



# Talent Management at Sommerfield

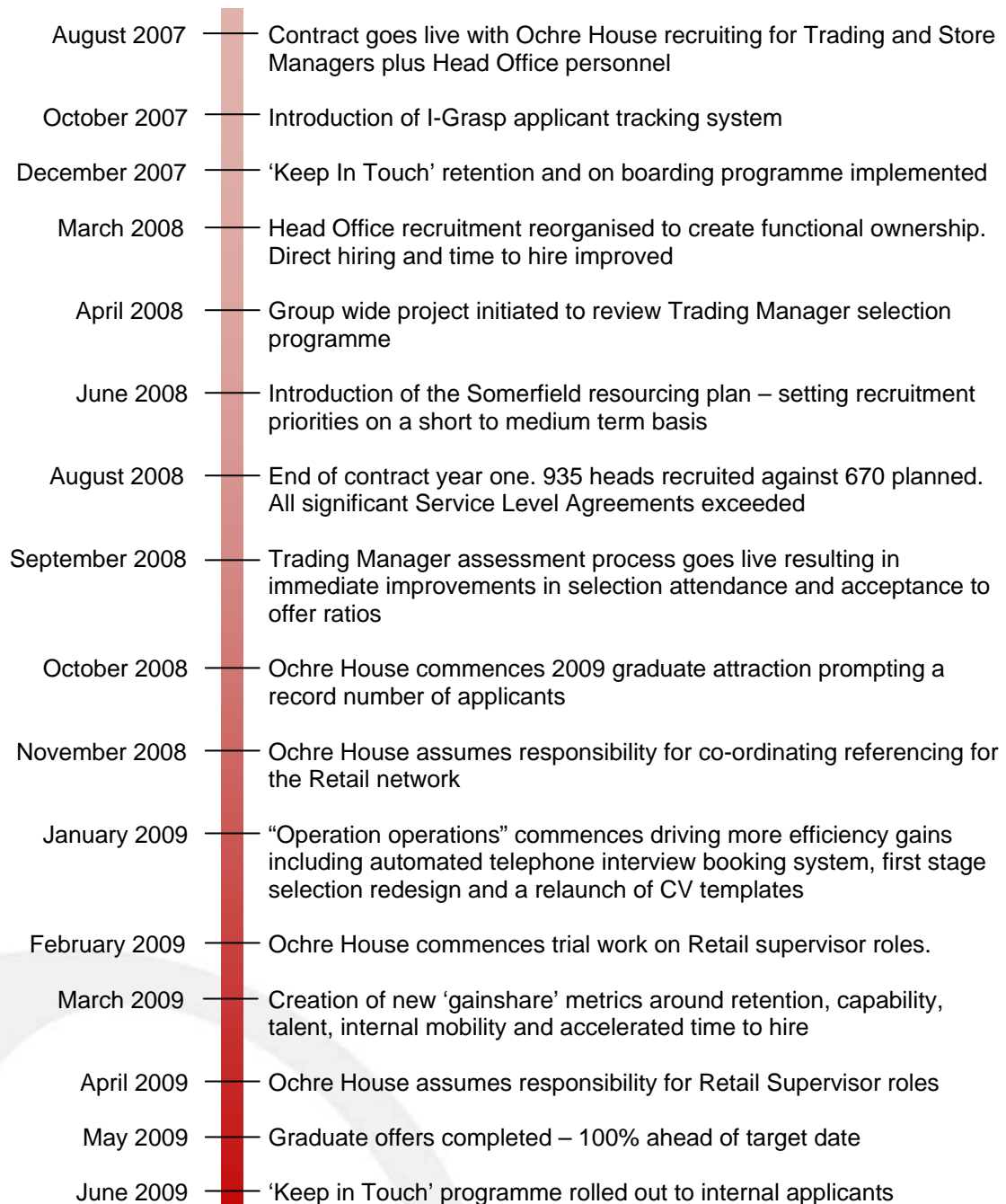
## An Ochre House Case Study



## 1. The Background

In 2007 the supermarket chain Somerfield (now part of the Co-operative Group) decided to outsource its recruitment processes to an external provider with the aim of achieving greater efficiencies, simplification and added value. The organisation took six months to find the right supplier, creating a shortlist of three from an initial fourteen bidders before finally selecting Ochre House. As HR Director, Simon Patton, puts it, "We went with Ochre House because the people doing the presentation were the people we would do business with day-to-day, not just a bunch of salespeople and because they came across as an organisation like our own which would do anything to deliver what the customer needed."

## 2. The Timeline



August 2007	Contract goes live with Ochre House recruiting for Trading and Store Managers plus Head Office personnel
October 2007	Introduction of I-Grasp applicant tracking system
December 2007	'Keep In Touch' retention and on boarding programme implemented
March 2008	Head Office recruitment reorganised to create functional ownership. Direct hiring and time to hire improved
April 2008	Group wide project initiated to review Trading Manager selection programme
June 2008	Introduction of the Somerfield resourcing plan – setting recruitment priorities on a short to medium term basis
August 2008	End of contract year one. 935 heads recruited against 670 planned. All significant Service Level Agreements exceeded
September 2008	Trading Manager assessment process goes live resulting in immediate improvements in selection attendance and acceptance to offer ratios
October 2008	Ochre House commences 2009 graduate attraction prompting a record number of applicants
November 2008	Ochre House assumes responsibility for co-ordinating referencing for the Retail network
January 2009	"Operation operations" commences driving more efficiency gains including automated telephone interview booking system, first stage selection redesign and a relaunch of CV templates
February 2009	Ochre House commences trial work on Retail supervisor roles.
March 2009	Creation of new 'gainshare' metrics around retention, capability, talent, internal mobility and accelerated time to hire
April 2009	Ochre House assumes responsibility for Retail Supervisor roles
May 2009	Graduate offers completed – 100% ahead of target date
June 2009	'Keep in Touch' programme rolled out to internal applicants

### **3. Ochre House and Somerfield – Contracted Services and their Expansion**

The Ochre House remit has gradually increased at Somerfield. For example Store Manager roles along with Trading Managers have been recruited for since contract Day One, along with Support Centre (Head Office) roles.

