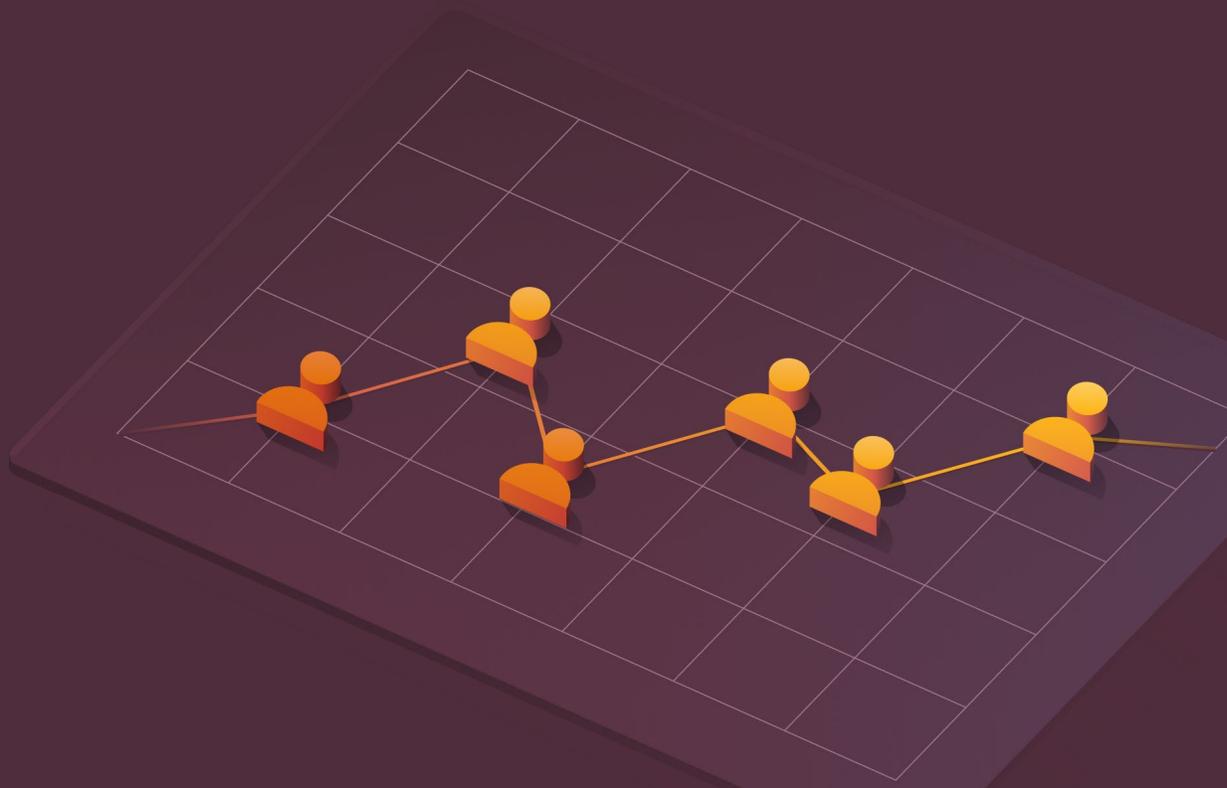




**STRATEGIC HR**

# Driving business outcomes through talent effectiveness

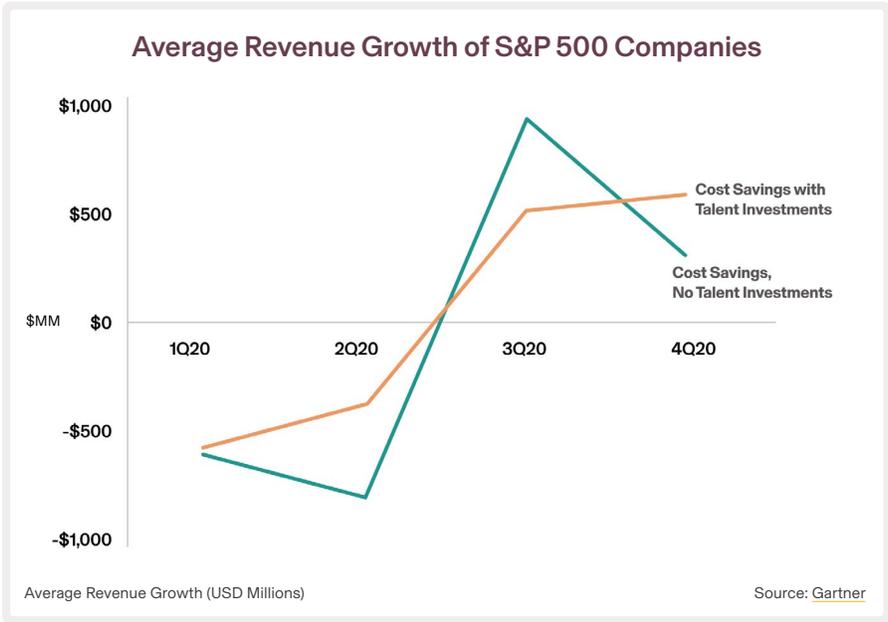


# For a long time, many execs have viewed HR as a mere admin function with limited strategic potential. That’s changing.

Executives have been saying that employees are their most valuable asset for a while, and it’s true—the quality of your talent has a drastic impact on business performance. Companies with effective talent management programs have not only outperformed competitors and outpaced shareholder returns, but the ones that made smart talent investments during the pandemic saw hundreds of millions more in revenue growth compared to those that solely focused on cost reduction tactics, like reducing budgets and layoffs.

CEOs are aligned that talent is a top priority for growth and profitability: As companies are scrambling to do more with less, those with the ability to hire, develop, and retain top talent will have a greater strategic advantage than ever before. That’s why, as the department responsible for deploying talent, 70% of CEOs now expect HR to play a pivotal role in enterprise strategy. This expectation directly links the success of HR to the overall health of the business—providing the perfect opportunity for HR to break out of its traditional silo and demonstrate its impact.

## Talent-driven companies win



# The struggle to be strategic

Your HR team can't deliver on these expectations and drive direct business impact if they're not set up to operate as a strategic function. There are two things getting in their way: a lack of time and data. To solve both, you need HR tech that works harder. The technology you rely on to run your workforce will either hold you back or help you unleash the full potential of your employees.

