

The background features a green-to-blue gradient with a network of white lines and dots. A curved dotted line separates the top and bottom sections. The bottom section has a dark blue curved area with a white dot pattern.

entelo

2018 RECRUITING TRENDS REPORT

INTRODUCTION

Gone are the days of posting jobs and praying for applicants. Today, talent acquisition professionals are some of the most strategic hires companies make. The most progressive organizations recognize talent acquisition professionals as fundamental business partners and thoughtfully assembled teams empowered to build. But without an understanding of the new rules and ideals for business and HR, talent teams will be ill-equipped to discover, engage and retain the 21st century workforce.

To understand today's competitive hiring landscape, Entelo's 2018 Recruiting Trends Report examines the slight, but pivotal changes in the world of talent acquisition. The findings in this report point to shifting trends, emerging technologies and redefined team functions, to help organizations anticipate what lies ahead and maintain a competitive advantage into the future.



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CANDIDATE DISCOVERY AND ARTIFICIAL INTELLIGENCE

Sourcing candidates is a top priority for building pipeline, so companies are increasing their focus on productivity through recruiting automation.

Talent teams face tremendous pressure to put first human interaction and personalized engagement to capture the most sought after candidates. To keep up with ever-growing hiring demands, however, talent teams' responsibilities revolve around the time-consuming tasks associated with sourcing. As a result, the importance of the candidate experience is diminished to a critical but often unfeasible aspect of the hiring process. Talent teams are recognizing the need for a modification to their processes – one that enables recruiters to be more systematic about how they spend

their time interacting with candidates. The leading teams are turning to cognitive technologies to manage manual, repetitive tasks. Automation and machine learning will reshape the workforce and redesign the function of the talent team, empowering them with a newfound ability to focus on building rapport and long-term connections, not just pipeline.



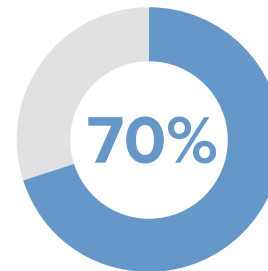
Talent teams rank employee referrals as the most important source of hire, while third party sources (agency, consulting firm, talent marketplaces) are the least important.

Did you know?

Of those who reported employee referrals as the most important hiring source, 23% don't have a diversity hiring initiative in place. Heed caution: Employees are highly incentivized to refer candidates who may be a good fit for the company, but unfortunately tend to refer people who are "like" them and share similar social capital — skills, socio-economic background, political beliefs, and so on — which can cultivate a homogenous candidate pool.



On average, talent acquisition professionals spend nearly **1/3 of their work week (about 13 hours)** sourcing candidates for a single role. Nearly 1 in 3 respondents spend over 20 hours.



70% of respondents agree sourcing automation would increase productivity

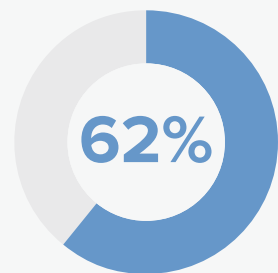
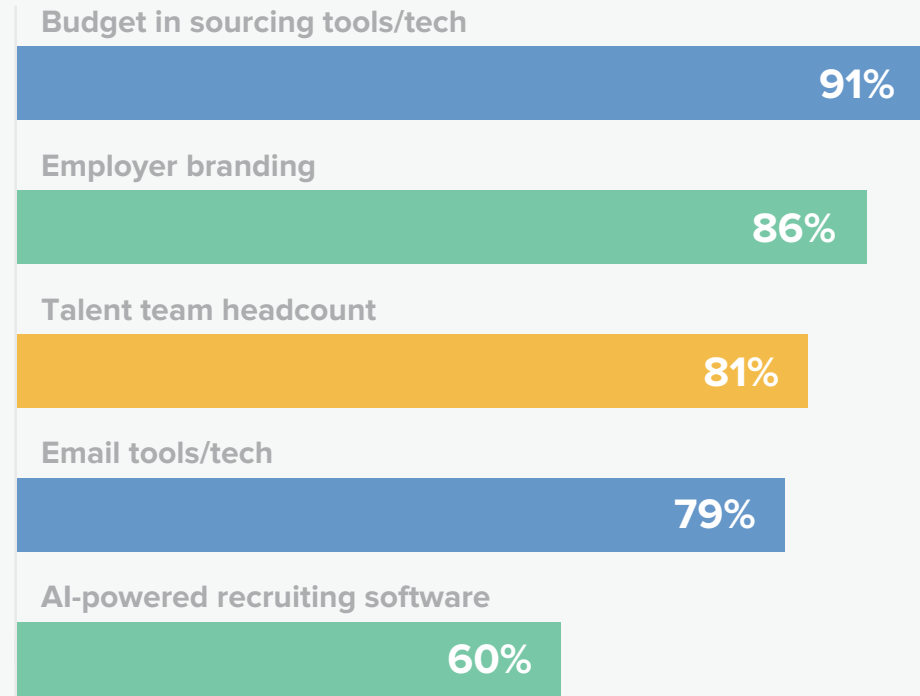
When organizations talk about the future of talent acquisition, there's a vital shift that must happen around how recruiters emphasize the importance of sourcing and other manual tasks. Eliminating the repetitive aspects of the hiring process gives recruiters the ability to manifest meaningful relationships with people and focus on the more human side of the job. With new tools that can support recruiters' productivity, talent teams finally have the time to be thoughtful about how to engage, connect, and sustain strong relationships with candidates.



