Building the Higher Education Business Case for Direct Sourcing

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BUILDING THE HIGHER EDUCATION BUSINESS CASE FOR DIRECT SOURCING

America has always taken pride in its leadership in higher education. More than 4,700 academic institutions strive each day to shape the workforce of tomorrow while providing the breakthrough research that drives our economy. Historically, a steady stream of highly qualified professionals sought to be part of this mission, and colleges and universities had no difficulty filling key positions. But things have changed. Today, in this period of talent scarcity and tight budgets, higher education must compete for talent against the private sector as well as with other academic institutions.

Direct sourcing can aid higher education institutions in finding – and keeping – needed talent. However, this highly effective talent sourcing channel is often overlooked. Direct Sourcing can find candidates not on the radar of staffing agencies. It builds candidate loyalty so that resources are available and interested when you need them. It takes the effort out of high volume and seasonal hires. It can reach diverse candidates and enhance your employer brand. The results: higher fill rates, shorter time to fill, lower unplanned attrition, potential cost savings. So why don't all Higher Education institutions implement a direct sourcing solution? Often, help is needed to build the business case.

Step 1: Determine Overall Fit

Direct Sourcing should be an element of your overall workforce strategy, expanding the capabilities of your staffing agencies and your ability to source the talent you need.

The Value Proposition. To establish an effective program, direct sourcing should have a well-defined value proposition based on providing greater access to talent. It should advance the development of your institution's unified workforce strategy, taking into consideration the worker categories that would be sourced. Would you restrict the program to temporary workers who would then be payrolled by a third-party, or would you expand to include independent contractors and possibly permanent employees as well? The value proposition should also factor in operational efficiency, cost savings, enhancing your brand, and offering a better candidate experience. Together, these elements improve satisfaction among business leaders and engagement managers.

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Direct Sourcing Options. Your direct sourcing program should reflect the needs of your academic institution. Depending on the level of advocacy you believe exists for direct sourcing, you may propose a university-wide program, or one that is specific to selected colleges or departments within the university. A phased approach in which the program is initially applied to one area only may serve as a proof of concept, generating broader support. Branding must also be considered. Outreach to potential candidates can be done under your brand or can be done anonymously.

The Talent Community Population. Consider positions to be included in the talent community by examining fill high volume or repeat roles. Project when these resources will be needed, and how many. Top performing direct sourcing programs focus on a small number of positions aimed at re-engaging workers as assignments become available. Direct Sourcing programs are not always defined by needed skills. Universities are establishing direct sourcing outreach programs and talent communities that increase worker candidate diversity by finding talent, being an employer of choice, and offering upskilling and development opportunities.

Sourcing Talent. For each selected role or skill to be included in the talent community, identify the sources for those candidates. Identify known candidates that can initially kick-start your direct sourcing program – "runners-up" for prior positions, retirees, former temporary workers, and referrals. Establish plans for expanding the talent community through outreach efforts to professional or trade associations, community organizations, and other sources of passive talent. Determine the criteria that must be met by each candidate for inclusion in the talent community, and how each will be evaluated. Establish realistic timeframes and effort estimates for establishing productive relationships with each of these organizations.

Step 2: Assess Impact on Operations

Scope of Work. For direct sourcing to deliver the desired results, the talent community must continuously evolve. New members must be added. Existing members must stay interested in potential assignment opportunities. You must consider who will be responsible for candidate outreach, vetting, continuous nurturing, consideration for open positions, administration while on assignment, and re-engagement at assignment end. As direct sourcing is an element of a broader temporary workforce strategy, processes must be seamlessly integrated with existing workflows for talent sourcing, acquisition and administration.

