Utilizing the Untapped Power of Corporate Alumni Networks

If 2020 taught us anything, it's the importance of relationships. A focus on employee experience and culture, employee engagement, and putting strategies in place to ensure employee wellbeing became a top priority for many enterprise organizations. While all that is great, there's one part of the equation – the relationship between employee and employer – which is often overlooked. When the job ends, traditionally so has the relationship. All too often, when employees leave an organization they're almost immediately forgotten – as if they were never there at all. Failing to maintain relationships with former employees as they continue their careers is a big missed opportunity. Enter corporate alumni networks.

Corporate alumni networks are not new. Companies, mostly professional services organizations, have some version of an existing alumni network dating back to the 1990s. With the recent shifts in the job market, there is now a renewed focus on the value of these networks.

Gone are the days where employees would stay with the same company for their entire careers. In 2020, the **Bureau of Labor Statistics** reported that employee tenure had declined to 4.1 years, regardless of age and seniority. A recent poll by Monster.com stated that **95% of employees are considering changing jobs this year**. Additionally, **SHRM magazine states that 1 in 4 people are anticipated to leave their jobs**. That's a lot of turnover – and a lot of potential ex-employees who could ultimately be part of a corporate alumni network.

Alumni networks are great resources for organizations in the areas of creating brand ambassadors, building a talent pipeline, and developing business partners, and/or innovative ideas. According to the **2021 Corporate Alumni Benchmarking Report**, a majority of corporate alumni programs are at least six years old, and 12 percent are over 15 years old – which shows a large opportunity for growth and development.
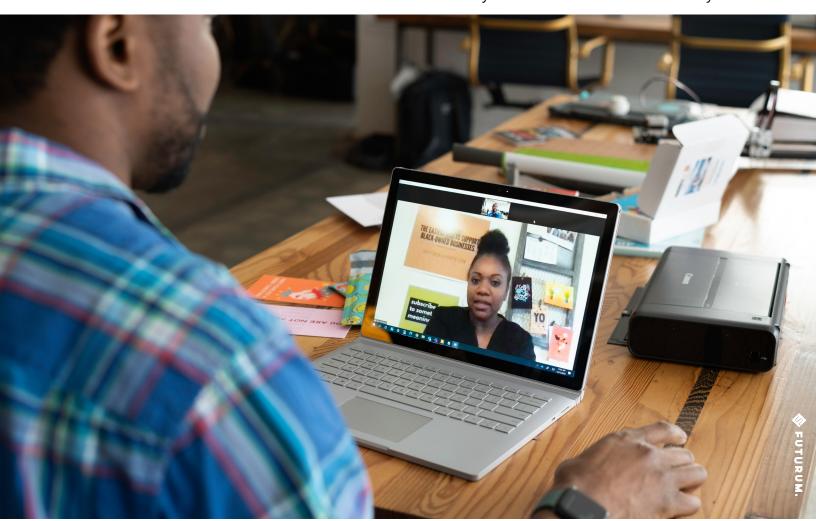
There has never been a better time for business leaders in human resources, marketing, and/or business development to identify which aspects of alumni relationship management they are struggling with and develop a plan to remove any barriers to success. A key part of this process includes identifying potential technology solutions that remove some of those barriers and alleviate the stress organizations feel as a result of their current challenges.

Alumni Relationship Challenges for Enterprise Organizations

In today's hyper-competitive, candidate-led job market, employee turnover rates are increasing. Organizations are dealing with pressure from talent shortages, skills and knowledge base gaps, and compliance issues, among

other things. Corporate alumni are an often-overlooked group, which is a huge missed opportunity and, equally important, one that can impact the bottom line of an organization. For example, companies cite that up to 5% of their hires are alumni rehires, according to the benchmarking report, which saves companies money and time in recruitment and training.

To better understand what alumni managers in enterprise organizations are experiencing, we must first understand the challenges they face. These include the following:

Inefficient recruitment processes lead to higher costs. In today's job market, many organizations have tons of open positions they are working to fill. With hundreds of applications coming in for hundreds of open positions, recruiters often struggle to screen multiple candidates efficiently. These inefficiencies and delays in

time-to-fill can be costly for organizations and it can also result in lost opportunities if job seekers lose patience and find jobs elsewhere. Looking at former employees who are open to returning creates another avenue for talent recruitment. An alumni manager should have a great connection into human resources.

Struggles with developing and maintaining relationships with alumni. Former employees are a great source for brand ambassadors who know and love the organization, who also enjoyed their tenure. These brand ambassadors can both promote products and refer talent, but developing and maintaining relationships in a consistent manner with these former employees is a challenge. The research showed 31 percent of current alumni programs report communicating with employees monthly and 39 percent report communicating on a quarterly basis. This is a good cadence for the brand to communicate, but one-sided communication is not a relationship. Going further to create a community and connect alumni is something that they will expect for mutual benefit, and a dedicated alumni management platform is required.