## Does your HR team have the time to be strategic?



**Is your HR team spending most of their time on administrative work**, bogged down by duplicative tasks and managing every minute detail of routine processes like onboarding, employee transitions, and terminations?



**Does your HR team feel like a bottleneck**, operating like ticket-takers and fielding an influx of questions and ad hoc requests for information that employees should be able to access on their own?

If you answered yes to these questions, chances are your HR team is still doing too much work that software could automate. When your HR team spends the bulk of their week managing minor details, chasing down information, and putting out fires, they're being distracted from their core mission: solving talent challenges to enable the entire organization to execute on business goals. The best-performing HR teams allocate the majority of their time toward strategic work.

## Does your HR team have the data to be strategic?



**Is your HR team more reactive than proactive**, tackling issue after issue whenever something goes wrong, rather than getting ahead of talent issues before they arise?



**Is your HR team switching between a dozen different tools to hire, pay, and manage your workforce**, with data scattered between each of them and no easy way to maintain full visibility into the health of the organization?

Most HR professionals aren't data science experts. Freeing up your HR team's time won't just shift them into a strategic mindset; having access to actionable data will. However, **fragmented HR tools** scatter your employee data across your entire workforce management ecosystem, making it nearly impossible to run robust reports and derive the insights you need to address talent issues proactively or fuel talent decisions. Moreover, without data-driven insights to back up your point of view, it's difficult to get buy-in from leadership on certain talent initiatives or demonstrate your strategic impact. Business leaders respond to data and results—robust reporting will set up your HR team to speak their language and ultimately, drive business outcomes.

