

Recruiting for Recovery 20

What Talent Teams are Prioritizing

Reflect on recent challenges.
Assess anticipated trends.
Strategize for hiring success beyond the Great Rehire.

Table of Contents

- 3. Introduction
- 4. Who Are Our Respondents?
- 5. Key Findings
- 8. Recruiting Recap: 2021 Expectations vs. Reality
 - 12. Is It Getting Harder to Find & Attract Talent?
 - 13. Employer Competition
 - 14. The Future of Work
- 15. How Talent Teams Are Responding
- 17. Moving Forward with Talent Relationships
 - 18. The State of Diversity Hiring
 - 19. Elevating Talent Experience
- 20. Digitization & What Comes Next

10 Questions to Guide Recruitment

22. Technology Selection

Letter from Hiretual's CEO, Steven Jiang:

23. On the Road to Recovery



Introduction

"Only look back to see how far you have come."

In January, Hiretual released its <u>2021 Recruitment Outlook Report.</u> Based on a survey of 350 Talent Acquisition professionals last year, we unpacked how recruiting teams were overcoming a steep climb in response to pandemic-induced challenges.

During this time, we answered some crucial questions surrounding talent acquisition, including:

- How did recruiting priorities change?
- Where were teams looking for talent?
- Did organizations adopt new recruiting tools?
- Which recruiting areas received the biggest budget?

In the first half of 2021, hiring activity on Hiretual had seen big shifts. Recruiters were sourcing and qualifying more talent, searching for more underrepresented talent, sending out more emails and were eager to prioritize integrations with Applicant Tracking Systems and email providers.

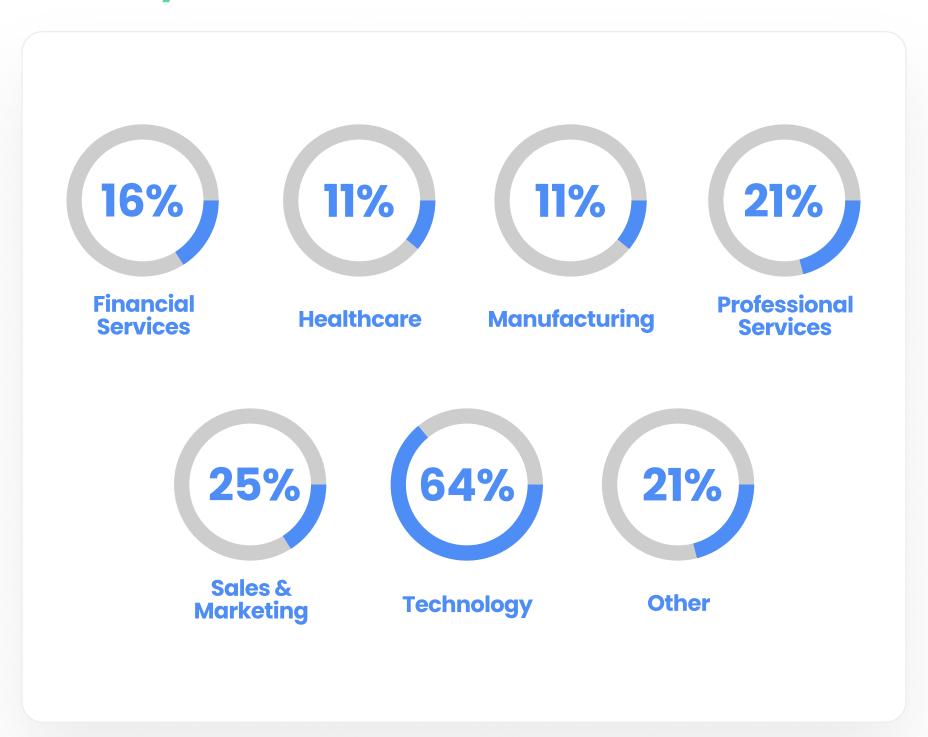
In this report, we compare hiring predictions recorded at the end of 2020 with existing trends and market data seen in 2021. We thus provide talent acquisition teams with a complete guide to navigate market recovery by anticipating impending challenges and understanding solutions implemented during this time.