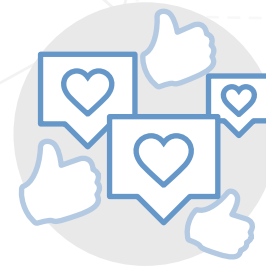
Jacob Morgan

3x Best-Selling Author, Speaker, and Futurist

In 2018, tech companies will invest in these recruiting channels:



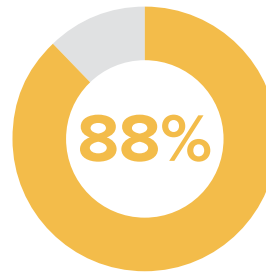
62% of talent teams find more high quality candidates through sourcing than inbound applications.



On average, **recruiters reference 7.8 different social media sites** to source/recruit passive candidates.



A majority of teams will no longer spend any budget on traditional print advertising, **while 81% will use social media for sourcing and recruiting.**



88% of respondents will invest in their social media presence in 2018.



Did you know?

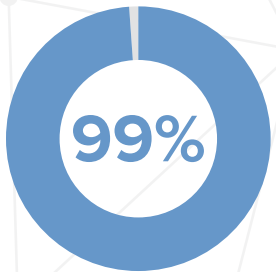
April, May, and June are the busiest hiring months.

“
Today’s job seekers expect a high level of transparency into an organization’s culture, values, and employee satisfaction. As traditional print advertising goes the way of Help Wanted signs, it’s no surprise companies are investing in resources such as employer branding platforms to be open, candid and authentic, giving the candidates an opportunity to vet them as much as they are vetting candidates.”

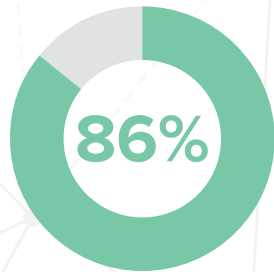


● **Moritz Kothe**
CEO, kununu

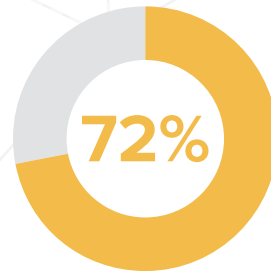
CHARACTERISTICS OF TALENT TEAMS WHO WILL INVEST IN AI-POWERED RECRUITING TOOLS:



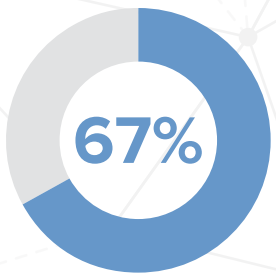
99% rank **passive candidates** as an important source of hire



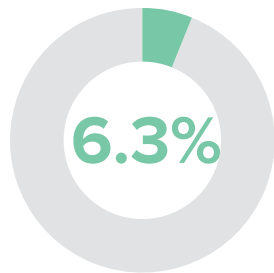
86% will invest in intelligence sourcing software in 2018



