

## **Taleo - Comprehensive Recruiting and Talent Management**

by Dianna Podmoroff

In the online recruiting and talent management industry there are many small players, some very competent mid sized competitors, and then there are the big guns. Taleo is a big gun, offering a commanding array of human capital management solutions for businesses of all sizes. Taleo's reputation in the industry is exemplary and in any discussion about recruitment software, Taleo's name invariably comes up. The recognition and status afforded Taleo is well earned and it certainly deserves inclusion in your list of companies to evaluate when deciding which talent management solution is best for you.

Taleo has been building its reputation since 1996 when Martin Ouellet, a founder, began a successful Canadian job board. Two years later Ouellet and Taleo's Executive Chairman Louis Tetu, started Taleo and quickly formed relationships with Fortune 500 companies that had the vision to realize the power of online recruiting and talent management. The company's reputation quickly became entrenched, and steady growth combined with strategic acquisitions led to the Taleo initial public offering in September 2005. Headquartered in San Francisco and under the leadership of CEO Michael Gregoire, Taleo now has over 550 employees in its offices in New York, Chicago, Toronto, Paris, Amsterdam, the United Kingdom and Australia as well as a research and development facility in Quebec City.

The depth and breadth of Taleo's reach, and the experience it houses are key factors in its success within the talent management marketplace. From the beginning, Taleo has worked with large companies like Dow Chemical and Hewlett-Packard, designing and developing recruiting and talent management solutions to meet the needs of these sophisticated, complex, and dynamic companies. It studied all facets of talent management and became expert in identifying and then solving the issues that caused inefficiency and poor performance in recruitment, selection, and human resource process management.

From its inception, Taleo has focused on the big picture in online recruiting and employee management. According to David Michaud, VP of Product Marketing, this makes Taleo uniquely able to, "help organizations assess, acquire, develop, and align talent for improved business performance." This description is very accurate when you consider some of the impressive business results that have been attributed to Taleo's talent management solutions by its customers. Kate Leeson, Manager, PR & Corporate Communications, provided the following statistics and client feedback to support Taleo's track record of facilitating significant improvements in overall business performance.

**UnitedHealth Group** was able to reduce advertising spending by \$2 million and saved nearly \$5 million in agency fees after its Taleo implementation - in the first year alone.

**Dow Chemical**, another global Taleo customer, goes on record saying: "As expected with Taleo, we have improved our global business processes, resulting in a 50 percent increase in Sigma, in addition to a 30 percent reduction in staffing costs and other value creation. Over a 5 year period, this equates to nearly \$90 million in value creation for our company, which roughly translates to \$0.02 per share in the first year, and \$0.10 per share over a 5 year period."

**Mosaic Sales Solutions**, with operations throughout Canada: Cut time to hire by 33%; Decreased hiring managers' time requirement by 75%; Reduced advertising costs by 90%; Realized \$1.2 Million CDN in annual value creation.

These results are as impressive as they are representative of the type of results Taleo clients report. Taleo staff and executives work very hard to maintain this track record of performance improvement and the products the company offers are designed to maximize operations through efficient and effective talent management.

To this end, Taleo has two distinct product offerings. Taleo Enterprise Edition is for large corporations that typically have over 5,000 employees and Taleo Business Edition is geared to the mid to small market where companies have less than 5,000 employees. The Enterprise Edition is Taleo's flagship offering but Business Edition provides the same powerful performance on a smaller scale. Taleo operates both segments of its business with the same level of dedication and commitment and is equally interested in serving one-person HR departments or single recruiters, as it is to providing value to its Fortune 100 customers.

Even though Taleo is regarded as one of the top solutions for very large, well-known corporations, smaller companies are well served and are able to capitalize on Taleo's industry knowledge and impressive features at a price and scale that is just right. Mid size companies may start with the Business Edition but they can transition to the Enterprise Edition as appropriate. The Enterprise Edition is so scalable and configurable that companies with as few as 1,000 employees and large growth aspirations can begin to use it. Whether you choose the Business or Enterprise Edition to start, the cross over capability makes it possible to remain in the Taleo family indefinitely, reaping the considerable rewards of partnering with an industry leader right from the start.