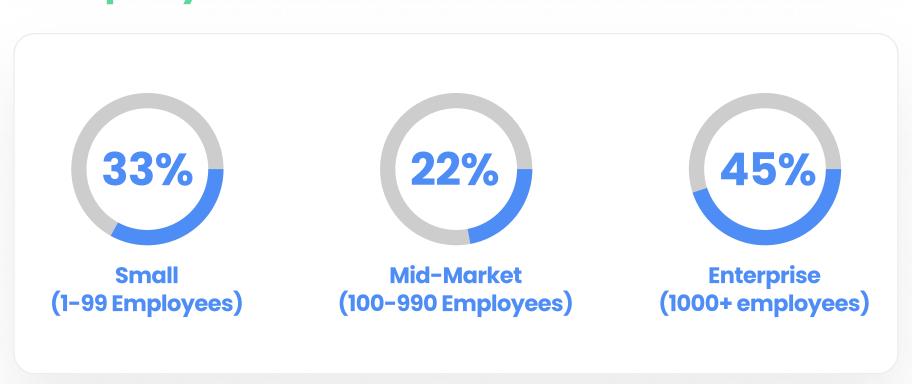
Who are our respondents?

To understand the depths of recent recruiting challenges and trends, we sought help from **750 talent acquisition professionals** spanning different industries and company sizes.

Industry



Company Size





Key Findings



anticipate challenges from remote to in-office/hybrid jobs

Reduced candidate interest in job opportunities

59%

Shifts in current processes and workflows

44%

Smaller location-based talent pool

40%

2. Biggest Diversity Hiring Challenge by Company Size

Biggest Diversity Hiring Challenge by Company Size

Small

Time-consuming sourcing process for underrepresented talent

Mid-Market

Restricted talent pool for underrepresented candidates

Enterprise

Non-inclusive workplace culture

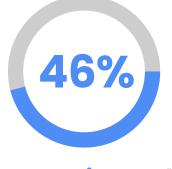
3. Primary Sourcing Channels for 2021

Primary Sourcing Channels for H2 2021

LinkedIn



ATS/CRM



Al Sourcing Tool



28%

Social Media



Key Findings

4. Time Spent Sourcing by Recruiters Over the Past Year

Time Spent Sourcing by Recruiters Over the Past Year

In the second half of the pandemic, only **5% of recruiters** were spending **more than 10** hours sourcing per week.

In the first half of 2021, over **60%** of recruiters were spending more than 10 hours sourcing per week.

For the rest of this year, 95% of recruiters expect this time to stay the same or increase.

5. Digitization During the Pandemic



67% introduced a new tool into their HR technology stack

39% introduced a new tool for AI-powered talent sourcing

30% introduced a new video interviewing software

25% introduced a new calendar scheduling software



Next Steps After Reading the Report

With trends and challenges changing in the blink of an eye, stay up to date with the latest trends, talks, and tips for recruitment.

SUBSCRIBE



Recruiting Recap. 2021 Expectations vs. Reality





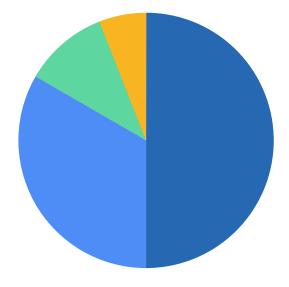
- 88% of recruiters spent 4 to 9 hours sourcing each week while 5% spent 10 to 12 hours each week
- Area where recruiters would like to see the most improvement in 2021: Decreasing sourcing time

Sourcing time has increased. 40% of recruiters spent 15+ hours sourcing per week while 30% spent 4 to 9 hours.

