



# 2019 RECRUITING AUTOMATION

TRENDS REPORT

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***entelo***

# INTRODUCTION

In the age of recruiting automation, the opportunity in front of recruiters is greater than ever before. Armed with cutting-edge tools and insights, recruiters can refine their process, eliminate inefficiencies, mitigate biases, and engage with top talent at the optimal time.

On the other hand, if recruiters don't adopt new technologies and continually seek out cutting-edge solutions, they will be left in the dust by their peers.

The good news? According to our survey of hundreds of TA professionals, 75% of recruiters say technology will play a larger role in their companies hiring process in 2019. This report goes into further detail about what our survey found and what these findings mean for recruiting in 2019. Take a look!

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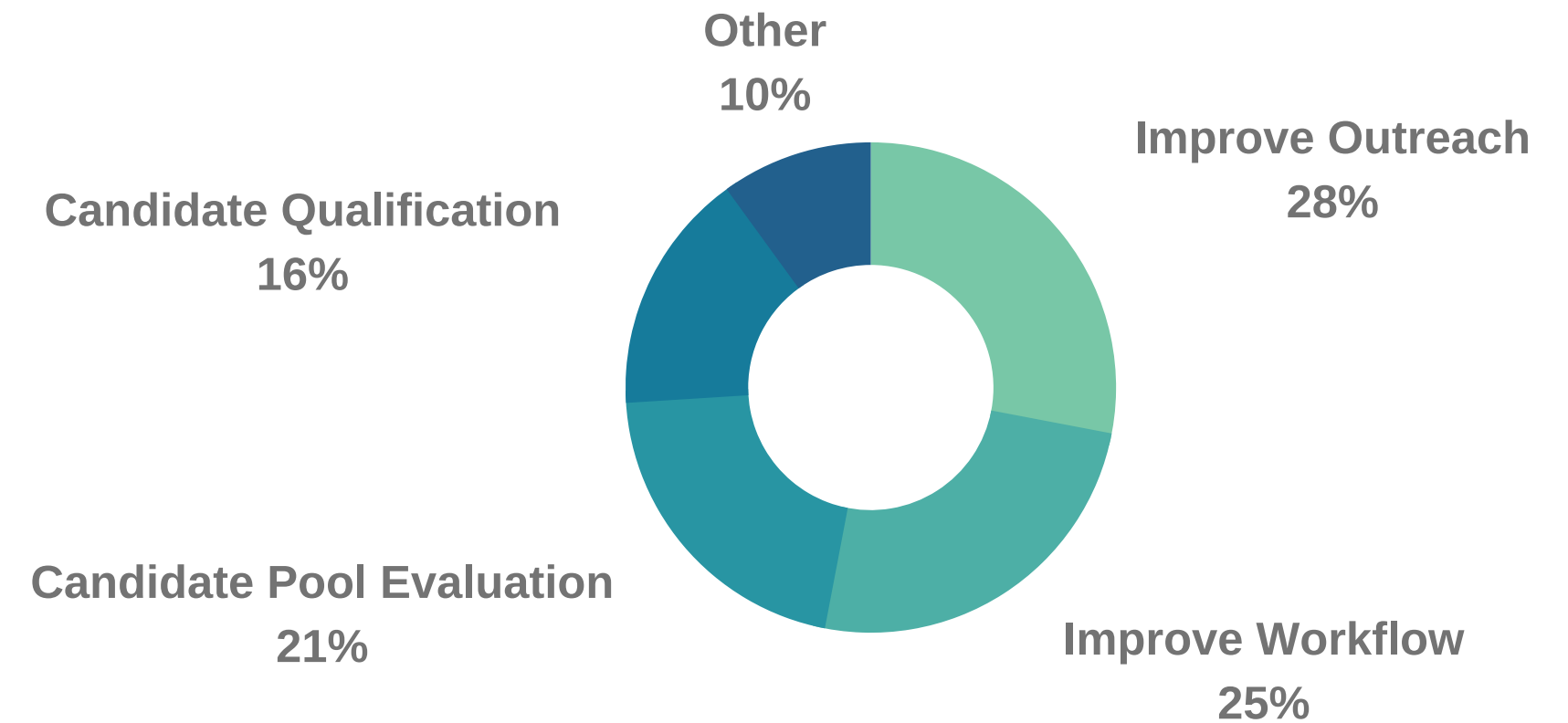
## CANDIDATE DISCOVERY, DATA, AND ARTIFICIAL INTELLIGENCE

As the importance of inbound applications steadily declines, passive recruiting has become the most important source of hires for organizations (up 35% from last year). In fact, recruiters spend an average of 15 hours a week sourcing for one single role, and 20% of them are actively sourcing for all open roles in their organization.

It's no wonder then, that over 80% believe they would be more productive if they could automate sourcing all together.

Although the majority of recruiters are eager to embrace a more data-driven approach, over 42% do not have enough data or the time to turn that data into actionable insights. That's why so many are turning to intelligent tools to process this candidate data for them.