As an industry leader, Taleo prides itself on its ability to create real value for all of its customers in terms of bottom line business improvements. In its efforts to continue to generate real results, it is coming out with a new version of its Enterprise Edition called Taleo 7, which has the same core functionalities and platform plus some significant enhancements. The first of these enhancements is Taleo Onboarding. This function is

designed to markedly decrease the amount of time spent generating and filling out human resource management related paperwork. A majority of the forms and notifications required to manage a company's talent will be automatically produced by the system and transferred seamlessly to the current HRIS. The potential for efficiency improvements associated with this capability are quite staggering.

While Taleo Onboarding will improve management efficiency, Taleo Analytics, the second major product-offering coming with Taleo 7, is designed to improve management effectiveness by providing a mechanism to understand and assess recruiting and talent management data at an unprecedented level of precision. This feature will create and capture a formidable data warehouse of human capital management information. This information will then be sliced, diced, and aggregated to provide the most accurate picture possible of what is happening in recruiting, staffing, workforce planning, employee development and mobility, employee assessment, and regulatory compliance. Taleo currently services 27% of the Fortune 100 companies so this aggregate information will be translated into Industry Benchmarks that Taleo clients will be able to access for a fee. The ability to make improvements to your own system is valuable enough but to be able to compare your own talent management performance against a well-established benchmark is, to quote MasterCard, priceless.

A feature of the Enterprise Edition that Taleo considers just as valuable as the upcoming Analytics capability, is its Assessment Solution. The rationale behind online recruiting and highly automated, powerful applicant tracking solutions is the ability to hire the best candidates in the most efficient manner possible. Taleo's Assessment solution allows users to incorporate objective, defensible pre-employment testing and evaluation tools directly into the application process. Applied correctly, these types of tests have been proven to increase the ability to objectively predict which candidates will perform best and in which particular roles. Taleo helps its clients tailor the pre-employment testing to their specific roles and requirements and even has Industrial Organizational Psychology staff to help with test design, validation, and delivery. This testing can be integrated with all types of hiring and recruiting as well as internal transfers and promotions.

The Assessment Solution is very effective for identifying the right hourly and salary workers for the job but the system for engaging contingency help is often very different and requires a specialized set of processes. Once again, Taleo has that base covered. They are particularly proud of their contingent workforce-planning module called Taleo Contingent. This powerful solution allows clients to monitor staffing agency use, effectiveness, efficiency, cost, and quality. Authorized agencies are allowed to view job postings and submit prescreened candidates for evaluation. Agency candidates are routed through a separate system, which allows them to be tracked and if a candidate has submitted a profile on his/her own, their information is tagged to ensure there are no duplicate profiles in the system. This solution, built right into the larger Taleo Enterprise suite, allows real control over contingent hiring; an area that has historically

been left to the agencies themselves and that has lead to a lot of inefficiency.

Taleo is all about ensuring efficiency and offering a best-in-class experience. To accomplish this they focus on the customer and provide many points of contact for feedback and learning opportunities. There are Regional User Groups, Special Interest Groups, and Product Councils. Product Councils are made up of nominated members from companies and regions. These members meet directly with Taleo product managers to discuss issues and identify the features and capabilities that would add more value to the Taleo offering.

Taleo positions itself as a business partner rather than a service provider and this perspective drives all of the programs and service delivery initiatives. From the highly consultative process of implementing and configuring the system to work exactly the way the client needs, to the user courses offered by Taleo University, this is a company that insists all of its customers are satisfied and able to reap maximum benefit from the system.

Taleo's system emphasizes maximum value and focuses on complete talent management so they have developed services designed to optimize client performance in all aspect of the business related to human capital management. At every stage of implementation to application, clients are assigned an account manager who handles procurement issues and measures client performance to ensure there is always optimal performance. There are consultants available to discuss ways to improve talent attraction, succession and workforce planning, employee development, and performance management. The idea is to enhance the overall success of the organization by offering services that will improve the quality and productivity of the people working for the organization.

Susan Chenoweth, Vice President Worldwide Marketing, put it best when she said that Taleo is the "best in breed" of the online recruiting and talent management industry. From the very start Taleo has worked with the best companies and developed the best strategies for complete talent management, all with a single focus: to yield significant improvements in operational performance for its clients. Taleo has proven it does just that, and it brings these proven methodologies and services to businesses of all sizes in all types of industries. Taleo is definitely a talent management big gun that offers a reliable and scalable solution proven to drive improvements in human resource processes, capabilities, and deliverables. Its reputation and performance history certainly place it high on the list of any company looking at talent management options.