



Taleo Delivers Direct Energy Configurable Enterprise Staffing Solutions that Drive Cost Savings and Reinforce Branding

Direct Energy is growing at a rapid pace. As a Canadian subsidiary of U.K.-based parent Centrica plc, a leading global supplier of energy and home services, Direct Energy is leading the retail energy industry in North America by offering consumers a multitude of products and services that support wise energy use and conservation, and home improvement.

Direct Energy was founded in 1985 as a producer-owned, wholesale gas marketing company as a result of deregulation of the natural gas industry in Canada. The company began supplying the retail gas market in Ontario and Manitoba in 1991, and grew to service more than 800,000 customers. By the time Centrica acquired Direct Energy in 2000, the company had grown from a start up to become one of the largest natural gas marketing companies in Canada.

The retail energy industry in Canada and the US is changing rapidly. From its head office in Toronto, Ontario, Direct Energy employs people across Canada who meet the challenges of a changing industry head on. The range of jobs and skill set is diverse: there are field technicians in gas fields in Alberta, call center representatives in Ontario, heating and ventilation service technicians in Nova Scotia, and more. Understanding the process efficiencies for the energy market that can be realized on the Internet, Direct Energy's Human Resources Department decided to research cutting-edge web-based staffing services and technologies that would increase productivity, reduce costs, reinforce the company's presence in the employment marketplace and optimally deploy talent throughout its growing organization.

"We want to have direct control over our staffing process—cut out the middleman to reduce costs," stated Janice Thomson, senior vice-president of human resources at Direct Energy. "We envisioned building an online site that would improve services to hiring managers, promote jobs at our company and also explain to candidates what our company has to offer consumers, effectively extending our branding."

The Decision to Select Taleo

According to Thomson, prior to Taleo, interested candidates would send resumes via mail, fax or email. The requisition approval process was not well defined or tracked. The process was highly administrative, manual and relied heavily on expensive print advertising, third-party recruiters and job boards to find candidates for open positions. She also noted there was no candidate database in place for building long-term relationships and for extending branding to candidates, or the functionality to search and match qualified candidates, share information automatically and optimally deploy talent based on the long-term needs of the company's growing business.

Direct Energy was looking for a way to better engage hiring managers and recruiters and communicate with candidates throughout the process. Furthermore, the Human Resources team needed reporting tools that would automatically generate reports about the status of open requisitions and metrics such as time-to-fill; and, the team wanted to be able to share those reports internally with hiring managers and other stakeholders.

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Human Resources

TALEO CASE STUDY

Direct Energy

Implementing Processes and Technology that Work

After spending some initial time up front during the implementation to map efficient staffing processes to its business needs, Direct Energy went live on Taleo solutions in May of 2002, just three months after Taleo was selected. Thomson noted that the implementation was well managed, on time and on budget.

Marietta Mendoza, Manager, Human Resources, stated, “The solutions are very compelling. Taleo’s features and methodologies are very intuitive, very easy to learn and use. Importantly, it works with recruiters the way that they work—the functionality is not forced.”

Employing the ACE Methodology. Direct Energy’s employees embraced ACE™ Staffing Best Practices from the very beginning, which include many practices and processes that Direct Energy needed to improve upon to generate long-term staffing efficiencies and cost savings. Today, in addition to completing online job applications, interested candidates are asked to complete skills-based profiles and answers skills-based questions about the kind of work being sought for their careers. Subsequently, when jobs come up that match the candidate’s skill sets in the future, the person is notified of an available position via Job Agent in real-time and invited to apply.

After the application questionnaire is completed, the solutions automatically sort applicants based on the answers to the recruiter-provided, predefined questions and skills requirements, and notification of ACE, or the top candidates, is sent to recruiters and hiring managers via email or even wireless device. Thomson noted that today, as a result of the ACE Methodology, recruiters and hiring managers more efficiently match the right professionals with the skills required for specific job requisitions. She also noted that the time-to-hire process is accelerated and, as a result, recruiters can move more quickly to value-added tasks such as interviewing and hiring, favorably impacting productivity and the bottom-line.

Mendoza added, “Taleo’s professional consultants are very knowledgeable about our industry and knew exactly what processes we needed to ensure our recruiters found the right candidates quickly. For a recent project management position we received over 700 applications. Within a few days, we ended up hiring the four ACE candidates that we pre-screened. Looking at all those resumes would have taken a lot more time. Putting the time in to analyze our processes and working with Taleo’s services team in the beginning really paid off in the end.”

Results that Meet Business Objectives and Deliver ROI

When asked if the solution provides any financial benefits to Direct Energy, Thomson stated, “Bottom-line is the solution has already paid for itself.” She noted that the department is able to report on metrics now and better service and share invaluable information with hiring managers. According to Thomson, the managers get involved in the hiring process upfront and ACE candidates are being interviewed inside of five days for some positions after the job is posted. Furthermore, the recruiters are more productive and can work on other strategic projects related to their careers and the company at large. She added, “When you consider time-to-employee-contribution, hiring those quality candidates quickly in a short period of time really affects the bottom line.”

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Since Direct Energy deployed Taleo:

- ▶ Hiring managers, recruiters and candidates are more engaged and informed throughout hiring process;
- ▶ Tailored automated communication is sent to candidates in real-time;
- ▶ Excel reporting has been replaced and different types of invaluable reports are shared internally;
- ▶ Time-to-hire has been reduced from 67 to 35 days and the overall time spent on staffing for recruiters has decreased by 50 percent;
- ▶ Cost per hire, which has been as high as \$10,000 and averages about \$8,000 per hire, is now approximately \$5,000 per hire;
- ▶ Candidates are sourced and tracked, allowing for more targeted advertising and reduced expenses to find candidates;
- ▶ Third party recruiters have not been used for most of the positions of manager and below since going-live on Taleo's solutions;
- ▶ Increased time has been afforded to recruiters to branch out and do other work, which also has an impact on their careers;
- ▶ Productivity is automatically increased as positions are systematically filled faster with quality candidates;
- ▶ Job agent technology is available to proactively seek the right candidates at the right time.

Enhanced Branding and Building Long-term Relationships. One of Direct Energy's key objectives is to be a community leader and an 'employer-of-choice.' By partnering with Taleo, Direct Energy has been able to streamline the staffing process to reduce print advertising, job boards and third-party recruiters and find candidates for open positions faster. Thomson noted that in June, advertising was more targeted and Direct Energy used billboards to direct people to the Corporate Careers Web site. "For existing employees it gave a sense of 'wow' and it created some buzz, and made people take a look. Best of all, it garnered about 6,000 applicants in a very short period of time and over 70 people were hired. This is huge and our candidate database will continue to grow as a result of our strengthened brand. We now have the workflows and processes in place to build long-term relationships with candidates."