## Maximize talent effectiveness across the entire employee lifecycle

Rather than tackling each talent initiative independently, it's essential to approach talent effectiveness holistically across the employee lifecycle. You can't solve performance issues without looking back at your recruiting strategy, and similarly, you can't retain employees without considering their entire employee experience—like career growth opportunities, compensation, or company culture—as interconnected. You need HR tech that helps you connect these dots and fuel your talent decisions with the full picture of workforce data—from an employee's first interview through their last day at your company.

**In this ebook, we'll look at the employee lifecycle holistically to maximize talent effectiveness, zooming into three key tactics. Learn how to leverage data and automation to:**

1

### RECRUITING

#### Make better hires faster

**82% of companies** don't believe they recruit highly talented people.

2

### PERFORMANCE MANAGEMENT

#### Uplevel talent year-round

**81% of HR leaders** say their performance management strategy is ineffective.

3

### RETENTION

#### Get ahead of employee turnover

**40% of employees** say they're planning to leave their jobs in the next three to six months.

# Recruit top talent

Your talent is the only thing you have that can never be copied. Before you can drive business performance through talent, you need to hire the best people. Top performers are up to eight times more productive, but they're scarce, and finding them is a difficult and lengthy process. In fact, the vast majority of HR leaders cite talent gaps as the single biggest obstacle they face and don't believe they currently recruit highly talented people or have effective acquisition strategies. And the price of getting a hire wrong is high—according to the US Department of Labor, a bad hire usually costs a business over 30% of that employee's annual salary.

Meanwhile, the time-to-hire has been increasing every year, with the average amount of time to fill a seat now at 44 days. And often, if a promising candidate does make it through your whole interview process and accept your offer, there's still a solid chance they'll rescind it before starting, or worse, just never show up on day one. Alarming, half of the candidates who accept offers are still open to other opportunities, and end up either turning down the job before their start date or ghosting the employer entirely.

If your HR department and Talent Acquisition team are manually setting up processes and chasing down candidates, they don't have time to dig into workforce data and identify the bottlenecks. Your People team and business leadership need robust reporting at their fingertips to understand the current state of your recruiting process, so you can get the buy-in to tailor your talent acquisition process strategically.

## MEASUREMENT METRICS

### Recruiting



#### Cost to hire

How much is your business spending to fill a role? Add up cost drivers like job board fees, relocation costs, and recruiter compensation, and then divide that by the number of hires. How can you better utilize your recruiter resources and automate your talent acquisition process?



#### Passthrough rates

What percentage of candidates pass through each recruitment stage? If no one is making it through your initial stages, tweak your job description. If people are dropping off at the take-home exercise, reevaluate if that ask is too early in your process. If you have low offer acceptance rates, confirm your compensation benchmarks. Then, use those insights to set up automated workflows that alert you if any stage is at risk.



#### Time to hire

How long does it take from when you post a role to when a candidate accepts an offer? More importantly, where are candidates getting stuck in the process? What stages are slowing it down, and therefore, wasting money? How can you optimize and automate your process?



#### Diversity

Have your hiring practices been equitable, or is there room for improvement? View a breakdown of candidate and employee demographics alongside department and level. Collect demographic data early in your recruiting funnel, like when someone fills out an application or gets referred—if you wait until the time of hire, you'll have a skewed view of who made it that far.