### Where data is most useful



**76% of talent acquisition teams find higher-quality candidates through**

**PASSIVE SOURCING**

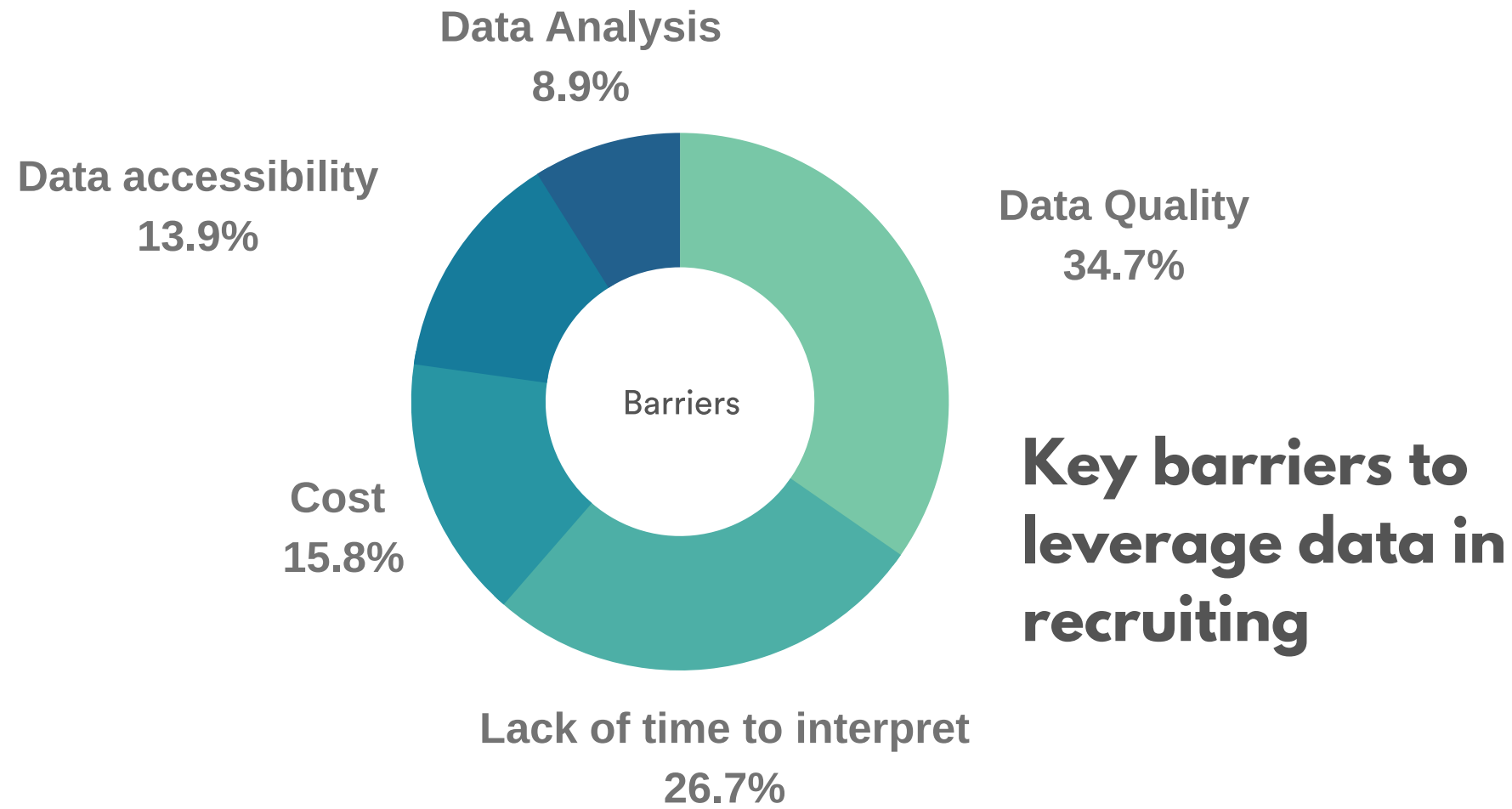
compared to other sources

**87% of talent acquisition professionals build their**

**TALENT PIPELINE**

through sourcing

# CANDIDATE DISCOVERY, DATA, AND ARTIFICIAL INTELLIGENCE



## Industry Spotlight

Key barriers to leveraging data in recruiting, by industry:

<b>Financial Services</b>	Data quality and acquisition costs
<b>Healthcare</b>	Data accessibility and quality
<b>Technology</b>	Data quality and lack of time to process it
<b>Automotive</b>	Acquisition cost and lack of time to process it
<b>Consumer Goods</b>	Data quality and lack of time to process it

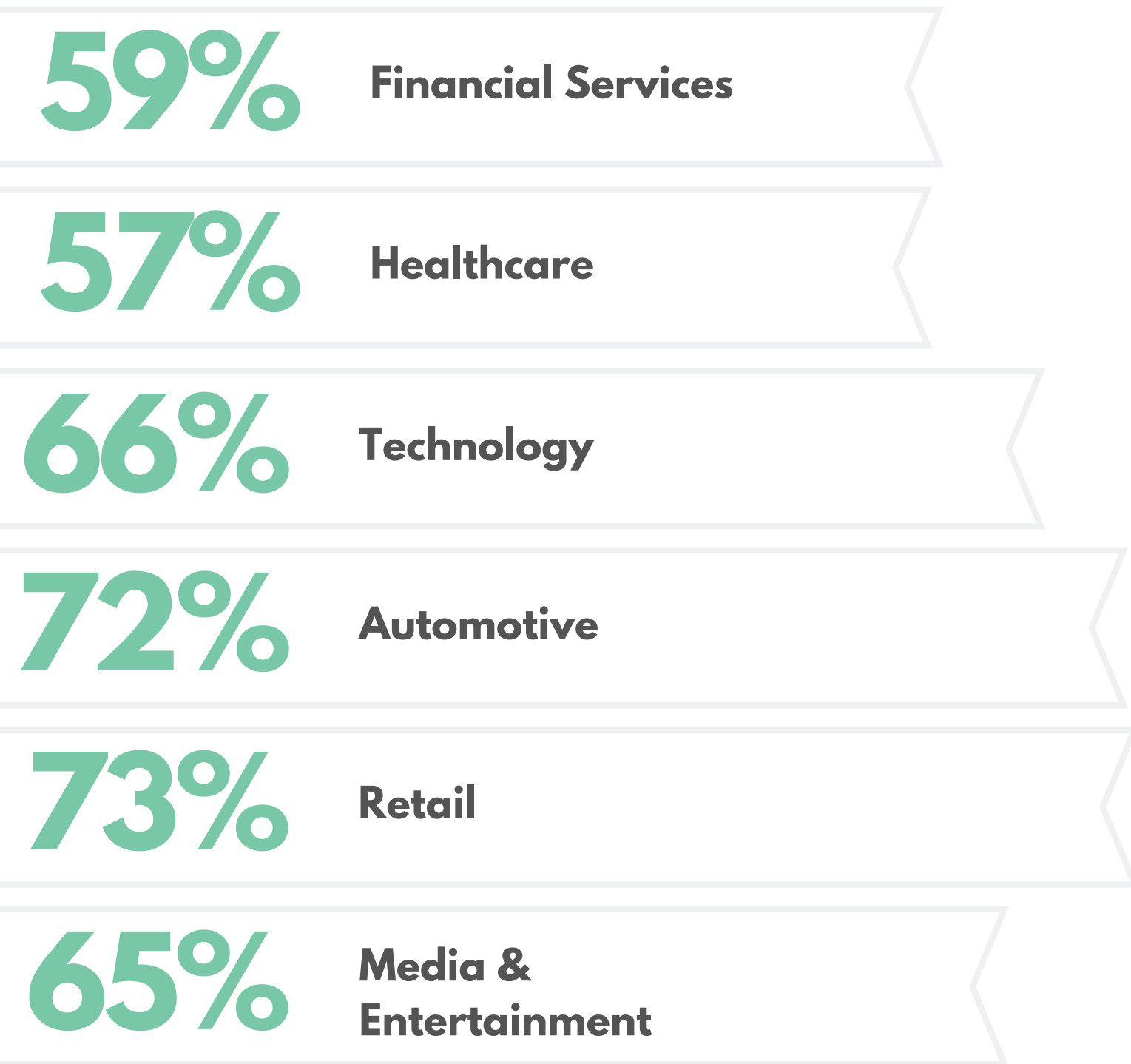
**71%** of recruiters say they need **Intelligent tools** to process data for them

