

Issues

THE CHIEF EDWARD MANDLA

Hiring hurdles easy with personnel software

Skip the recruitment companies: HR software is a better investment.

HELEN O'LOUGHLIN was given a tough assignment: shave about \$5 million off Westpac's recruitment bill and improve the bank's handling of its 27,000 staff.

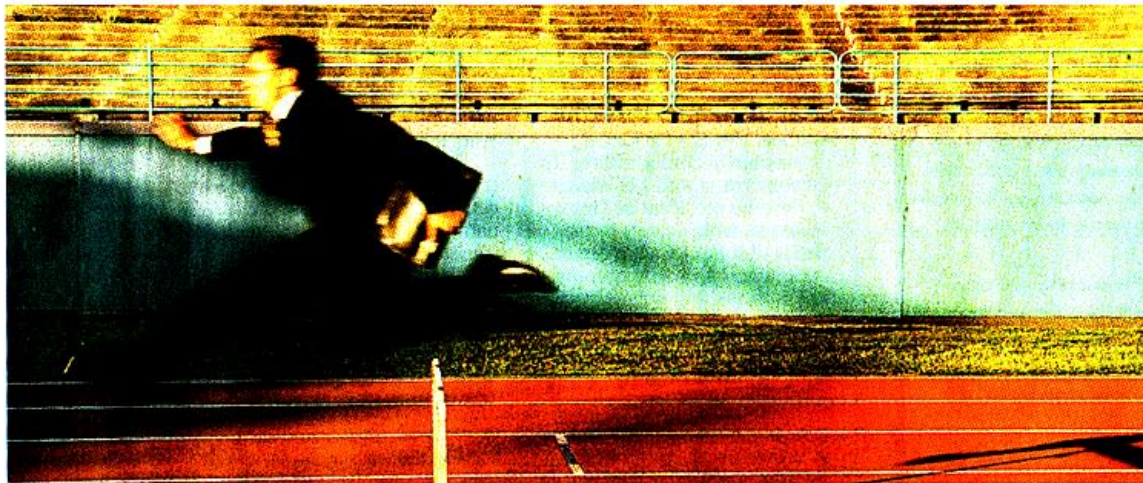
Ms O'Loughlin, a leader in Westpac's recruitment and retention team, wanted to have staff skill profiles, resumes and performance ratings at her fingertips, but had to look outside the bank for the IT smarts to make it a reality.

Big businesses demand a rapid turnaround of projects and creativity from their workers, but organisations often work at cross-purposes. Ms O'Loughlin turned to software company Taleo to help her counteract the inertia prevalent in the organisation and bring its Oracle HR system into line.

The savings came in seven months. Although Westpac still uses external recruitment firms for some roles, Ms O'Loughlin says 82 per cent of recruiting is done inside the bank. And the implementation time was cut from years to two months.

Taleo specialises in what is known in IT parlance as "on-demand software". For a monthly fee, Taleo provides Westpac with software that is accessed by staff through a web browser. Westpac no longer manages software updates, data management, back-ups and infrastructure, and other minutiae associated with IT.

Taleo isn't the only company providing such services. One of the earliest examples is the venerable Hotmail webmail service. Back at the height of the



dotcom boom, software-as-a-service was offered by groups calling themselves "application service providers" (ASP).

Although the demise of the dotcoms destroyed many of those early ASPs, their evolved progeny lives on. And the likes of Taleo and salesforce.com are causing IT buyers to look afresh at their IT infrastructure.

Spruikers claim that on-demand software frees IT departments from housekeeping chores, but detractors point to increased security threats. The customer may also lose some control over the interface and privacy. (Ms O'Loughlin says Westpac's software met "rigorous standards" for privacy.)

Taleo's system sends an alert to bank staff if there is a vacant job that matches their skills, which may save the company time recruiting from outside. This should send shivers down the spines of recruiters: the bank now knows more about its own skills than the consultants.

But despite the perceived

benefits, Ms O'Loughlin says on-demand, hosted services were not in Westpac's IT strategy. So she left the technical arguments behind and played the costs card to get her way.

Ms O'Loughlin says recruitment companies have "outdated models" — they charge a lot for running advertisements, adding a "bit of intellectual property in the (talent) database".

She says she believed a hosted service such as Taleo's could do what recruiters do for a fraction of the price.

Organisations spend big on financial systems and know more about their office furniture than the skills of their staff. They say people are their most important asset, yet they do not have the technology to automate collecting and searching the skills of their staff. Without appropriate technology, staff members who should be considered for roles aren't, and they watch external hiring for jobs they could have done. They become disengaged and may

leave unnecessarily. Westpac has reduced this worry.

Changes in corporate structures also cause unnecessary hiring and firing because organisations don't realise their own skills and knowledge — that held in the heads of staff, many of whom are never considered for jobs they can perform.

Westpac can now redeploy staff with Taleo's tools, improving morale and reducing hiring costs.

Westpac's hiring managers are also benefiting from the software. Most companies have intranets listing their available jobs, forcing managers to wade through dozens of inappropriate internal applications.

Taleo technology ensures that only people with appropriate skills are considered, allowing managers to hire faster and to look outside the company only if they need to.

LINK
▶ taleo.com

Wait for me!
Recruiters will have to be more agile if they are to catch Westpac's on-demand HR system.
Picture: Jessica Hromas



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