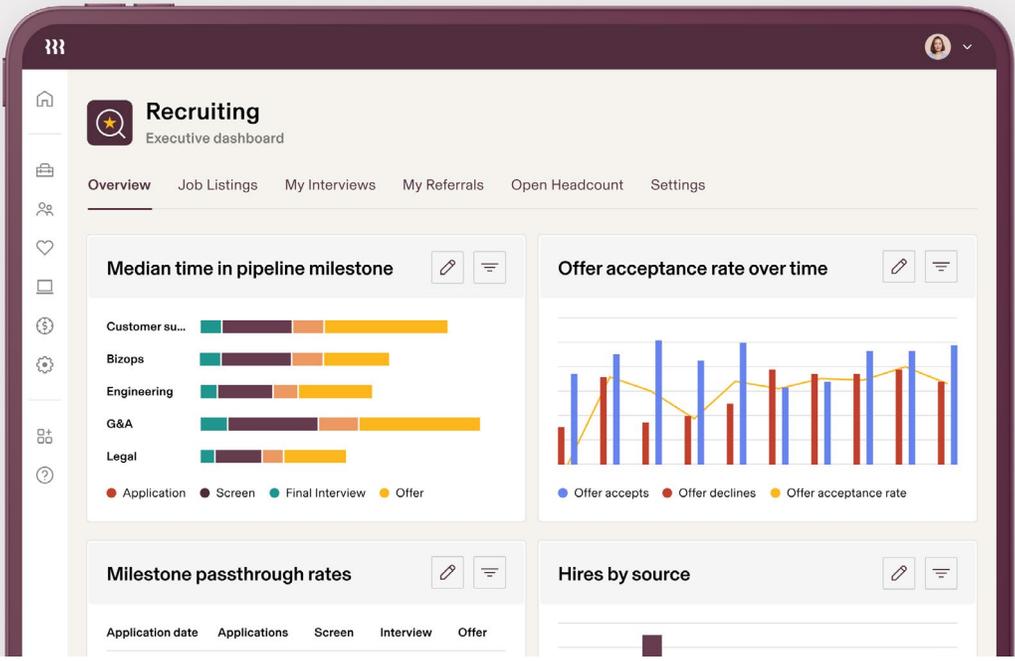
RECRUITING

# Make better hires faster

There's no better way to uplevel your talent acquisition game than by leaning on your own people analytics. However, only 30% of HR professionals say their team is currently using data and analytics to anticipate people challenges. If you manage talent acquisition in a silo separate from other talent effectiveness initiatives, you might miss an opportunity to optimize your recruiting process.

When all of your candidate and employee data is centralized in Rippling, you can pull information from your ATS, performance management app, or any other workforce management tool across your employee lifecycle into one cohesive report to uncover opportunities to improve your talent strategy. Then, you can take it a step further and act on those insights by setting up automated workflows to trigger a set of strategic actions based on any data point.

## Optimize your time-to-hire, passthrough, and offer acceptance rates with Rippling Recruiting





**Here are some ways Rippling can help you improve your recruiting process and make better hiring decisions faster:**

**Land higher quality talent...**

- Find your strongest interviewers**

Pull a report comparing interview survey data in your ATS for candidates who accepted your offer with their performance review data down the line. How accurate were your interviewers at predicting which candidates would go on to become top performers? Make sure to put your best interviewers on the panels for the most crucial hires you need to get right.
- Identify biases in your interview process**

A diverse workforce is directly tied to business results—on average, companies in the bottom quartile for gender and ethnic diversity are **66% less likely** to outperform financially. Look at candidate and interviewer demographic data alongside candidate feedback scores to determine if factors like gender, tenure, seniority, and department impact candidate ratings. Are there any concerning trends or implicit biases? Could you be turning down stellar candidates for the wrong reasons?

**Without sacrificing speed.**

- Keep your recruiting process moving**

Don't settle on a hire just to fill an urgent seat. Spend less time on manual work and more time optimizing how you attract the right candidates. With Rippling, you can build a better recruiting process and put it on auto-pilot—from scheduling next-round interviews to receiving candidate feedback on time to collecting survey data on candidates' interview experiences.
- Improve communication with candidates**

Interviewing is a two-way street. Top candidates are evaluating your company the moment they enter your recruiting process, and an organized recruiting experience speaks volumes about what it will actually be like working at a company. Don't miss out on top talent because of your communication—you can automate key interactions like coordinating schedules, sending interview reminders, and even rejecting candidates instead of just ghosting them.

# Foster a culture of always-on performance management

Hiring is time-consuming and expensive—why allocate so many of your People resources toward bringing in new hires just to stop investing in them the moment they're in the door? The unparalleled energy that HR devotes toward recruiting external talent is diverting their focus away from prioritizing another critical opportunity: further developing the people they already have. In fact, after surveying over six thousand people management leaders, BCG identified upskilling and reskilling their current workforce as an urgent priority for HR that would improve not only their own function's performance but that of the entire company.