**46%** of recruiters say they **DON'T HAVE ENOUGH DATA** to make smarter decisions

# CANDIDATE DISCOVERY, DATA, AND ARTIFICIAL INTELLIGENCE

On average, recruiters are actively sourcing for 64% of the open roles in their organization.

This number varies by industry:



## Inbound applications in decline

20% of recruiters are actively sourcing for **ALL OPEN ROLES** in their organization

Problem: Scalability

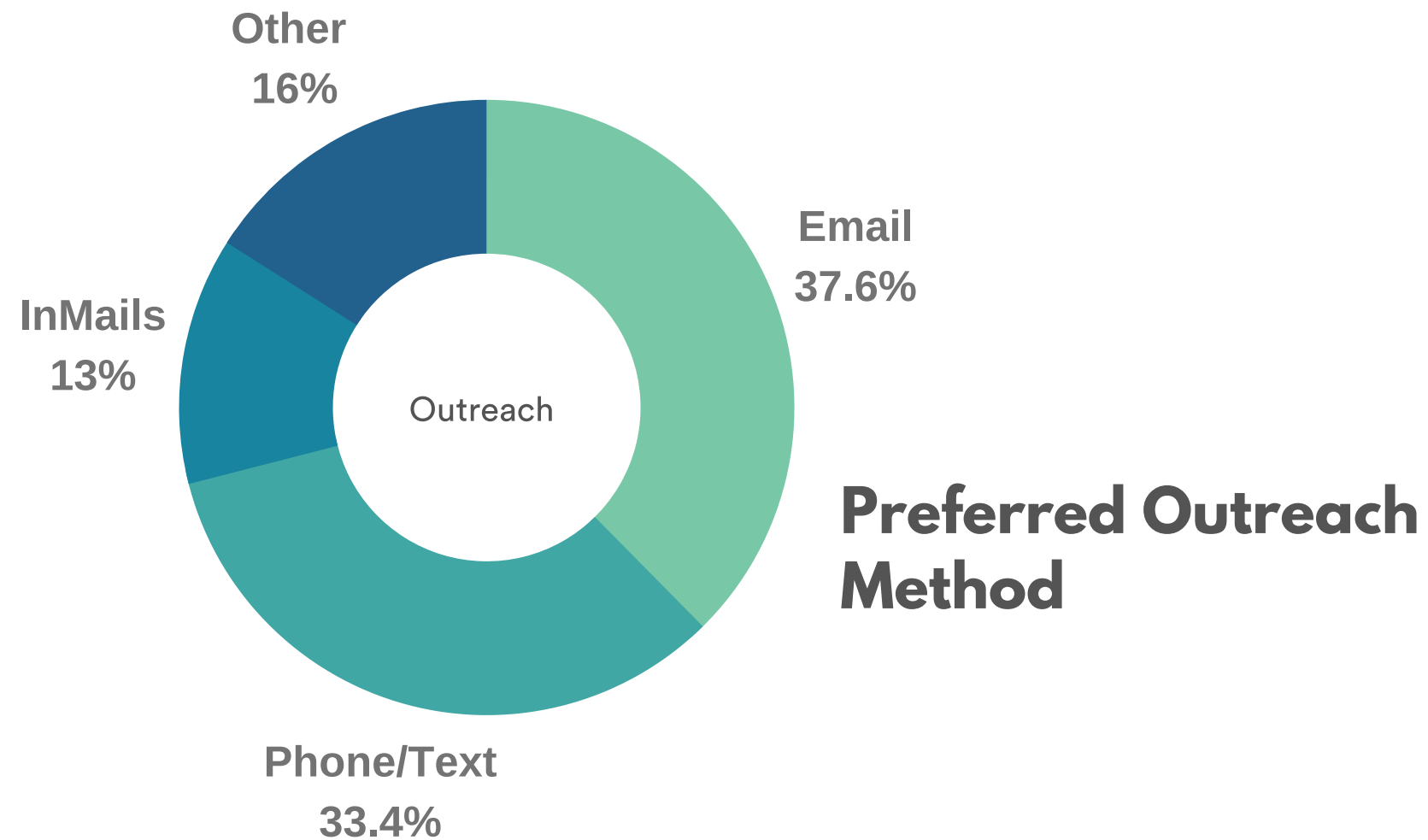
79% of recruiters rank **Passive Sourcing** as an important source of hire

55% of recruiters rank their **ATS/CRM** as an important source of hire

78% of recruiters believe that **Data intelligence** would make them more successful at their job

## CANDIDATE OUTREACH AND ENGAGEMENT STRATEGY

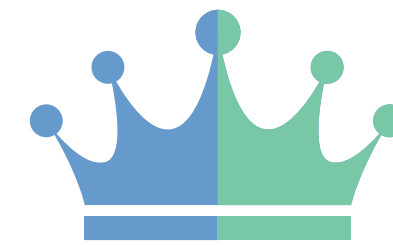
As we saw in last year's report, email continues to be KING, with 38% of recruiters ranking it as the preferred outreach method, followed by phone/text (33%), while LinkedIn inMails (13%) has dropped to 3rd place – a significant decrease since 2018's report (30%).



Recruiters spend up to half of their week on candidate outreach, yet the vast majority fail to track their email open, click-through, and reply rates. Without any insight into what is happening on the other side of

their outreach, these recruiters continue to waste away hours of their week playing a guessing game.