72% agree **automated sourcing** would increase their productivity



67% have a **diversity initiative in place**

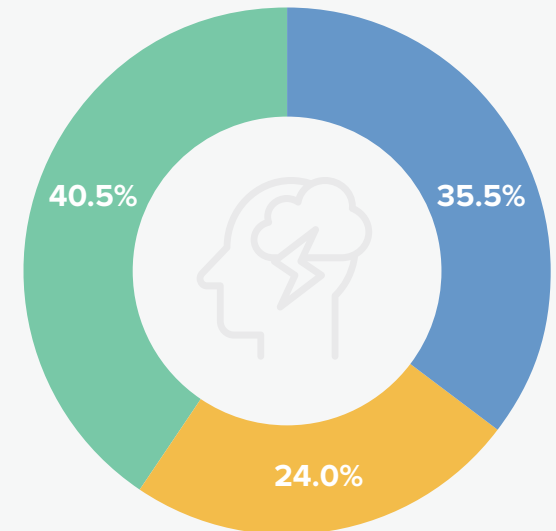


6.3% aren't familiar with the terms "artificial intelligence" and "machine learning" in the context of recruiting tools



Spend an **average of 13 hours a week** sourcing candidates for one role

Which companies will spend budget on AI and/or machine learning-powered recruiting tools?



CANDIDATE OUTREACH AND ENGAGEMENT STRATEGY

Email is the most used and most effective channel to engage candidates, but most recruiters aren't tracking the impact of their efforts.

Although today's talent teams are receptive to becoming a more data-driven function, there remains an opportunity for recruiters to measure, examine, and refine their interactions with candidates. As traditional engagement channels become more saturated with competing recruiters, it isn't enough for talent teams to automate hyper-personalized communication.

Without an analysis of their outreach efforts, recruiters are missing key insights into how they can improve their candidate engagement. Similar to the way marketing teams track email open, click-through, and response rates, recruiters must apply the same rigor and attentiveness to candidates' email behaviors.

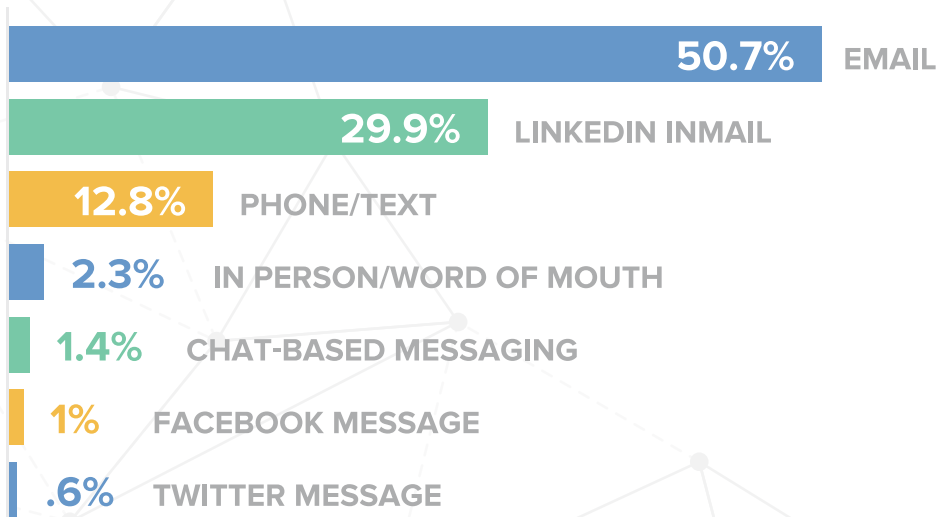


Email is ranked the most used (51%) and most effective (39%) channel to reach candidates.