Currently, most companies treat performance reviews as biannual tentpole events—there's a ton of urgency during a review cycle, then radio silence until the next one. Throughout the rest of the year, drawing high performance falls entirely on individual managers, who often aren't properly trained to do so.

**82% of HR leaders** believe managers aren't equipped to lead change

Source: [Gartner](#)

The bottom line: You can't improve the effectiveness of your talent if you're only having these conversations once or twice a year. Instead, you need to implement continuous feedback into your culture from an employee's first day at your company to their last. Once you shift to this mindset, you can map employee skill sets to the right strategic business initiatives, uplevel talent through learning and career development opportunities, and make more informed decisions on which people to promote and continue to invest in versus let go.

**Organizations that closely align performance management with business needs see a:**

**24%**

increase in workforce performance

Source: [Gartner](#)

**7%**

higher proportion of high-performers

Source: [Gartner](#)

## MEASUREMENT METRICS

### Performance Management



#### Manager effectiveness

If managers aren't effective, there are downstream implications for the entire health of the organization. Are managers overstretched? How are their direct reports rating them? Is there a correlation between low employee engagement and low manager effectiveness? What is the ratio of individual contributors to managers in different departments?



#### Internal promotion rate

Does your organization set expectations for employees on what it would take to get promoted? Are you able to identify the employees who feel disengaged due to limited career growth potential? Are you filling leadership roles with internal talent or hiring externally? Are there any biases in who gets promoted, like by gender?



#### Performance reviews

How does your rewards strategy tie into managing performance? Are you trying to achieve a particular rating distribution? What's the impact of that distribution on employee morale? How much time do your employees spend on performance review cycles outside of their core responsibilities?



#### Time-off rate

Above-average time-off could indicate disengagement, and below-average time-off could indicate burnout. What was the average amount of PTO taken at your company this year vs. last? Is there a higher time-off rate among certain departments? Is there a correlation between PTO, performance, and employee engagement survey data?





PERFORMANCE MANAGEMENT

# Drive year-round performance conversations with Milestone Reviews

Many companies don't have the time or resources to manually build and maintain a culture of year-round performance management, let alone managers who make it a priority (or know how) to deliver effective feedback on a consistent basis. Rather than relying on infrequent review cycles to assess and improve talent effectiveness, seamlessly integrate feedback conversations into your existing daily workflow through automation. In Rippling's Performance Management app, you can trigger a Milestone Review based on any employee attribute or event across the employee lifecycle.

## Here are a few instances where a Milestone Review could be especially impactful:

### Assess how a new hire is adjusting

- ⚡ **A new hire hits their 30, 60, or 90-day mark.** Did they achieve the goals they set for these increments? Where do they need more support? What are areas for improvement?

### Evaluate the effectiveness of a new manager

- ⚡ **A recently promoted employee has been a first-time people manager for 90 days.** Is their number of direct reports manageable, or are they spread too thin? How could they be better set up for success? What feedback do their direct reports have?