Furthermore, it takes most recruiters at least 2 email touches to engage a candidate. Without insight into email metrics, how can recruiters prioritize and strategize follow-up outreach?



### Email is KING

38% of recruiters rank email as their preferred outreach method, over phone/text and LinkedIn InMails.

**47%** of recruiters **DON'T TRACK**  
**OPEN RATES**

**50%** of recruiters **DON'T TRACK**  
**CLICK-THROUGH RATES**

# CANDIDATE OUTREACH AND ENGAGEMENT STRATEGY

55% of recruiters Track **REPLY RATES** as a key performance indicator for candidate outreach

77% of recruiters say it takes up to **TWO EMAILS** to get candidates to engage



Recruiters spend up to **20 HOURS/WEEK** on candidate outreach

28% of recruiters say **DATA IS MOST HELPFUL** in improving candidate outreach

“A big challenge in outreach is breaking through the noise. How do you create something that’s actually engaging and not just another message that a candidate sees and thinks “Oh, I’ll just look at that later?”

My approach is a lot of genuine thought and transparency, then leaning on automation to take care of all the mundane tasks that don’t require a human touch.”

**Kylie Gomez**  
Sr. Product Recruiter at



## DIVERSITY AND INCLUSION

Unconscious bias continues to be top of mind for Talent Acquisition leaders as a key challenge to developing a diverse pipeline, and in turn, a diverse and inclusive workforce.

In the eyes of recruiters, the biggest barrier to hiring diverse talent lies in the sourcing and qualification process, and yet only 20% of companies are leveraging recruiting automation to support their diversity initiatives and optimize candidate discovery and qualification. This is in light of the finding only 30% of recruiters see their company's diversity initiatives as successful.

Diving deeper, we found that over 80% of recruiters in the financial industry rank employee referrals as an important source of hire. This could negatively impact diverse hiring initiatives, given the recent studies suggesting employees tend to refer people who are "like" them and share a similar socioeconomic status which can cultivate a homogeneous candidate pool.

**20% of companies are leveraging**  
**RECRUITING AUTOMATION**

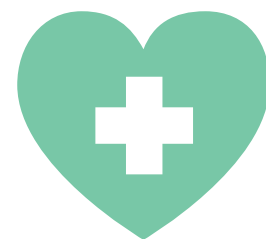
to support their diversity initiatives and optimize candidate discovery and qualification.

**61% of Talent Acquisition professionals believe**  
**recruiting automation can help reduce**

**UNCONCIOUS BIAS**  
within their hiring process

**25%** of recruiters believe they have the **TOOLS** in place to ensure their sourcing process is **FAIR AND UNBIASED**

**50%** of recruiters think their **COMPANIES** could be doing **MORE** to ensure their hiring process is **FAIR AND UNBIASED**



### Industry spotlight: Healthcare

Only 30% of healthcare recruiters believe that their CEO is a champion of diversity. They also reported lower than average commitment to diversity initiatives.



# DIVERSITY AND INCLUSION

**Only 57% of respondents say their companies have a diversity initiative in place.**

The number varies when we look at specific industries:

**66%**

## Financial Services

Biggest Impact: Building brand awareness and recruiting diverse candidates.

**66%**

## Technology

Biggest Impact: Recruiting diverse candidates and building brand awareness.

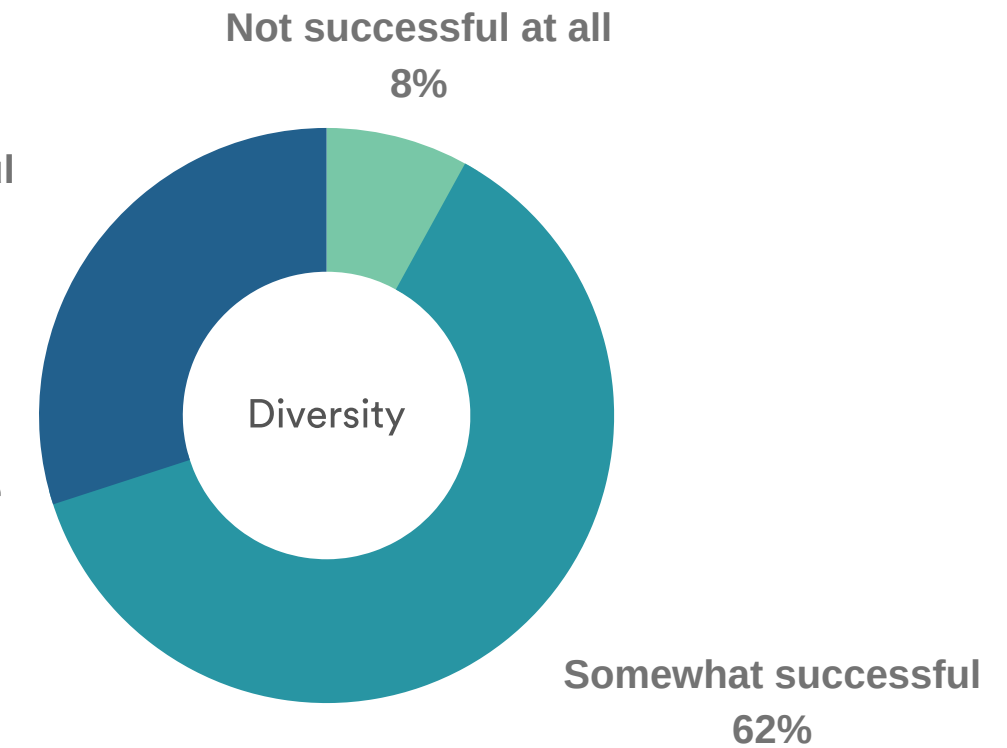
**46%**

## Healthcare

Biggest Impact: Increasing Overall productivity, creativity, and innovation.

