my web sourcing tool in order to keep them in my talent network/pool and most important become a motivated referral source. The more of these I can get over time minimizes the time investment listed above, making more productive and ultimately more successful.

Next up Doug Beabout:

(and quick) side by side comparison of the two reports gives us a snap shot of productivity per source, per search. Sorry to report there are still no magic bullets!

We all probably have our own conclusions about certain sources performing better on certain profiles. For example, we probably will not be successful trying to find PMP, ITIL certified pros with Fed Gov or DoD clearance credentials by using the same sources we use for Java /.NET developers. By tracking each position against all the sources, we learn over time what works better for some profiles and focus on those sources when subsequent similar profile needs surface. This improves our ROI per resource while still employing any and all sourcing activities across the open requisition board. Unfortunately we have to try all the sources to build imperical data, track it and evaluate results in order to come to some conclusions on what works, or at least where are our greater chances to succeed. It's like the addage about money...sometimes you have to spend some time to make some time.

Thanks for the chance to participate, but of course, now, I'm in trouble because I did this during prime time!

Next up Paul Harrison:

Randy: Yo Dude! What WAS that? We're doing Andrew Lloyd Webber this week. That sounded like Bananarama.

Paula: Paul, you are a lovely,lovely man.

Simon: Paul, Thank you SO much for your nakedly unashamed advertisement for your CD. You mention nothing at all about the question at hand. You basically say that you'll sing songs for other singers. You don't mention ANY metrics. You say nothing about passive candidates. You, sir, have NO chance in this competition. Sorry.

Paul Harrison; Great question, and one we're asked all the time (we're a digital/ social media consulting practice that advises employers and recruiters on web strategy.)
Our solution is to track the effectiveness of different channels via web analytics, tied into the client's ATS. So we can track a business networking campaign across LinkedIn and Xing.com, CPC on Google, a social campaign across Facebook, and jobs on Monster, etc. The image shows how we can then compare channels against completed online applications - so, in this case, specific job applications, applications to join talent pool, and so on. This approach has some big advantages - firstly in providing (nearly) real-time CPA and ROI; it really helps on-boarding the clients / giving them some great metrics / KPIs to work with ; it allows us to optimize campaigns on a continual basis; and, perhaps most importantly, it allows us to demonstrate that the new approaches all of us in community are evangelising, really deliver.
The kicker of course is to integrate channel to hires via the HRMS.. hopefully we'll get there soon.

Please welcome to the stage Al Siano:

Randy: Yo Al! Good song ,man. Don't know if it's enough to win but not bad, not bad.

Paula: Oohhh Al! You'll be here next week… you are just SOOO wonderful.

Simon: Al, Al, Al. Once again, you mention no tools and nothing about the theme ingredient Passive candidates. That said, you certainly had the feeling for the material and if you had been more specific this could

Simon: Paula, WHAT were you THINKing? (Boos to Simon here). Technically you sang the song. BUT all of your references seemed to be aimed at driving APPLICANTS to your website to APPLY. This has nothing to do with passive candidates which was the theme ingredient for this battle. I just don't think THIS performance can win this competition. Sorry.

Pamela Petruschke: For the websites we actually post on we ask the applicant where they found out about the job & then run the report at the end of every month - then we run a separate report on how many hired from each site. The vendor runs us a view & click through report

For social networking, i.e. LinkedIn, MySpace, Facebook - it's time spent vs outcome - 2 trails here - one, did I hire an individual from contacting them thru these venues or did I get a referral that we hired from the person I contacted. I tend to use LinkedIn for management jobs & other social networking & blogs to drive people to our website to apply - then it's captured by our ATS. If my recruiters insert any candidates themselves we have a field where they capture where the candidate originated from. We also keep track of how much time we spend in these venues & divide that by outcome - # of applicants & did we hire.

We also rate the success of Boolean searches we do in our ATS & other sites by the number of viable candidates it produces and again, did we hire any of them.

We review our numbers monthly to see what venues worked best for which roles - since my dept covers USA, Canada & Mexico - that adds to the complexity since what works in the US does not work in Canada, or Mexico, and vice versa. Also, we review how much time invested by productivity - did we spend 10 hours on LinkedIn to get candidates but no hire? We have a wrapping service from our largest board so very little effort but if it didn't result in any applicants - it's money not time wasted.

I think you could give a statistician a lot of work to view it from every angle! Generally speaking it's how much money (time IS money) we spent VS effectiveness of the channel.

Next up Rob Laseak:

Randy: God song dude! A bit pitchy for me but not bad, not bad.

Paula: Rob, you are a very cute guy! I think you have a bright future in this business.

Simon: Rob,Rob,Rob, It wasn't horrible BUT…you have to learn the words like adage, complement and empirical. THAT won't keep you out of the running but unlike Jason you failed to mention anything at all about passive candidates, again, our theme ingredient. I will say you get high marks for your plating and originality. Oh and if you can pop out stuff like that in a few minutes during prime time you'll definitely be here next week. Finally, veterans get immunity during the elimination challenge.