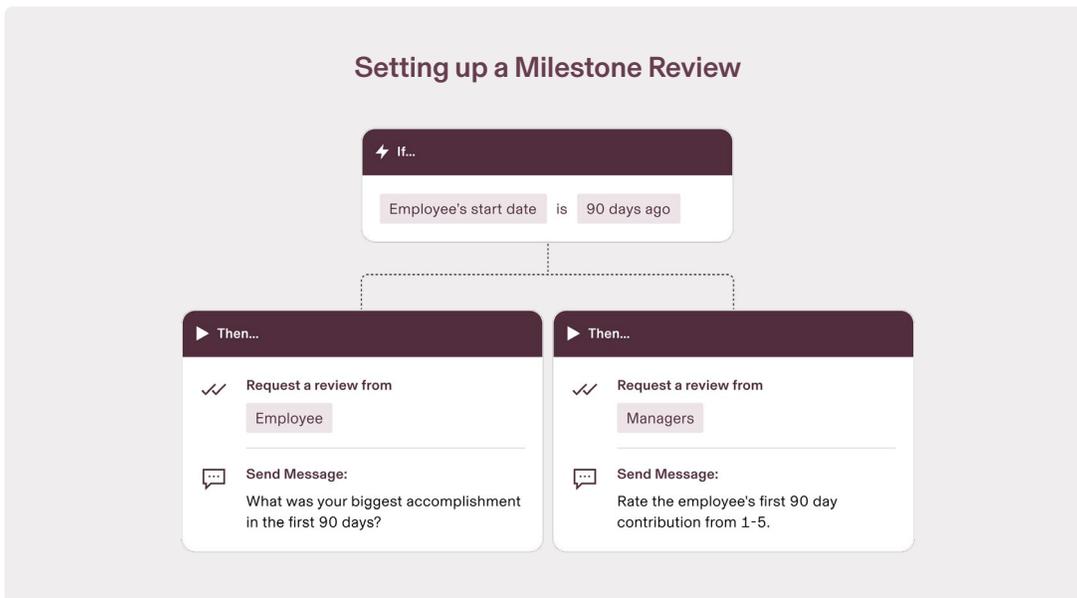
### Reflect on an employee's growth

- ⚡ **An employee celebrates their anniversary at the company.** How have they grown, and what are areas for improvement? How well does the scope of their role align with their career aspirations?

### Monitor employee transitions

- ⚡ **An employee completes a big project.** Reflecting on the project, what do they think they did well? What learnings did they have that they could implement going forward?

For any trigger you choose, you can assign self-reviews, downward reviews, and/or upward reviews to ensure the feedback isn't one-sided. And there's no need to chase people down or remind them to submit feedback—the system holds you accountable for completing your reviews.



## The Cost of a Brilliant Jerk

### Connecting performance to retention

Walker Advertising's VP of People Kimberly Williams used Rippling's Performance Management tool to identify (and quantify the cost of) brilliant jerks—employees who are top performers but perpetuate a toxic work environment. Here's her formula:

- 1 Run a performance review cycle and include 360s to capture peer and subordinate feedback. You can also pair this with climate surveys to collect even more feedback on psychological safety, inclusion, and more.
- 2 Pull a report that identifies employees who are ranked highly by a supervisor and poorly by peers and direct reports.
- 3 Then pull the salaries of the negatively impacted employees.
- 4 Now cut them in half. This is roughly how much money you are throwing away by ignoring abuse.

“ In systems like Rippling, this can all be set up to run automatically. And you can drill down even further to look at absenteeism for the identified employees, shifts in performance, climate surveys, and other engagement markers. All of this can take intangible assumptions and help make them measurable to a degree.

KIMBERLY WILLIAMS  
VP OF PEOPLE AT WALKER ADVERTISING

# Retain top performers

If finding top performers is hard, retaining them is even harder. According to a [McKinsey study](#), only 18% of companies believe they recruit highly talented people, and of those that do, only 7% think they can keep them. The cost of replacing an employee is up to twice their annual salary, but this doesn't just waste time and money; it has serious consequences on business outcomes, like beating out competitors in a saturated market.

As mentioned, top performers are up to eight times more productive. McKinsey describes: If you have an initiative that will take three years, and you replace just 20% of your "average" talent on this project with top performers, you could complete it in under one year. That means a competitor with better talent could beat you to market with a similar initiative, even if they start a year or two later. That's why top performers have their pick of where to work, and it's crucial you do everything in your power to keep them. You just need to figure out what would make them want to stay.

Turnover is a huge risk for companies right now...

**40% of employees** are planning to leave their jobs in the next three to six months

Source: [McKinsey](#)

But HR has the power to get ahead of it.

**52% of employees** who leave their jobs say something could've been done to prevent it

Source: [Gallup](#)

One study found that developing high-potential talent can lower turnover by 7%. Similarly, another study found that employees who receive unactionable, low-quality feedback are 63% more likely to leave their company in the next year, with 17% citing insufficient feedback as their number one reason for looking elsewhere. However, the best way to identify weaknesses in your retention strategy is through data on your own company's employee experience.