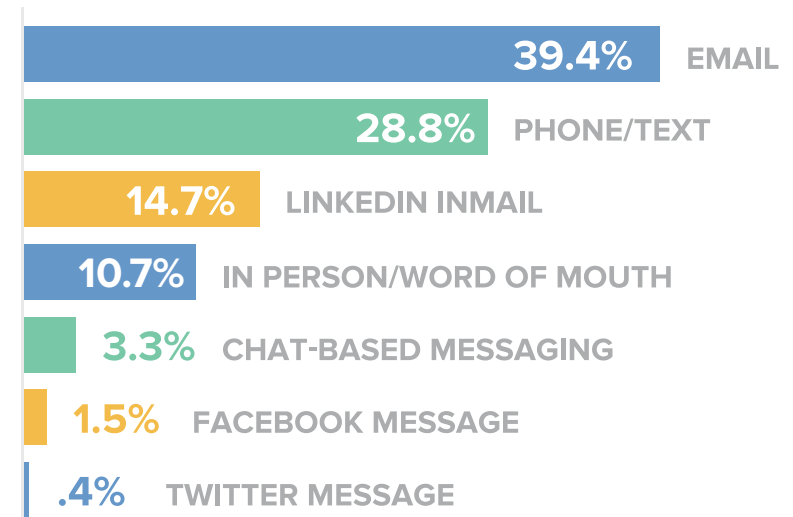
Did you know?

Talent teams report emails are over 2.5 times more effective than LinkedIn Inmails for engaging with candidates.

CANDIDATE OUTREACH CHANNELS TALENT TEAMS USE MOST:



CANDIDATE OUTREACH CHANNELS TALENT TEAMS FIND MOST EFFECTIVE:



The top 3 most valuable aspects of the hiring process:



Promptly communicating with candidates



Sourcing talent



Building rapport with potential hires

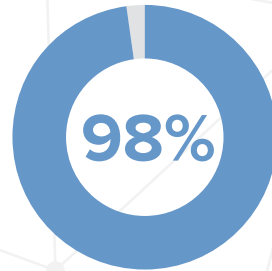


Email is paramount, but most recruiters aren't measuring the impact of their efforts.

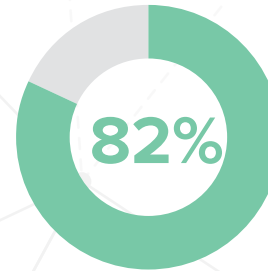
A majority of recruiters don't know or don't track email open rates or click-through rates, of those who do, **more than 1 in 3 (37%) do so manually.**

Of the recruiters who don't track email open rates, click-through rates, or reply rates, **80% will invest budget in email tools/tech in 2018.**

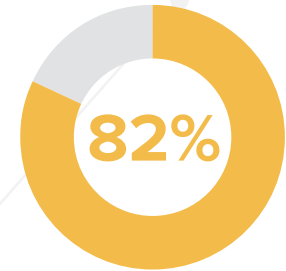
CHARACTERISTICS OF TALENT TEAMS FOCUSED ON CANDIDATE ENGAGEMENT:



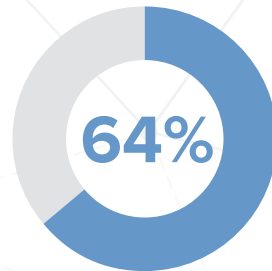
98% report passive candidates as an important source of hire



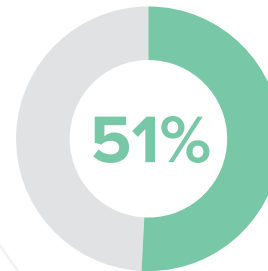
82% will invest in team headcount



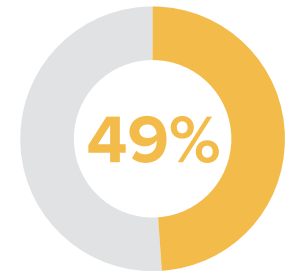
82% will invest in email tools and technology in 2018



64% will spend on AI-powered recruiting tools in 2018



51% use email to engage with candidates



49% track email response rates, and of that, 62% use a tracking tool

“As recruiting automation solutions evolve from an early trend to a fundamental hiring discipline, forward-thinking companies are building talent teams armed with technology that makes them look more like marketing teams. Talent acquisition leaders who invest in analytics and AI will have more success scaling to meet their recruiting demands. Those that arm their teams with the intelligence and automation they need are the ones who will win the war for talent.”



