

UPWARD MOBILITY

Maybe it's an exercise in the obvious to say that hiring from within tends to keep employees on the happy, hopeful side, and maybe it's not. Either way, common sense would suggest that companies with internal mobility programs have fewer HR headaches when it comes to retention, not to mention the costs involved in everything from severance to onboarding. And now there's some strong data to back that up.

In August, San Francisco-based **iLogos Research** released its Internal Mobility study, examining the practices of some 70 large and global companies, totaling more than 3.5 million workers. The findings showed that 76 percent of the firms implement internal mobility programs to increase retention, and 61 percent of them internally fill 40 percent or more of their open positions annually (complete results are at www.ilogos.com/en/ilogosreports). Not surprisingly, the companies with a formal mobility policy show a 4 percent higher retention rate than those without one (10.9 percent turnover versus 14.9 percent). That means they're paying less in severance, sourcing and other HR costs.

As it turns out, iLogos, which provides business metrics correlating to staffing technology, is an independent division of **Recruitsoft Inc.**, a top provider of enterprise staffing solutions for large organizations. Headquartered in San Francisco, with other offices in the U.S., Canada, Europe, and Asia, Recruitsoft serves big organizations—from **Honeywell** and **Hewlett-Packard** to **Dow Chemical**, **Toyota**, **Gillette**, and **Procter & Gamble**—with software that manages the wide range of administrative and strategic input that pertains to staffing.

With the recent release of Recruitsoft 6, a software suite that company chairman and CEO Louis Tetu

New research shows that **companies with internal mobility programs have less turnover and enjoy direct cost savings.** And with newer software solutions to help manage mobility, the process gets easier.

touts as bringing together “for the first time, in six solutions, the services and products that solve the complex staffing challenges of large enterprises,” whether professional, hourly, agency, campus, centralized, decentralized, or multinational. Recruitsoft is taking an ambitious step toward putting the entire automated, online staffing function on a single platform. And a key component of Recruitsoft 6 is its Workforce Mobility module, which matches employee skills, training, future career preference, and job requirements to a company's ongoing staffing needs.

Indeed, by trying to run internal mobility programs via the technological focus and online fluidity of a cutting-edge software suite, one promise of something like Recruitsoft 6 is that the hit-or-miss, soft-focus side of recruiting from within can be tamed and perfected in-house. And for giant companies like Gillette or Toyota, anything that can not only reduce severance costs but help limit the spend on outside development consultants is a real benefit.

“We structure data and processes so they can be matched, changed, configured, and optimized by users for users,” says Tetu, who came to Recruitsoft after founding a global supply-chain management firm, **Berclain Group**, in the 1990s. “Collectively applied to multiple business processes, business cycles, geographic regions, hiring types and

staffing models, the Recruitsoft 6 suite of solutions is a value-enhancer for businesses,” he adds.

If Tetu's approach is truly innovative, it has to do with his idea of leveraging supply-chain management concepts, whereby multiple inputs are pipelined, with recruiting and talent management processes that benefit from the networking power of the Internet. That's one reason why Recruitsoft founder Martin Ouellet tapped Tetu for CEO of the fledgling company in 1998. Immediately, Tetu focused on Fortune 500 firms that were ready to reap the sort of efficiencies from staffing technology that they enjoyed from supply-chain management. Now that companies can leverage more technology for their internal mobility programs, they may reap even greater efficiencies.

—Matt Damsker



Recruitsoft's Tetu: Bringing supply-chain savvy to staffing solutions.