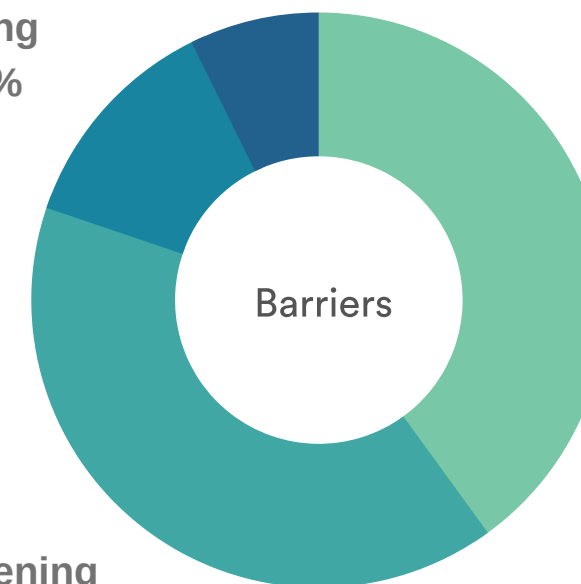
## Success level of diversity strategies in place

Very successful  
30%



Closing  
12.5%

Retention  
7.3%



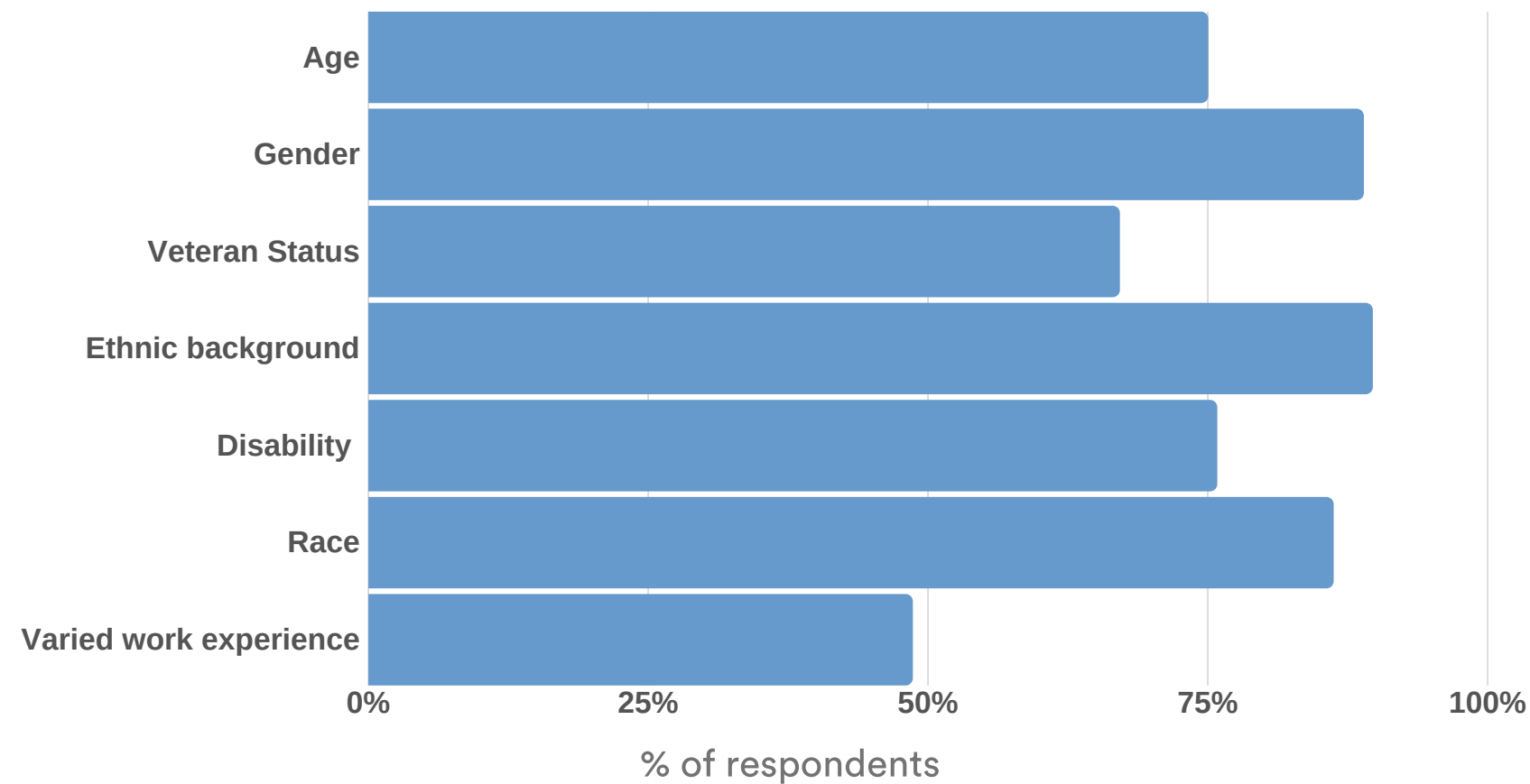
Sourcing  
40%

Candidate Screening  
40.2%

## Biggest barriers to recruiting diverse talent

# DIVERSITY AND INCLUSION

## Words associated with "Diversity"



## Others reported by talent acquisition professionals

- Diversity of Thought
- LGBTQ
- Socio-economic Background
- Education Levels
- Religion
- Sexual orientation

“When it comes to diversity & inclusion, organizations need to build the infrastructure for the workplace they want – not the workplace they have. This means putting into place support networks, resources, mentorship programs, etc for diverse employees, even before you have hired those individuals.”

**Lily Zheng**

Author of 'Gender Ambiguity in the Workplace: Transgender and Gender-Diverse Discrimination'