Madeline Laurano

Co-Founder and Chief Research Officer, Aptitude Research Partners

DIVERSITY AND INCLUSION

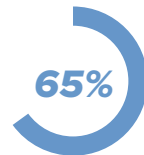
More enterprise organizations are embracing diversity and inclusion initiatives, and are mindful and proactive in implementing an unbiased hiring process.

With even more top-down support for workplace diversity, organizations are reporting a consequential increase in retention and female representation. Yet while many companies acknowledge the business case for diversity, only a little over half of enterprise organizations have

the tools in place to ensure all candidates have an equitable hiring experience. The focus and commitment to diversity continues to increase, but most companies are still playing catch up to implement diversity and inclusion initiatives as part of their overall business strategies.



85% of talent acquisition professionals report upper management supported workplace diversity in 2017. In 2016, only 67% of teams reported the same advocacy.



65% of companies have a diversity initiative in place, and of those, 89% report these initiatives are successful.



67% of respondents who have a diversity initiative in place report improved retention at their company in 2017.



Talent teams reported 47% female representation at their company in 2017 – 3% more than 2016. Of these female employees, 29% are in director-level positions or higher.



About 50% more enterprises this year would like to do more to implement an equitable hiring process.

About 1 in 10 enterprises don't have tools in place to ensure their resume review process is fair and unbiased. This is an improvement from 2017, when 1 in 5 enterprises didn't have tools in place to ensure review process is fair and biased.

Breakdown of companies with a diversity initiative

SMB 29%

Mid-market 23%

Enterprise 48%

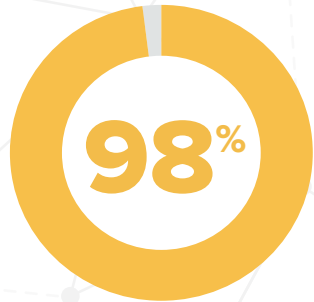
Fostering a culture that welcomes different perspectives and working styles encourages teams to take the lead and discuss ideas, rather than take the backseat to a work environment that is, by default, charged by a “strength in numbers” mentality. When people feel like they work in a place where their voice is heard, their values are represented, and the workplace reflects a blend of skill levels and perspectives, they’re likely to stay longer. A thoughtful, strategic diversity initiative unites a wide range of personalities, experiences, skill sets, creating a creative and dynamic, and inclusive environment.



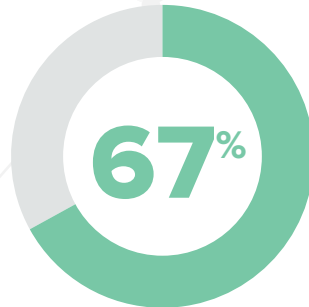
Stacia Garr

Vice President and Talent Management Research
Leader, Bersin™, Deloitte Consulting LLP

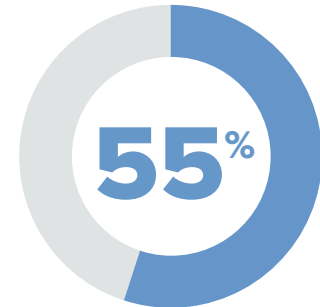
Characteristics of talent teams with successful diversity and inclusion initiatives:



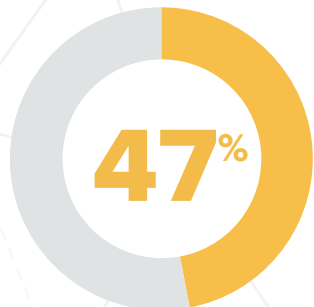
98% rank employee referrals an important source of hire



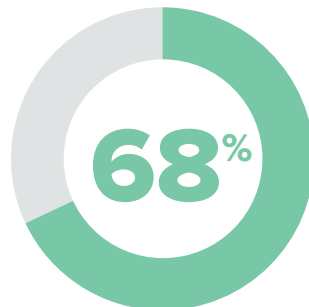
67% report improvement in retention



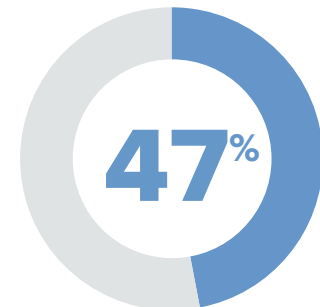
Only 55% agree they have **tools in place to ensure a fair, unbiased sourcing process.**



47% report **improved overall productivity, creativity, and innovation** in employees



68% report improvement in **recruiting diverse candidates**



Average **47% female employees** at the company

PARTING THOUGHTS



Talent acquisition teams agree that time spent sourcing hinders productivity.