Over the course of the relationship services have been expanded in some of the following ways:

#### **‘Keep In Touch’ programme**

New hires are contacted several times in their first three months of service. Contact is usually made by their liaison person from the actual recruitment process. Calls are now made at 1 week, 1 month, 2 and 3 months. The call ascertains any induction issues and resolves them where at all possible.

‘Keep In Touch’ has directly led to unwanted resignations being retracted – or never made in the first place. A periodic report ensures Somerfield is aware at all times of what new hires are feeding back.

#### **Selection review**

Ochre House ran a project reviewing Trading Manager selection across the entire network of stores (950+). The objective was to restore the hiring decision to the line manager whilst minimising the impact on Store Management time and ensuring candidates visited their proposed place of work during selection.

Periodic assessment events were replaced by a revised 1:1 process which followed initial telephone selection. Full business involvement in design and testing ensured a successful rollout. Principal benefits have included acceptance figures moving from an average of c.85% to c.95% and a dramatic improvement in candidate feedback. ‘No shows’ at assessment have reduced from c. 40% under the old process (at contract commencement) to less than 5%.

#### **Referencing co-ordination**

Somerfield introduced stringent reference checks for all Management and Support Centre staff in late 2008. The reference checking itself was outsourced to the specialist, CareerCheck. Ochre House co-ordinates the process and is the interface between Somerfield and CareerCheck, ensuring documentation is submitted correctly and that hiring managers have the information they need to make a final decision. Compliance in a complicated process has risen to c.90%.

#### **Graduates**

The success of the 2009 graduate intake has demonstrated that targeted attraction can be more effective than a blanket approach. An attraction budget of less than £20,000 directed at online media, Google Pay Per Click and very selective site visits saw applicant numbers reach 4,500 with 32% passing initial selection.

#### **Supervisors**

The issues Somerfield faced with Supervisors was not a failure to attract, but rather a failure to attract applicants of sufficient quality. Management time was wasted and inevitably some hires were made at a ‘minimum rather than ‘desired’ standard.

Ochre House initially undertook recruitment for this role type on a trial basis. Of the first 15 CV’s submitted, 12 successfully passed selection and Ochre House moved to take full responsibility for this area.

Store Managers now have the best of both worlds – they can move quickly on speculative applicants who approach them direct, they can pass such applicants to Ochre House for first stage screening, or they can ask Ochre House to manage the entire attraction and first stage selection process.

## **4. Continuous Improvement – The Client**

### **Performance metrics**

Introduced in the Spring of 2009, these gainshare mechanisms target Ochre House to deliver over and above day-to-day recruitment. In summary they are:

#### a) Retention

Poor colleague retention cost Somerfield money – not least in training and induction time. This metric seeks to:

- Set measures to ensure new hire issues are resolved where at all possible
- Improve the short-term retention figures in a targeted manner

Ochre House is targeted to drive through the resolution of issues highlighted by the 'Keep in Touch' programme and is measured directly on short-term retention improvements.

#### b) Time to hire

Hiring delays can directly impact on the Somerfield bottom line. Ochre House proposed an additional mechanism whereby Somerfield can prioritise business critical roles with a radically reduced time to hire target.

#### c) Capability and internal mobility

Ochre House is targeted on the percentage of roles filled internally. To ensure quality does not suffer capability benchmarks have also been set. Ochre House is now integrated into Somerfield talent processes so a further measure is for Ochre House to recruit, not just a role fit, but in areas where talent is in short supply, to also secure new recruits with potential to progress.

## **5. Continuous Improvement – The Colleagues**

#### a) Training and development

The structured Ochre House training programme has expanded colleague skills in team effectiveness, consultancy skills and commercial capability.

Coaching and mentoring relationships from outside the Somerfield account have been set up where appropriate offering additional perspectives and guidance.

#### b) Networking

Ochre House joined the Retail Resourcing forum sharing best practice and ideas on a regular basis through formal meetings and informal conversations.

Resourcing Business Partners are directly incentivised to ensure they network outside of the Group – attending at least one relevant event, seminar or meeting every couple of months.

#### c) Efficiency – process review

The attraction team worked with the Resourcing Business Partners to review the end-to-end recruitment process. This resulted in enhanced candidate experience through faster time to face-to-face selection, online booking facilities for interview and initial selection focused on absolute success/failure criteria.

## 6. The Results

So what has been the end result?

### In stores

Attendance at selection	60% improved to an average of 95%+
Success at selection	Rising from an already strong 58% to figures consistently above 75%
Acceptance	85% in 2007 – consistently above 90% now
Candidate source	32% direct hiring (08/07) now at 95%
Store Manager hire time	77% target. 98% result
Trading Manager hire time	60% target. 85% result

### In the Support Centre

Attendance at selection	100% since August 2008 against 85% target
Success at selection	74% against 58% target
Acceptance of offers	95% since August 2008
Candidate source	80% direct hires against 32% target
Hire time	94% of roles filled in hire time v 80% target

### *And what do Somerfield say?*

Simon Patton – HRD Somerfield on Ochre House

*“The best decision I have made in HR”*

Jane Cassidy – Head of HR Services

*“Ochre House’s secret ingredient is their people, with everyone from the Board to the admin team reflecting their ‘can do’ culture”*