Rob Laserak: Perspective: 3rd Party
Two simple applications help me track these metrics. Our applicant tracking systems and an Excel spreadsheet. I am a big fan of keeping things simple. We run productivity reports from the applicant tracking system which grabs typical data like, recruiting source, number of applicants, submittals, interviews, offers, (dare I say turndowns), and starts, etc. What we can not capture with the ATS, we compliment with a simple Excel spread sheet that tracks where we searched and what tools were used for each open position. It is a simple grid with all resources listed and we just put an "x" in each box for the resources used in on each particular search. A weekly

"event" and as a result needs to be looked at in that vein.

Absolute Measurement of ROI

Value (i.e. return on investment) is measured by comparing the benefit against its cost. In this case, the benefit is the result produced (the best being a sourced candidate directly resulting in a placement); the cost is the hard dollars (if any) paid for the web tools plus the cost of time spent on this activity. Unfortunately, there are many other activities that comprise the placement process - sourcing is just one facet.

Relative Measurement of ROI

Because the same candidate MIGHT be sourced through multiple avenues, one really has to also consider the opportunity cost of using one tool versus another. In other words, what was the cost for sourcing the candidate via this method (use of web tools) vs. time and $$ spent elsewhere.

It's the confluence of activities that achieve the results we deliver. I would argue that a solid recruiter has a strong grasp of how to spend his/her time and is extremely aware of the law of diminishing returns as it applies to his/her desk activity. If a particular activity is yielding positive results (qualified candidates, submissions, send outs, etc.), the recruiter often invests more time in that activity; recognizing when the results are fewer and farther between AND ACTING on this observation is a key to success.

In the end, if a recruiter is working on a contingency basis, s/he charges based on the value s/he delivers to a client (i.e. a percentage of the candidate's annual compensation, a proxy for the value the hiring firm receives). S/he must has a strong "intuition" on how best to strike the balance among competing variables.

A vague response? Perhaps. But it's my 2 cents, for what it's worth.

Next Carrie Darney:

Randy: Yo, Honey! Listen up ,listen up! That just didn't do it for me.

Paula: Carrie you are a fantastic talent but I just don't think you are ready for American Idol.

Simon: Carrie. This is a competition!

Padma Lakshmi from Top Chef says "Carrie, please pack your knives and go."

Carrie Darney: One of the ways that I rate success is on Linked In. I send alot of inmails to people. I rate how many accept my message and how many do not. That is one way that I rate success. I use LI quite a bit, so this is important information for me to keep up with...ROI.

Our fourth performer is Pamela Petruschke:

Randy: Yo Pamela! Check it, check it baby! This is an ok song choice for you but I am not sure you FELT it in your soul.

Paula: Pamela, You are a true talent and a great, great person.

Dave Staats answer analysis.

Ok time for <u>fun</u> with judgment. Let's use elements of some TV shows I like. On Iron Chef contestants are judged for use of the theme ingredient (answering our question), plating/flavor (obvious) and originality (again,obvious). Ok, not sure I like American Idol but my kids do so I watch it. Wait, I'm the judge, I'd better tell the truth. I do kind of like it.

So we have Iron Chef criteria and Randy, Paula and Simon to comment on responses. And don't kill me. This should be fun. And finally, another show or two may slip in.

With the many tools available for identifying and recruiting passive candidates how do you measure your return on invested time and effectiveness for your favorite web tools?

<u>1st up Ted Fitter:</u>

Randy: Yo, Dog! Check it out! I'm not sure this was the right song choice for you. It was too easy and you just kind of phoned it in.

Paula: You are a wonderful, wonderful man.

Simon: Ted, What were you thinking? You didn't really say anything. There are no metrics except for producing sendouts. This won't win the competition but it'll get you through to next week.

Ted Fitter:
As a recruiter I measure effectiveness of web recruiting tools by asking:
· Are they affordable
· Are they easy to learn
· Are they easy to use
· Do they produce the candidates in the verticals/companies/level in which I'm searching
· Is the candidate background and contact information current
· Does the tool provide me with candidates that result in send-outs
Hope to see you at Fordyce in Las Vegas.

<u>Next Jamie Schwartz:</u>

Randy: Dude! Man! You rocked the house!

Paula: Jamie you are a lovely, lovely man!

Simon: Jamie. This is the best performance of the night so far. It may just be what this competition needs to set the standard. You had great use of the theme ingredient. You read and understood the question. I think you just might win this competition. You just need to show more confidence in your future responses. Vague? I think not. The only thing I see is maybe room for a bit more focus on passive candidates but that's quibbling.

Jamie Schwartz: Good question. I would argue that there are at least 2 perspectives that must be considered when determining the ROI. One is "absolute", the other is "relative". I would also argue that measuring this activity raises the same philosophical question that can be applied to almost all sourcing activities (attending trade shows, telephone sourcing, job fairs, advertising, etc.). I think this activity is a "process" rather than an