



Prescription for Healthy Hiring

Hoag Hospitals needed to fill critical positions and convey the full value of their offer. Digital offer experiences were just what the doctor ordered.



Hoag Memorial Hospital Presbyterian has been around for decades but realized their recruiting process had to move into the 21st century. The California healthcare network **now enjoys a healthy dose of cost savings and a speedier hiring process.**

Hoag's Southern California network includes two acute care hospitals, nine health centers and 13 urgent care centers, with more than 750,000 patient visits spanning a comprehensive blend of services. Hoag's Newport Beach hospital has been part of the Orange County community for more than 70 years, and it's consistently named the best hospital from a variety of sources.

Yet like most healthcare employers, Hoag faces a constant challenge in attracting and hiring people who meet the provider's specialized needs – and who are willing to live in expensive Orange County.

"Although Newport Beach is a lovely place to work and it's sunny, 70-degree weather almost year-round, that can only carry you so far," explains Michael Krug, Director of Talent Acquisition and Physician Recruitment at Hoag. "A candidate may have a 4,000 square foot home overlooking the Appalachian Mountains, but here they're lucky to get an attached home for the equivalent price."

The hospital employs a workforce of over 6,000 along with another thousand contract employees. Krug and his team of recruiters hired thousands of employees annually. Along with navigating a competitive healthcare

job market for clinical staff, Krug says their greatest challenge is negotiating with candidates for specialized manager and executive-level positions.

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— *Michael Krug, Director of Talent Acquisition and Physician Recruitment*

"Everything about our healthcare industry is evolving. The way we search for and attract highly specialized candidates is also changing," Krug explains. "Our recruitment team is challenged on a regular basis with targeting the best and brightest candidates within competitive market rates. So, when the specialized labor supply is low and the demand is high, the top candidates we target have certain expectations from a compensation standpoint. The difficulty is getting them to look outside of the true dollar value of their base salary and broaden their perspective on what a total compensation package means."

Previously, Hoag had to manually enter data into spreadsheets and Word documents...now, they simply point and click to make a dynamic offer.

Hoag began working with TotalRewards Software (TRS) over a decade ago to deliver print and web-based total rewards statements to their current employees. In the summer of 2012, Hoag began a staged roll out of TotalRewards's personalized candidate solution, CandidateRewards. The cost advantages and time savings were immediate benefits of the new, more dynamic digital offer approach. So far, Krug and his team have used digital offer experiences for five critical, select candidates in high-visibility roles, and all five accepted the first job offer. By avoiding a second round of counteroffers and candidates seeing their total rewards offers instead of just salaries, the hospital has already saved \$60,000.

"It's exceeded my expectations so far, especially during the negotiating process," Krug says.

Once Krug and his team get a sense of a candidate's desired compensation and the hiring manager's budget, they plug the numbers into the CandidateRewards platform – a process that takes only minutes to complete. Previously, Hoag's Director of Compensation Debbie Davis had to manually enter data into spreadsheets and Word documents – including a candidate's base salary, target bonus, benefits and more.

Not only did each spreadsheet have to be tailored for a specific job category, but it also needed to reflect the various facilities and affiliates within the Hoag network – each having subtle differences in compensation packages. It was a manual and time-consuming process that usually required at least a half hour to complete, in addition to back-and-forth conversations between Davis and the recruiting team.

Today, Davis and her team use the CandidateRewards platform, which has offers designed for each job level and location. The Hoag team simply chooses and shares the appropriate digital offer using either electronic or traditional delivery.

"Before the Total Rewards program, we didn't have a formal way of detailing all of the benefits, insurance information and perks that we provide in a single package," says Davis. "Now we have a consistency that wasn't there before . . . in less than five minutes, we can have a complete compensation package entirely mapped out."

CandidateRewards sends an email link to view the digital offer, but if a candidate has flown in for an interview, Krug works to hand them a detail, information-rich offer before they leave. "You can imagine the surprise of a candidate when they get this detailed statement, with a complete breakdown into a visual picture of how wonderful the offer is," says Krug.

"When they are seeking a particular salary level and the total compensation value comes out to 40 percent higher than their base salary expectation, they can't believe it."

"Based on the savings we've experienced so far, we're easily looking at a six-figure savings for the fiscal year, just based on the ability to visually articulate our total compensation package," Krug points out.

"Further, you can't put a dollar value on a good candidate experience. Companies would pay for the ability to deliver a good experience, and that's what we're getting thanks to Total Rewards. Our candidates' eyes light up when they see the total comp statements, and they're so impressed that we prepared this detailed information."

The Hoag recruiting team is able to move faster and work smarter using TotalRewards Software... giving them an advantage over other hospitals pursuing the same candidates.

In addition, the CandidateRewards Recruiter Dashboard provides tracking and analytics reporting, including when the candidate first accesses the offer, how many times a candidate logged in, plus the time and length of their visit. This “digital body language” allows the Hoag recruiting team to glean valuable information as to what compensation and benefit programs are valued most by candidates.

In a fast-paced, hyper-competitive recruiting environment, the Hoag team can't waste time with busywork or manual processes. Previously, Hoag had to manually enter data into spreadsheets and Word documents...now, they simply choose the features of the position and digitally publish or print the appropriate statement. Between the streamlined offer builder and the unique intelligence, CandidateRewards gives Hoag a distinct advantage over other hospitals pursuing the same candidates.

“When a total rewards statement is utilized properly, we're able to paint a more dynamic picture of the value we bring to a candidate,” Krug adds. “And not just from a pure monetary standpoint, but also by showing compensation, benefits, 401(k) contributions, potential bonuses, relocation costs, and more. It provides a clear and comprehensive picture.”

Hoag's CandidateRewards digital offer experiences not only ensure a positive on-boarding experience, says Krug, but it will also have an important downstream effect on future hires. “When these managers, executives and directors are interviewing people, they'll be better equipped to articulate the value of our compensation packages.”

Hoag plans to expand the program to include additional locations and develop a universal hiring process. The team originally planned to limit the use of digital offer experiences to only specialized roles, but now they will be used for a wide range of positions. They also demonstrate the ROI of the CandidateRewards platform by comparing the estimated and actual hiring costs – detailing what each candidate originally asked for in base salary, what the hiring manager's budget allowed, and the final agreed-upon salary – to measure cost savings as the program is used on a wider scale.

For now, Hoag's HR team is enjoying the benefit of using digital offer experiences showcasing total rewards as a differentiator against competing medical facilities.

“Surprisingly, the candidates I've engaged with have never seen these statements before” says Krug. “It's refreshing to be in the driver's seat and offer something that isn't widely used yet.”

CandidateRewards is a solution of TotalRewards Software, a private company founded by business and technology professionals with a mission to deliver high quality and cost-effective total rewards marketing solutions to employers worldwide. The cloud-based application creates digital offer experiences for candidates and more engaging, dynamic employee total rewards microsites to promote employee engagement and retention. TotalRewards Software supports clients in more than 40 countries across five continents, including industries such as retail, manufacturing, construction, non-profit, education, financial, insurance, professional services and technology.