Representative Hire Education Talent Communities Address:

Short-term project needs
- summer camp staff
- events

Annual recurring events
- adjunct professors
- lecturers
- research assistants
- counselors
- advisors

Longer-term, university-wide initiatives
- IT implementation managers
- software developers
- project managers
- fundraisers
- admissions personnel
- academic administrators

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Change Management. The program's success will ultimately be determined by the perceived value to your business users and the talent community members. The business case should provide a holistic approach to change management that optimizes program adoption, considering the needs and perceptions of all affected parties, defining process change, and considering implications for the workforce technology ecosystem. Benefits to each stakeholder group should be outlined, and a formal communication plan established. On an ongoing basis, it should define how real-time feedback will be gathered from talent community members while on and off assignment as well as from business users.

Technology Ecosystem. Resistance often stems from users' concerns about disconnected processes that require manual work on the part of the user community. In the business plan, the solution design should ensure that direct sourcing is assimilated into the existing structure, utilizing existing processes wherever possible. If direct sourcing design, implementation and operations via a third-party is proposed, a detailed RACI should specify how the more complex aspects of the program will be addressed.

Step 3: Measure the Business Benefits

Cost Savings. While talent access should be the #1 reason for launching a direct sourcing program, cost savings or avoidance should be taken into consideration. To establish a baseline, evaluate the actual recruitment costs over the past year for two or more high volume positions by examining fees paid to staffing suppliers. Compare results to the costs of hiring those same individuals through direct sourcing. As a basis of comparison, focus on:

- Direct cost savings. Workers are typically engaged at rates that are lower than those charged by staffing agencies.

- Indirect cost savings. Institutes using direct sourcing report less time to source candidates, fewer applicants to process per hire, better submittal to hire ratios and fewer shortlisted withdrawals, resulting in faster time to fill positions. They also report less time for the worker to come up to speed, and lower instances of workers leaving before assignment end.

Establishing Key Performance Indicators.
Although most business units and managers can be cost conscious, this is not their number one driver. To maximize program support and adoption, establish metrics to monitor progress in terms of time to fill, fulfillment rates, quality of submissions, worker quality, worker satisfaction, and the satisfaction of your stakeholders.

Outsourcing Your Direct Sourcing Program to nextSource

While it is simple in concept, successful direct sourcing involves a combination of strategic planning, organizational readiness, technology support, project management, and continuous marketing to talent community members. Given these demands, consider outsourcing these responsibilities to a firm that specializes in managing temporary workforce programs.

nextSourcing

nextSourcing™, the direct sourcing solution offered by nextSource, delivers a college- or university-branded talent community whose pre-qualified members match the institution's high-volume temporary, project-based, or full-time needs.   An assessment of current and future requirements enables nextSource to identify and pursue talent sources that go beyond those used by staffing agencies. Ongoing communications with talent community members offer career guidance while reinforcing the institution's employer brand before, during, and after each assignment. As a result, our clients increase productivity through the re-deployment of talent already familiar with their work environment and business processes.

TalentCalling

TalentCalling™ delivers a shared talent community, enabled by an online centralized system, where participating institutions can draw from the community to access qualified professionals with select skills. This solution is ideal for institutions that are not quite ready for a dedicated, stand-alone direct sourcing solution but would like to realize the benefits of direct sourcing by tapping into professionals to fill commonly needed roles.

The community is populated with admissions personnel, administrative assistants, exam proctors, instructional designers, research assistants, teaching assistants, application readers, general managers, student success specialists, summer camp staff, IT implementation managers, software developers, project managers, and fundraisers initially, and more candidates will continuously be added.

We've established our first TalentCalling direct sourcing center to support colleges and universities in the Metro Washington DC area and are excited to watch the results of a synchronized program where these schools will mutually benefit.

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About nextSource

nextSource advances the way the world connects with talent. As a privately held, certified woman-owned business with 25 years' experience, nextSource provides a personalized, intelligent approach to workforce solutions driven by high impact, strong results, and continuous growth. We offer innovative workforce solutions that deliver extraordinary service, efficiency, analytical insight, risk mitigation and improved access to talent that enhances a unified workforce. Solutions offerings include Managed Services Program, Direct Sourcing solutions, Employer of Record services, Independent Contractor Compliance Management, Agent of Record Services, Statement of Work based Project Services Management and Workforce Consulting and Advisory services.

For more information, visit our website.

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