• 95% anticipate time to remain the same or increase

Remote work and team collaboration tool adoption wasn't as challenging as companies thought it was going to be in 2020. Instead, most talent professionals cited talent sourcing as their biggest challenge this year. Even though companies were preparing to decrease sourcing time in the first half of 2021, many hiring teams were not able to meet this goal and are finding sourcing to be more difficult.

Anticipated Budget Priorities for 2021



Current Budget Priorities for 2021



50% Social media and marketing34% Upskilling recruiters

Technology stack improvements

6% Diversity, equity & inclusion

11%

27% Diversity, equity & inclusion22% Expanding recruiting team

22% Expanding recruiting team19% Recruitment marketing

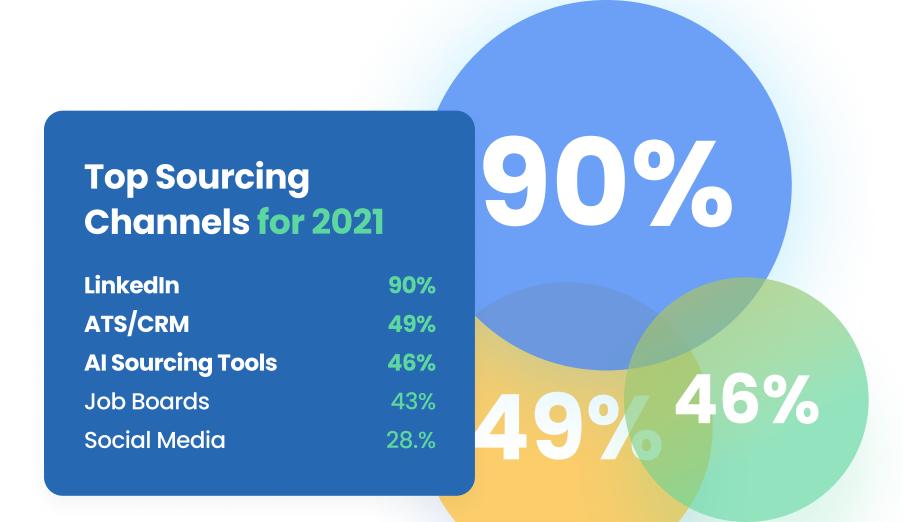
17% Expanding tech stack

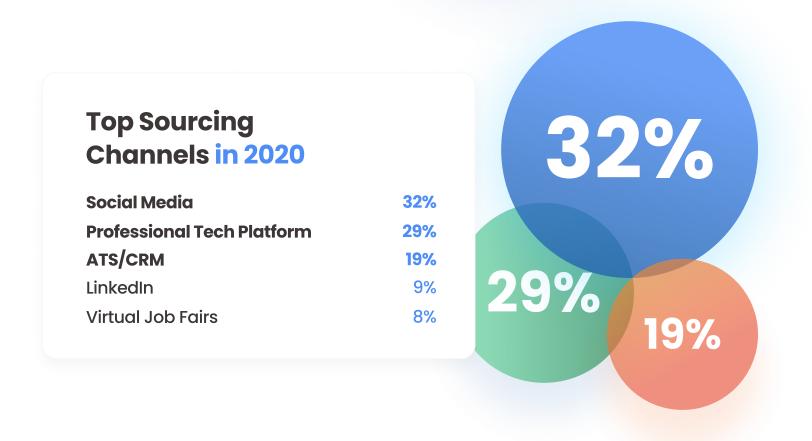
15% Other

Although 87% of recruiters considered DE&I a priority in 2020, **it was not considered a top budget priority for 2021.** In the span of six months, DE&I has become the number one budget priority for recruiting teams moving forward.



Recruiting Recap 2021 Expectations vs Reality





Although many were trying to move away from LinkedIn at the beginning of the year and focus on social media marketing, **the sourcing challenges have pushed companies to depend on LinkedIn once again.** Companies are also actively turning toward ATS rediscovery and AI recruitment technology to find more qualified talent.