# RECRUITING AUTOMATION

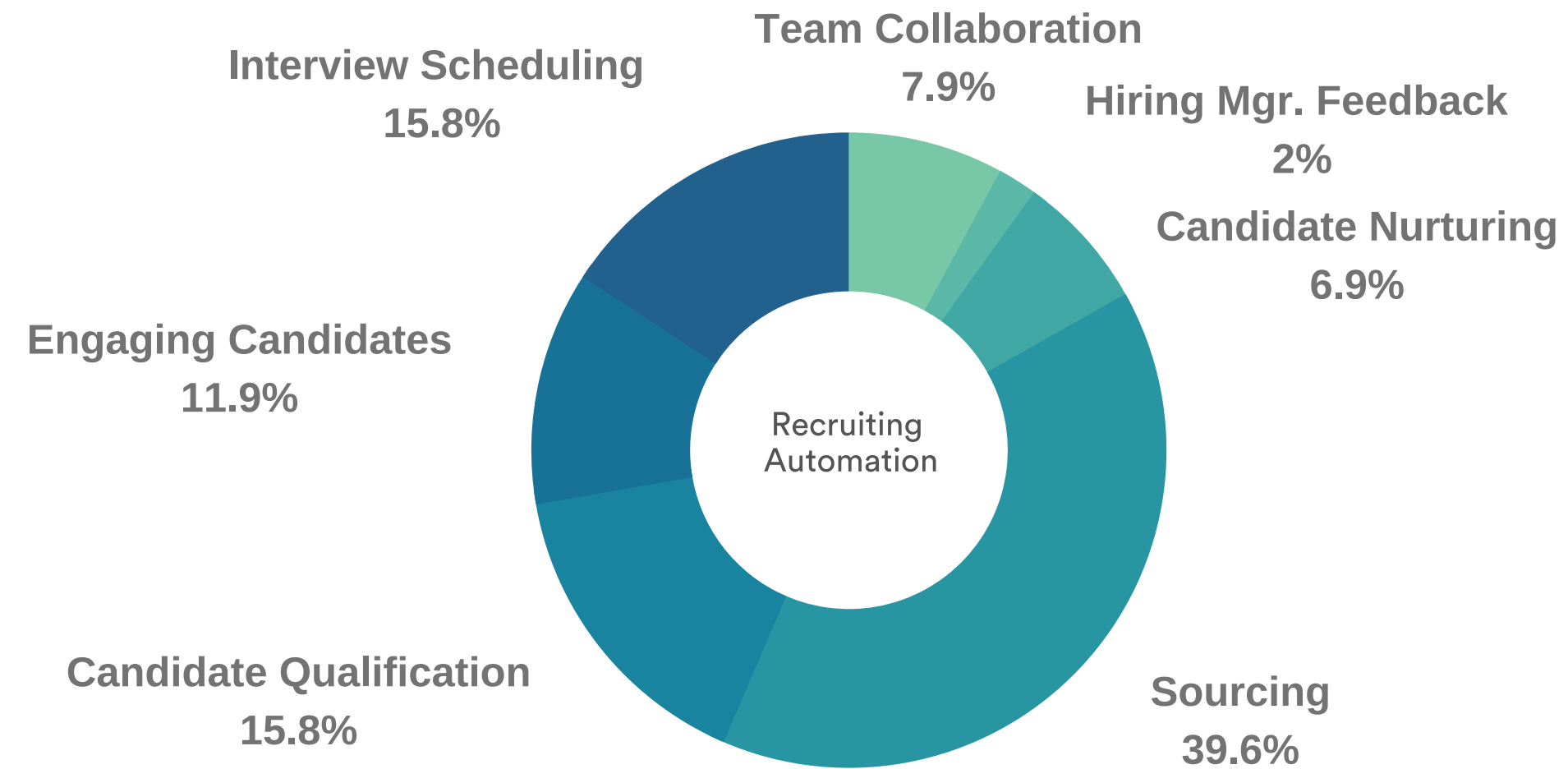
With the current state of the labor market, recruiters must dedicate an increasing amount of their day to sourcing in order to stay competitive. This is a clear area in which automation can be leveraged to increase efficiency, offload tedious, manual tasks, and as a result reduce time-to-fill and cost-per-hire. It's not surprising then that when asked where recruiting automation would be most helpful, the majority of recruiters point to sourcing.

Additionally, recruiting automation will play a larger role in planning for tomorrow's workforce. In 2019, 22% of talent organizations will increase their spend in recruiting automation tools (up 30% YoY), leaning more heavily on predictive analytics to provide actionable insights for talent acquisition, workforce mapping and planning.

**75%** of Talent Acquisition professionals say **TECHNOLOGY** will play a larger role in their companies hiring process in 2019

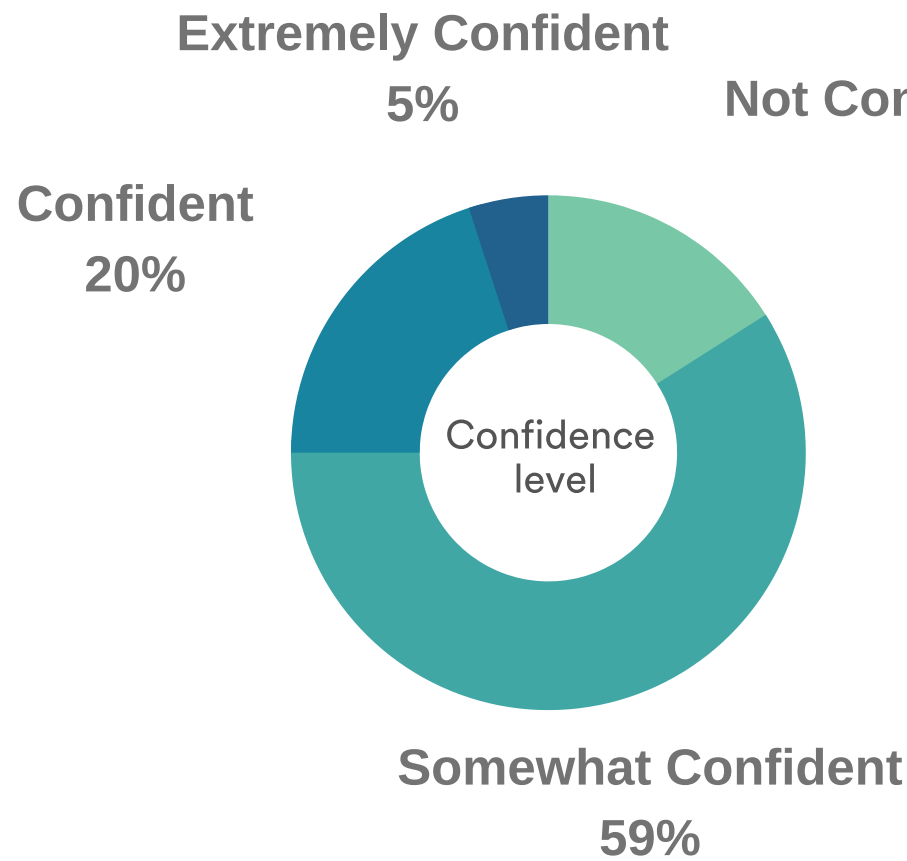
**79%** of recruiters recommend **NEW TECHNOLOGIES** they would like to use to their managers