Are there limited opportunities for upward mobility or career growth at your company? Do employees feel like they're not being paid what they're worth? You need to look at data points across your entire employee lifecycle, from recruiting through offboarding, to get a holistic picture of your employee experience and connect the dots on why employees are leaving. But you can't do that if your HR software isn't able to seamlessly pull data from all your apps into a single snapshot.

[Keep up with Rippling's tips for HR leaders →](#)

## MEASUREMENT METRICS

### Retention



#### Turnover

Were there signals in an employee's engagement, performance, or attendance data that could have predicted or prevented their departure? Are you adjusting your sales goals as your headcount changes? [Track turnover year-round](#) to get ahead of losing employees at the early signs of attrition.



#### Compensation increase

Are you regularly checking in with employees once they've fully vested their equity or plateaued in their career progression? Are newly hired employees receiving higher compensation than your veterans? Are your compensation increases keeping up with the market and cost of living?



#### Employee NPS & exit interviews

Conduct exit interviews to see if there are any trends in why people leave. How likely is it for an employee to recommend working at your company? In addition to retention and engagement, Net Promoter Score drives referral volume and perception of talent brand. What insights and reporting do you share with front-line managers or recruiters?



#### New hire churn rate

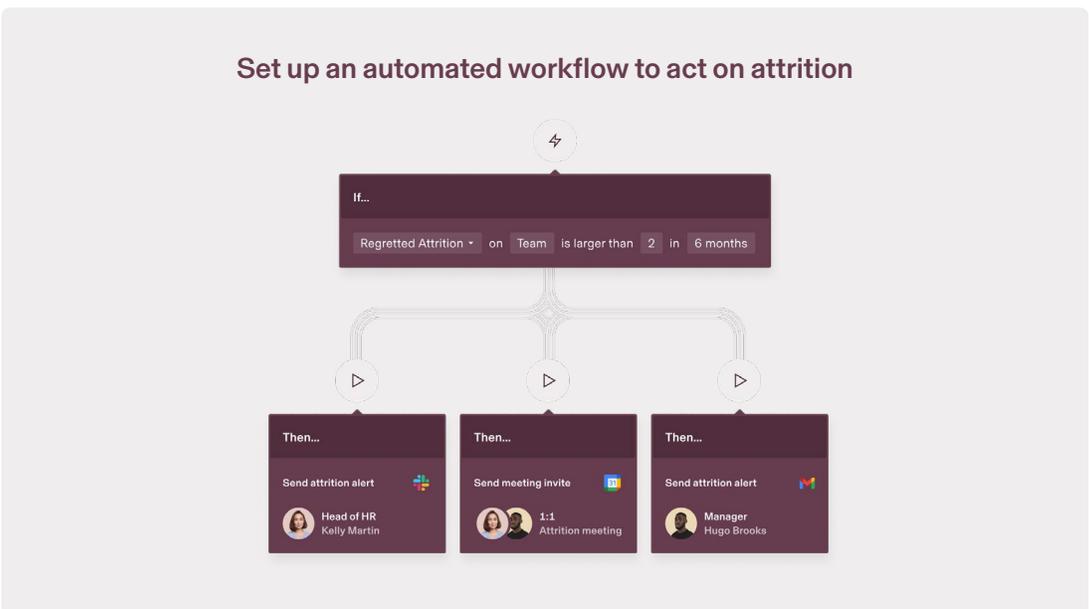
When looking at employees who failed to thrive, what percentage of new hires left your company before they hit their one-year mark? Six months? Were there signals in their interviews that you ignored? Did you provide sufficient support upon onboarding?

 **RETENTION**

# Get ahead of employee turnover

Each of your workforce management apps stores useful data on your employees. With Rippling, you can pull employee data from all these tools into a single report to get a holistic view of an employee’s experience from the moment they enter your talent pipeline through their final day at your company. To get ahead of losing top talent, you could analyze key indicators of strong performance alongside engagement trackers to identify opportunities to bridge the gap between high performance and low engagement.