Recruiting Recap 2021 Expectations vs Reality

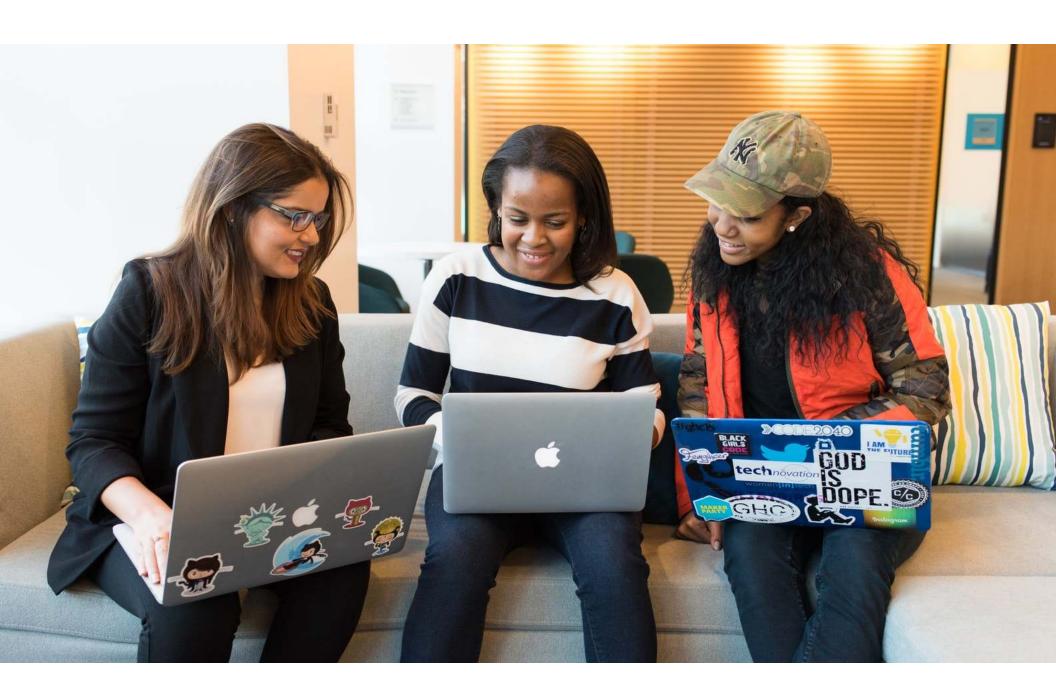
Diversity Hiring Obstacles in 2021

- Talent pool is too small 62%
- Time-consuming sourcing process 46%
- Lack of insight and tools 27%

Diversity Hiring Obstacles in 2020

- Lack of insights and tools 49%
- Time-consuming sourcing process 40%
- Talent pool is too small 7%

Our research shows that **diversity hiring obstacles are unique to different company sizes.** However, talent teams using Hiretual are searching for underrepresented talent at a higher frequency than pre-pandemic levels.