Organizations will no longer spend on traditional recruiting tools, and will instead, invest in intelligent sourcing software to improve talent team's productivity and focus on building candidate rapport.



Email is king, but a majority of recruiters don't know or track email open rates or click-through rates.

Recruiting processes are antiquated compared to marketing practices, but promisingly may shift as more talent teams look to email tools and technology to measure the impact of their efforts.

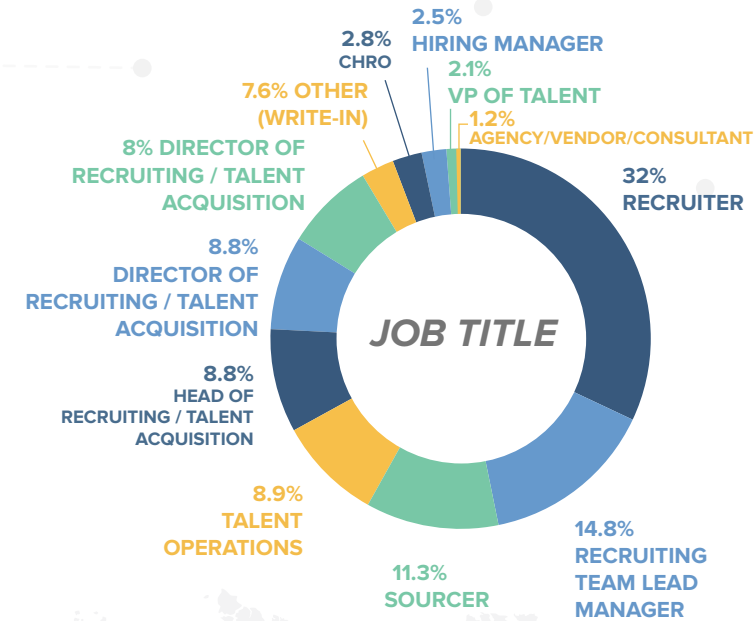


Diversity and inclusion efforts are reportedly working, and talent teams are incrementally adopting tools to support a fair, unbiased sourcing process.

More organizations are becoming advocates for workplace diversity, recognizing the long-term positive influence diversified representation can have on employee productivity, innovation, and retention.

METHODOLOGY

The data presented in this report was obtained from a November 2017 annual survey conducted by Entelo. Results are based on responses from 1,143 global talent acquisition professionals. Participants were selected based on their human resources or talent acquisition job function. Job roles included chief heads of human resources, heads of talent, recruiting team leads/managers, recruiters, sourcers, and hiring managers. Respondents represented a variety of industries, company sizes, countries, and professional experience levels. Respondents opted in to participate in this research study and completed a survey containing 35 questions related to their talent acquisition activities and behaviors. This survey is not based on a probability sample and therefore no estimate of theoretical sampling error can be calculated.



CONTRIES SURVEYED

Aland Islands	Republic of the Philippines
Albania	Estonia
Argentina	France
Australia	Germany
Austria	Greece
Belgium	India
Brazil	Ireland
Canada	Israel
China	Luxembourg
Colombia	Malaysia
Costa Rica	Mexico
Czech	Netherlands
	Portugal
	Russian Federation
	Saudi Arabia
	Singapore
	South Africa
	Spain
	Switzerland
	Thailand
	United Kingdom
	United States

ABOUT ENTELO

Entelo is the world's leading AI-driven recruiting automation platform that helps companies identify, engage, and acquire top talent through predictive algorithms, data-backed insights and the single largest source of recruiting data. To learn how leading companies such as Capital One, Cisco, GE, Genentech, Netflix, Northrop Grumman and Target are building their organizations using Entelo, visit www.entelo.com.



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