Once you extract actionable insights, you can set up automated workflows to proactively increase retention at the first sign of disengagement.



“ We use Rippling’s survey tool, Pulse, for eNPS and ‘suggestion box’ surveys. They’ve fostered a culture of transparency, and we’re able to more easily understand employee engagement and feedback. This information helps inform our people strategy, like which professional development tools we should provide to employees.

**ALLI FORD**  
VP OF HUMAN RESOURCES AT ASSEMBLY SOFTWARE

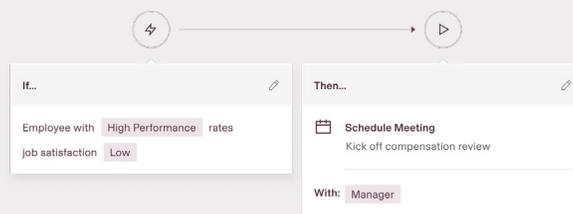
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### Set up an automated workflows to prevent turnover

Once you extract actionable insights, you can set up automated workflows to proactively increase retention at the first sign of disengagement.



## With Rippling, you can leverage data to:

### See why top performers leave your company

Pull exit interview information for employees who voluntarily left your company alongside metrics that indicate if they were top performers—like performance review scores, promotions, and bonuses. Identify trends in why top performers choose to move on, so you can make decisions to get ahead of it. For example, if you find there's a trend of top performers leaving for more money, you can determine if your company could actually cut costs by increasing compensation versus backfilling roles.

### Make sure your employees are happy

View performance review data alongside key indicators of employee satisfaction, like engagement survey data and compensation data—so you can easily spot trends of why top performers are unhappy and make quick decisions to get ahead of losing your best talent.

### Prevent your best employees from burnout

Rippling integrates with your third-party apps, making it easy to pull employee data from any workforce tool into one cohesive report. For example, you can see the number of GitHub pull requests each engineer receives alongside their employee engagement survey scores or amount of PTO—and assess for burnout based on workload.

“ Rippling has been a key driver of positive business outcomes for our organization. By automating routine HR tasks, our team has been able to reallocate their time and efforts toward more strategic HR initiatives that directly impact the bottom line. This includes developing targeted recruitment strategies, conducting comprehensive talent assessments, and implementing performance improvement programs. As a result, we’ve seen improved employee retention rates, increased productivity, and a more engaged workforce—all of which have positively influenced the overall success of our business.

JESS HAZLETT  
VP OF PEOPLE AT ENDLESS WEST

# Unleash the full potential of your workforce

Now more than ever, the fate of your company hinges on the effectiveness of your talent. The trailblazing HR leaders are the ones who set their teams up to operate strategically and accelerate business execution. Succeed in this, and you'll transform your People team from an admin function into an indispensable driver in the success of your organization. So, ask yourself: Is your HR tech holding your business back or unleashing its full potential?

## KEY TAKEAWAYS

- C-suites are expecting HR leaders to play a more direct role in driving business outcomes through talent. The HR tech your team relies on either holds them back or helps them accelerate business execution.
- You can't maximize talent effectiveness by tackling each initiative, like recruiting or performance, in a vacuum—you need to connect the dots between every step of the employee lifecycle.
- Leverage automated workflows and workforce analytics to:

1

### RECRUITING

**Make better hires faster**

2

### PERFORMANCE MANAGEMENT

**Uplevel your talent year-round**

3

### RETENTION

**Get ahead of employee turnover**

## The best run companies **run on Rippling**

As the **#1 workforce management platform**, one of the main reasons HR leaders come to us is to help them accelerate business execution. With Rippling, every tool you rely on to hire, pay, and manage your workforce syncs to a unified employee database, so you can automate routine processes and analyze real-time employee data across your systems—freeing up time for strategic work and giving employees, managers, and execs the tools and insights to execute.

[Book a Demo](#)