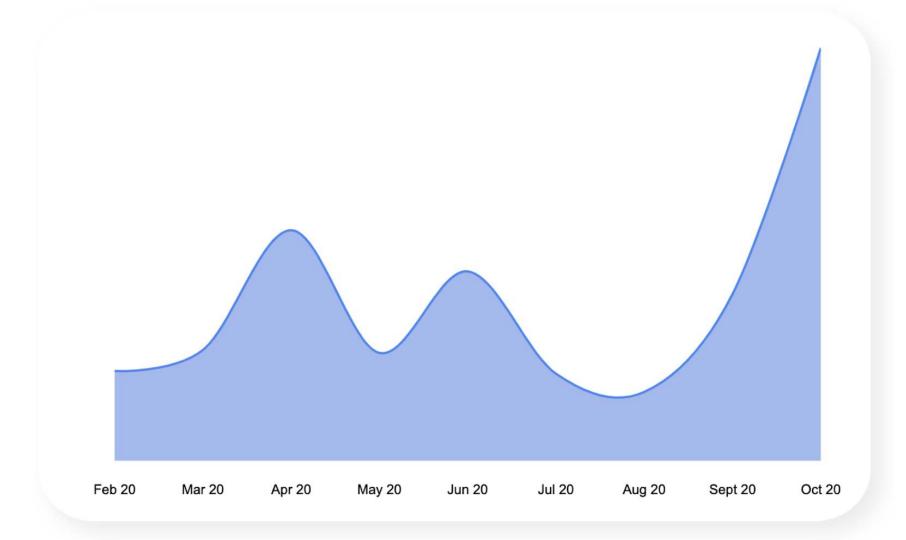




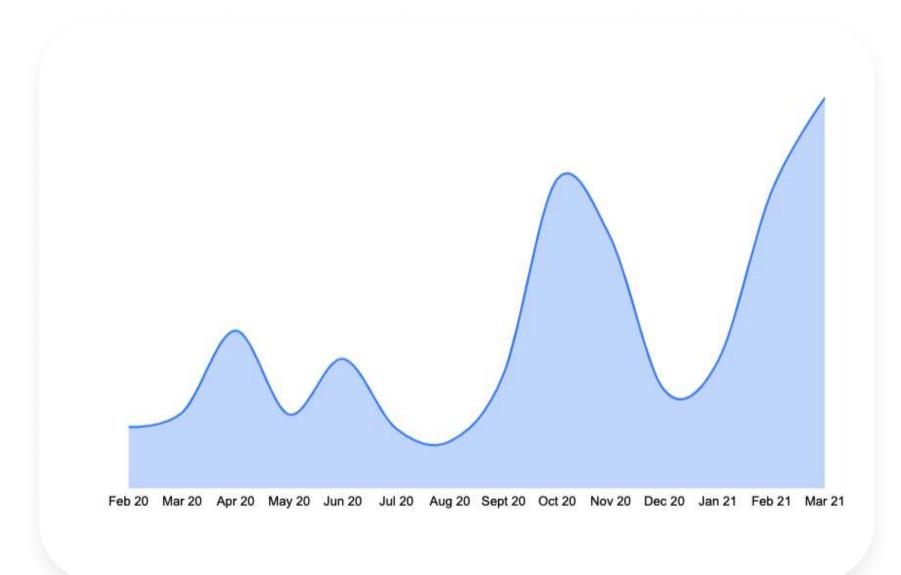
Recruiters on Hiretual: Talent Sourcing is Increasing

According to data from the Hiretual platform, fewer recruiters were using the platform for candidate sourcing from March to September of last year. **However, we saw a drastic increase in volumes of candidates sourced and qualified beginning October 1, 2020.** Sourcing activity spiked **35% higher in March 2021.**

Q4 2020



Q1 2021





IS IT GETTING HARDER TO FIND AND ATTRACT TALENT?

The answer is yes.

Looking back on 2020, you will recall the dramatic digital acceleration so many hiring teams were preparing for. At the time, most recruiters assumed remote work would introduce bottlenecks into the hiring process by impeding on team collaboration, interviewing and onboarding processes.

Biggest Challenges Faced During 2021



Sourcing Talent



Candidate Engagement



Employer Competition

Biggest Anticipated Concern for 2021



Team Collaboration Working Remotely



Employer Competition

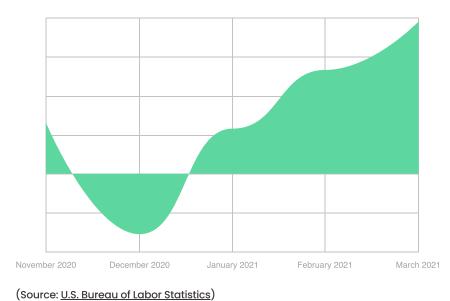


Lack of Visibility on Team Performance

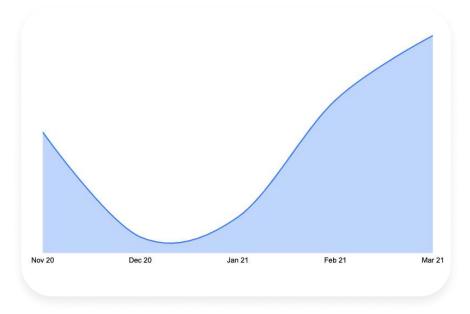
Instead, top-of-the-funnel recruitment proved to be the biggest challenge for employers even as job creation steadily increased and pandemic restrictions began to lift.

