

# Understanding Why Fast Hiring Is Critical to Recruiting Success

*(excerpted from the full article)*

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I have been writing on the need for increasing the speed of hire for nearly a decade. During that time, many corporations have begun to realize the benefits of fast hiring...

## Why Speed Matters in Hiring

There are three primary reasons why firms should emphasize fast hiring.

The *first* relates to the ability to land high-demand candidates.

One large accounting firm recently found that if they didn't act within 22 days, their chances of landing "high-demand" candidates decreased by nearly 90%. A large electronics firm researched the issue and found that the very best in their field (the top 10% of candidates) were often gone within 10 days.

The logic of speed hiring is simple: if Tiger Woods decided to leave his golf team, he would be in such demand that he might be in and then out of the job market in as little as a few hours.

A *second* reason for speed hiring is the economic loss to the corporation of having position vacancies. Obviously, if an airline has insufficient pilots for each of its planes, it would lose revenue from each of those canceled flights.

The pharmaceutical firm Merck found that having vacant positions in its R&D function has a direct measurable impact on the time it takes to develop new products for market.

Financial institutions have also found that having vacant positions in revenue-generating jobs, such as loan officers, costs them revenue on a daily basis because these vacant positions caused them to "miss" opportunities to make profitable loans.

The *third* reason relates to the "sudden" availability of currently employed individuals. The very best recruiting departments proactively seek out individuals who are currently working at other firms in an attempt to convince them, over time, to leave their current job and to join your firm. This process is known as "relationship recruiting" or "pre-need" recruiting.

The concept is a simple one. A corporation identifies highly desirable individuals and "works on them" in order to eventually convince them to join your firm. Unlike normal recruiting, when the candidate decides when to leave, this recruiting process pushes them to make that decision earlier than normal.

This process takes some time, and it's hard to predict exactly when it will succeed. However, whenever the individual does decide to leave, it's important for recruiters to act quickly. Fortunately, because your firm approached first, it's highly likely that you will be the only firm directly targeting this person. But if you don't hire quickly, he or she will likely begin looking at other firms.

Slow hiring decisions will also give their current boss an opportunity to make counteroffers, further reducing the odds that you will successfully land them.

The key lesson to be learned is that once these targeted individuals decide to make a move, you need to have the ability to open a position "suddenly" and have already designed an assessment process that is fast enough to offer them a new position almost immediately (within days) of when they make a "mental decision" to leave their current firm.

It's important not just to hire fast, but also to make sure that the position is filled as close as possible to its need date, and here is why:

- Hire at the speed that the manager needs. These positions need to be filled by the date that the manager actually needs them, known as the need date (i.e., one day to two weeks).
- You can hire too fast. In-demand candidates need to be decided on quickly, but it's possible to hire too fast, long before a new hire is actually needed. Anyone who understands the corporate requisition process realizes that quite often, managers issue a requisition without knowing how long the process will actually take. As a result, if the hiring manager needs the individual in 60 days and you hire them in 15, they would be ready to start long before they were actually needed. As a result, fast hiring in response to a requisition can lead to what is known as premature hiring.

Lesson to be learned: The goal should be hiring on the "need date," not before or after they are needed.

### **Factors That Allow for Slow Hiring**

There are some cases when fast hiring just isn't necessary:

- The candidate pool is sufficiently large. Speed isn't as much of an issue if you are recruiting 100% active job seekers. Employed top performers and individuals with rare skill sets are in high demand (which is why you hire fast). However, if your candidate pool is made up of unemployed people, speed is less of an issue (because they have little choice but to wait until you make a hiring decision).
- A great brand allows you to be slower. If you have a great brand (i.e., Google), speed hiring is less important because even top performers may be willing to wait for the opportunity.

Lesson to be learned: Your hiring speed should be adjusted based on the candidate pool for that job. In some cases, you can be incredibly slow when you are recruiting from "active" candidates who are primarily unemployed. In the rare cases where the firm has a strong employment brand, you can take your sweet time and still lose only a few candidates.

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