## Where Recruiting automation is most useful

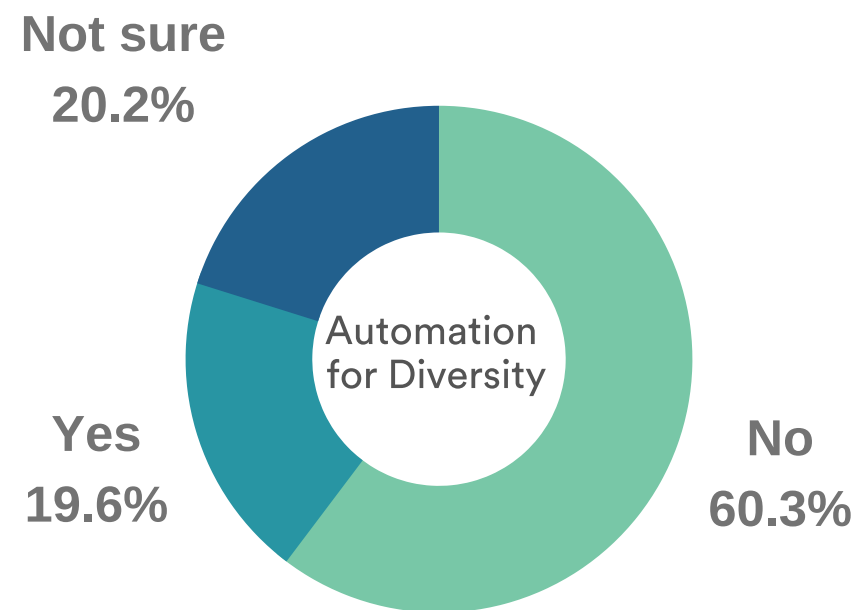


**Over 80% of recruiters agree that **RECRUITING AUTOMATION** can help increase their productivity**

# RECRUITING AUTOMATION



**Recruiters confidence level in their ability to use AI & Machine Learning in their day-to-day recruiting workflow**



**% of organizations leveraging Recruiting Automation technology to advance diversity hiring initiatives**

**Recommended Content:**  
[Entelo's Definitive Guide to Recruiting Automation.](#)

"Machine learning and AI will be embedded in 50% of jobs by 2020. So if you, as a recruiter or as a Talent Acquisition professional, are not incorporating AI into your process – you are behind the game. And I don't think that's where you want to be."

**DK Bartley**

Senior VP, Head of Diversity & Inclusion,  
Talent Acquisition SME



dentsu AEGIS network

## PARTING THOUGHTS

Throughout the many facets of recruiting examined in this study – candidate discovery, data & intelligence, candidate outreach, and diversity & inclusion – one trend remains constant:

The most successful talent teams see recruiting automation as a core component of their recruitment strategy.

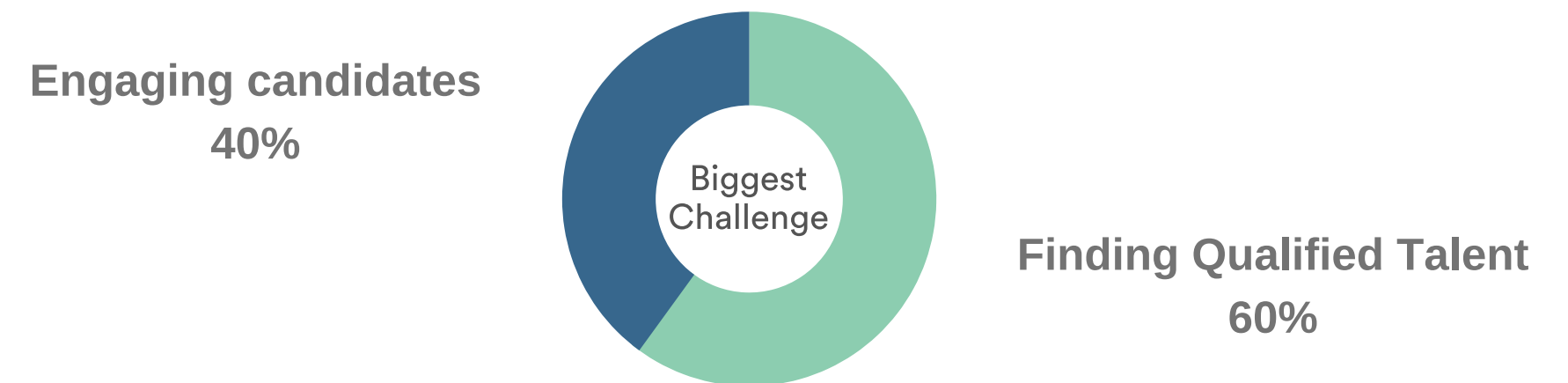
Already, data-driven recruiting teams are outperforming their peers and separating themselves from the pack. This is evidenced by the finding that of those who have yet to implement intelligent tools within their process, an overwhelming percent feel their initiatives to be unsuccessful.

Specifically, the sourcing and qualification process has emerged as a prime candidate for automation with 71% of recruiters agreeing that if they could automate their sourcing, they would be more successful in achieving their hiring goals.

Although candidate engagement has historically been a point of challenge, we found that this year the bigger challenge for recruiters is finding that best-fit talent in the first place. This is not surprising

when you consider the widening skills gap within today’s labor market– aka the growing demand for highly-skilled professionals that far exceeds the supply.

### Biggest challenge in Recruiting



The question surrounding recruiting automation is no longer “should we?” but rather “how do we?” With 75% of recruiters indicating that technology will play a larger role in their companies hiring process in 2019 and 22% increasing their spend on recruiting automation, it’s absolutely critical that these talent teams get the “how” piece right.

This starts with the evaluation process your team puts into place.

## PARTING THOUGHTS

**22%** of Talent Acquisition teams will **INCREASE SPEND** on recruiting automation technologies

Since recruiters are the true end-users, it makes sense to involve them in the selection process. At the same time, TA leaders must own change management. Given that over 75% of recruiters lack confidence in their ability to leverage AI tools, a change management process often means the difference between success and failure.

