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## **Winning the “war on talent” comes with effective HR serving the talent brand**

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Despite data from the EU Commission shows a strong recovery of the labor market in recent months, it is also evident a growing difficulty for companies to find the searched professionals: according to the Excelsior Observatory of November 2021, made by Unioncamere and Anpal, the misalignment between demand and supply of labor is 38.5%, 8 percentage points higher than in November 2019. Practically, companies struggle to find 4 out of 10 profiles, equivalent to 179 thousand professional profiles. This is a growing phenomenon, considering that in October the mismatch had already peaked at 36.5%.

In this environment, it is clear that we are facing a very tight talent market. A situation that is unlikely to change soon and with which corporate CEOs must deal, in order to define an effective talent brand strategy\* that allows them to attract new talent and retain those already within the company.

As recent research from the ADP Research Institute (ADPRI) shows, a key role in this process is played by the HR function, which can leverage a range of initiatives to promote the company's talent brand. The study developed a metric, the HR XPerience Score (HRXPS), that measures the quality of services provided by the HR function and identifies what actions can be taken to increase their effectiveness, identifying what will influence an employee's intention to stay with the firm or actually leave. Using the HRXPS, it was possible to identify whether employees felt the HR function was adding value to their experience at the company (Value-Promoting), performing effectively (Performing), or taking value away from the employees' experience in the organization (Value-Detracting).

Specifically, as the results of the study show, employees are 7.4 times more likely to consider the HR function Value-Promoting when they experience a minimum of at least 7 interactions with the HR department. The more an employee takes advantage of the services offered by HR, the more they realize the centrality of their role and their ability to positively support the company: an employee who considers the HR function to be Value-Promoting is, in fact, 8 times more likely to promote the company's talent brand and 3.7 times more likely not to leave their job.

In summary, interactions with HR have a major effect on a company's talent brand and can influence employee loyalty to their organization. In addition, the more HR services an employee uses, the higher the HRXPS: an employee who uses five HR services is 11 times more likely to rate HR as Value-Promoting than an employee who uses no services. The research also indicates that onboarding, performance focus and health benefits are the specific HR services that influence a higher HRXPS and, therefore, a positive employee perception.

But what exactly do you need to do to increase the quality of service of the HR function and achieve the many positive effects for the company? First, ensure all employees have a single point of contact dedicated to their needs. Then, make sure to provide frequent interactions: the more HR services an employee uses and the more frequently the employee contacts the HR function to find support for specific work-related issues, the higher their HRXPS will be. Finally, paying close attention to the onboarding process is a significant opportunity to positively influence your talent brand.

The study shows how the HR function and talent brand are strongly linked, and how strategic this relationship can be to emerging victorious in the "war on talent". For a firm to be perceived by its employees as a great place to work, it is essential that there is a virtuous relationship between employees and HR, through ongoing contact and the services that a firm's own HR can offer its employees.

\* "Talent brand" is what workers - current and future - think of a company as a place to work, a crucial factor in attracting and retaining top talent