Tracking engagement is difficult or not done. While many organizations track day-to-day community health and alumni program data like email opens and the number of alumni in the network, less is done to track metrics with sales, revenue, rehires, Net Promoter Scores, referrals, and Glassdoor reviews, among other things. Most are tracking activity, but about half as many are connecting to business goals. There is room for improvement here with proper reporting tools and internal stakeholder communication.

Building a sales pipeline. Alumni are an untapped resource for sales and business development pipelines. Lack of strategic engagement or difficulty with strategic engagement is a missed opportunity and missed revenue for organizations. And in today's competitive business environment, filling the

sales and business development pipeline is crucial for success. Alumni-assisted sales are happening, and tracking them through connected systems will help sales departments be stronger.

Alumni Relationship Management Made Simple with PeoplePath Alumni

When it comes to effective alumni relationship management, human resources technology solutions play a big role. Business leaders overlook alumni management solutions without realizing their impact in several departments.

To break down the issues that many enterprise organizations face in alumni relationship management it's important to get to the root of the problem. And in many instances, any of these issues can be traced back to the start – ineffective technology. When many organizations are operating on razor-thin margins, eliminating these issues is not only important, but in today's times, it's table stakes.

That's what led us to evaluate PeoplePath Alumni. Integrated with the SAP SuccessFactors Recruiting solution, **PeoplePath Alumni** empowers organizations in a variety of industries to create, cultivate, and nurture corporate alumni networks. Here are a few of the things we really like about PeoplePath Alumni:

Reduce time to hire. With PeoplePath Alumni, organizations can attract talent and fill open positions faster with smart job matching. By recruiting former employees directly or leveraging the network for referrals, organizations can dramatically reduce the time it takes to fill positions, which reduces overall recruitment costs.

Easily develop brand ambassadors. A highly engaged alumni network that maintains a positive image of the company can go a long way toward helping promote products and making it easy to refer new talent. PeoplePath
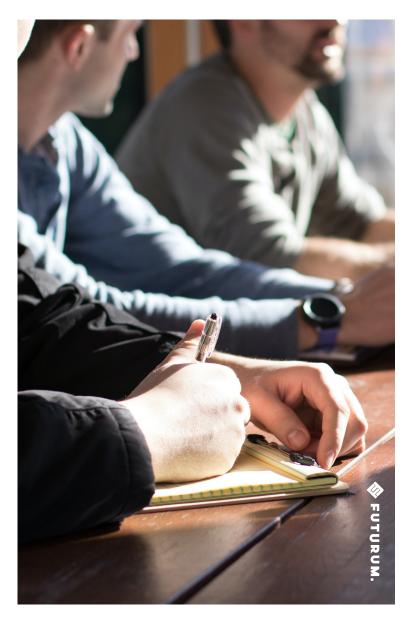
Alumni is an easy-to-use, cloud-based platform that simplifies alumni communication, brand management, and event management.

Strategic sales and business development. By maintaining an up-to-date alumni network, sales and business development departments can strategically engage with former employees for potential new business partnerships or other opportunities.

Cultivate alumni referrals. With simple tools like shareable links, alumni members can share open positions, relevant events or community invites with their personal networks, expanding the reach of an organization and enhancing its overall brand image.

Gain insights into alumni relationships. Relationships are a two-way street. PeoplePath makes it easy to connect with alumni to foster deeper, more meaningful relationships and to gather insights on the relationship. By understanding trends within an alumni network, organizations can make strategic decisions that will improve relationships and the bottom line – something no business can take for granted.

CUSTOMER SUCCESS STORY

As we evaluated the PeoplePath Alumni solution, we looked, as always, for client success stories that could support the value proposition of the offering. SAP was facing numerous alumni relationship management challenges that brought it to PeoplePath Alumni. The company was looking for a platform that would allow it to maintain lifelong relationships with employees after they leave the organization, foster alumni as brand ambassadors, and strengthen the SAP ecosystem to support business development. After utilizing PeoplePath Alumni, SAP was able to create a defined structure of engagement that nurtured relationships within a network of 16,000+ members. Today, SAP reports that some 250 members join the network monthly, and that a whopping 80 percent of the alumni network remain part of the SAP ecosystem. These lasting, mutually beneficial relationships are a win-win for everyone involved.

Why PeoplePath Alumni?

There are many HR tech solutions available today to help organizations manage the full spectrum of HR challenges. But these solutions largely don't help organizations cultivate and nurture relationships with former employees. That's where the value proposition of **PeoplePath Alumni** comes in and why we think it's something worth exploring for enterprise organizations. PeoplePath Alumni solves problems that other solutions simply can't. It reduces recruiting costs, builds brand ambassadors, develops sales pipelines, and drives new insights.

In today's business climate, finding a solution that solves problems, improves efficiency, and can continue to scale as an organization grows is one worth investing in. When HR departments have the tools to do their jobs well, the whole organization benefits. PeoplePath Alumni, **available now on SAP Store**, is the silver bullet that can take your organization to the next level.

PeoplePath

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