Factor in a provider's onboarding, training, and support offerings in your evaluation process. Build out an internal implementation plan, set objectives and key results for the team, and work closely with recruiters to adapt training towards their specific needs. Lay the groundwork upfront so your team can see the time- and cost-saving benefits of recruiting automation down the road.

“I encourage my team to think of themselves as business people first and HR people second. Focus on what you are doing in your work to forward the business. That’s why we are here – we are not just a customer service function, we are not just enablers. We are here to grow the business.”

**Anna Binder**  
Head of People Operations



## METHODOLOGY

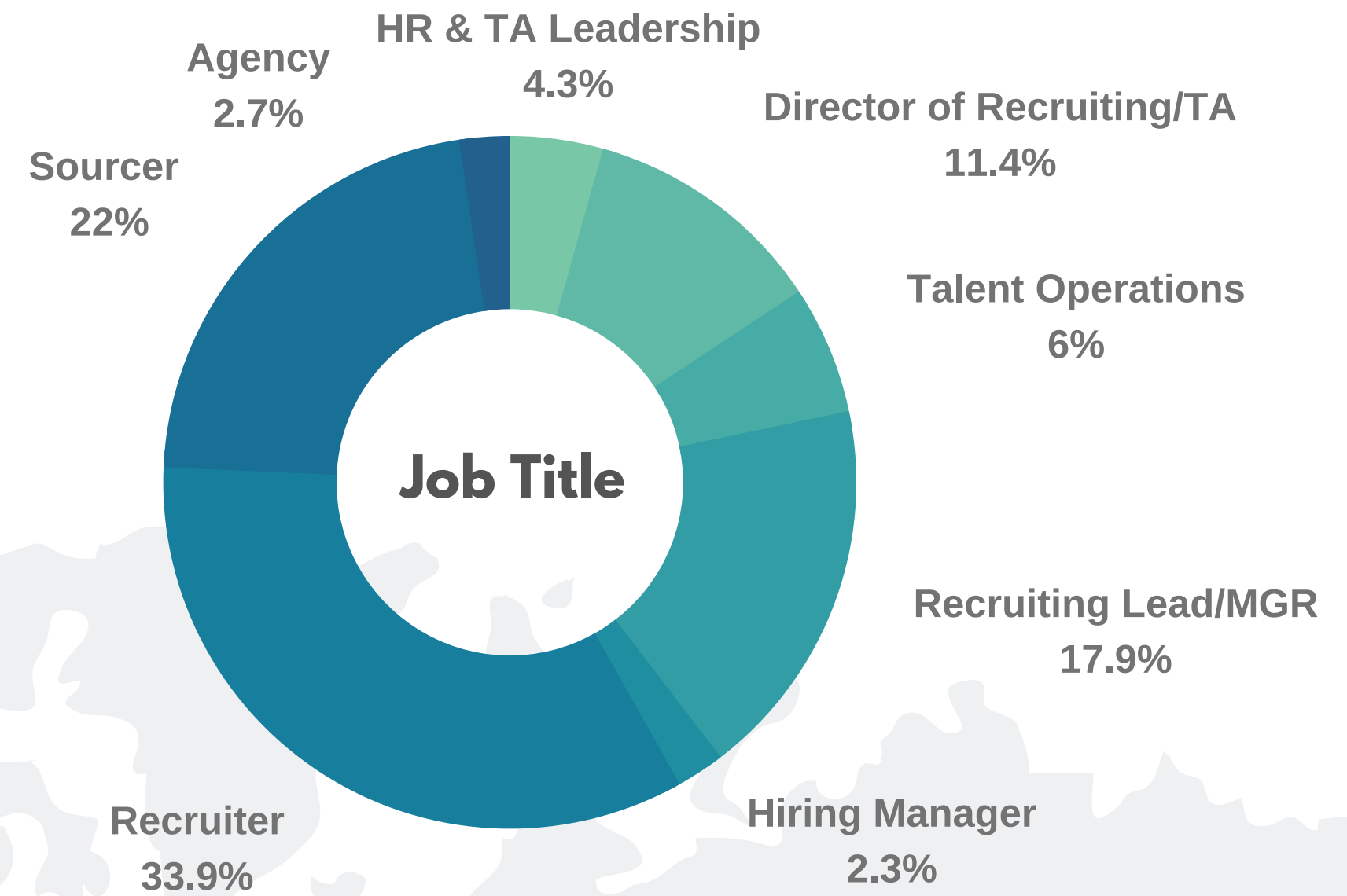
The data presented in this report was obtained from a November / December 2018 annual survey conducted by Entelo. Results are based on responses from 625 global talent acquisition professionals. Participants were selected based on their human resources or talent acquisition job function. Job roles included chief/head of human resources, heads of talent, recruiting team leads/managers, recruiters, sourcers, hiring managers, agencies and industry practitioners. 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 33 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.

### Industries Surveyed

Automotive, Consumer Goods, Financial Services, Food & Beverage, Government or non-profit, Healthcare and Pharma, Manufacturing, Media and Entertainment, Professional Services, Retail, Technology, Telecom and Utilities, Travel and Hospitality.

### Countries Surveyed

Canada, United States, United Kingdom, India, Ukraine, Israel, Republic of Korea, Malaysia, Mexico, Netherlands, Thailand, Albania, Aruba, Malta, Nigeria, Philippines, Romania, Serbia, Singapore, Trinidad and Tobago.



## ABOUT ENTELO

Entelo is the world's leading AI-driven recruiting automation solution that helps companies identify, engage, and hire top talent through predictive algorithms, data-backed insights, intelligent outreach, and the most comprehensive candidate database in the market. To learn how leading companies such as Target, United, Cisco, Netflix, and Cognizant are building their organizations using Entelo, visit [www.entelo.com](http://www.entelo.com).

### Authors & Researchers



Grace Newman  
Researcher and Editor



Ada Story  
Researcher and Editor



Gaurav Kataria  
Editor

“The future of a dexterous workforce lies in innovative recruitment. While today’s job seekers are proactive about researching potential employers and acting more like customers, employers are responding by training talent teams to look more like sales professionals or marketers, who have benefited from a decade of influence from automation. Companies that invest in a data-driven approach to hiring now are the ones who will win the war for talent well into the future.”

Jon Bischke, CEO  
**entelo**