In 2020, **only 5% of recruiters** were spending over 10 hours a week sourcing for talent. Today, that number has **increased to over 60%.** If job growth has largely increased, why is it getting harder to find and attract talent?

Jobs added to the U.S. Economy



Candidate Sourcing on Hiretual



November 2020: 264,000
December 2020: -306,000
January 2021: 233,000
February 2021: 536,000

March 2021: 785,000



Employer Competition

Candidate sourcing in organizations across different market segments are on the rise.

Finding new talent is the biggest hiring concern this year for:

55% of Small Businesses (0-99 employees)

66% of Mid-Market Businesses (100-999 employees)

51% of Large Enterprises (1000+ employees)

London 6x greater

New York 5x greater

SF Bay Area
5x greater

Regardless of size, organizations are hiring more from usual talent hotspots at a greater volume. **According to recruiter activity on Hiretual:**

- New York: Search volume in 2021 is 5 times greater than search volume in 2020
- San Francisco Bay Area: Search volume in 2021 is
 5 times greater than search volume in 2020
- London: Search volume in 2021 is 6 times greater than search volume in 2020

Overlapping talent pools are affecting all businesses with open positions. However, talent teams are steering clear of excessive competition by implementing solutions tailored to anticipated investments for team expansion and hiring channels.

The Al-Powered Global Talent Platform that helps the world's best hiring teams do more with their day.



The Future of Work

Remote work has added to the challenge of attracting talent. For industries like tech and professional services, remote work has become an increasingly favorable option amongst workers. After getting a taste of the flexibility and work-life balance that fully remote work offers, candidates in remote-friendly industries will seek out jobs that empower them to work where they choose.

of talent professionals say a shift from remote work to hybrid/in-person will reduce candidate interest for new positions.

With talent professionals anticipating challenges from remote work shifts, hiring teams within industries that offer remote work options must ensure candidates are aware of them. **On Coffee with Hiretual,** you can hear more about how the leading insurance provider in the UK, Zurich, tested out writing 'remote work policy' on 80% of their job descriptions and significantly increased applications from women and achieved gender parity in one year.



Investing in Operations

For all aspects of the recruiting process, especially sourcing talent, **businesses will benefit from investing in recruitment operations.** When sourcing and hiring talent in higher volumes, teams need to move away from the 50-lane talent highway.

The 50-lane talent highway

- Disconnected systems and processes
- Fragmented and siloed data
- Teams who are working toward the same goal but are not working together to get there faster

The central focus of recruitment operations is about designing a process that finds and fixes problems specific to one's organization and industry. This includes successful tool adoption, tracking hiring goal progress, curating the best talent experience, and crafting strategies to source talent.

Investing in recruitment operations doesn't necessarily mean establishing an entire team with various operations titles. Instead, it's about focusing on the framework of recruitment operations to ensure that operations tasks are completed for the benefit of your recruitment process.



How Talent Teams Are Responding

Small Business



Small businesses must market their unique strengths and incentives.

There is no reason for small businesses to compete with enterprises. Talent who are attracted to smaller businesses have a reason for doing so. Maybe they have little experience and are looking for a company who is willing to take that chance because they really need the help. Maybe they don't have a squeaky clean background and are looking for a business that can be flexible with those terms. As small business owners, we should offer flexibility — remote options, schedule variety, PTO, sign-on bonuses, and second chance hiring.

Make the most of affordable recruitment technology disrupting the market

Affordability is key because we have all experienced a major shift one way or another in this climate. Companies like Indeed and ZipRecruiter are expensive to those of us who are trying to gain some stability. It's beneficial to grab a hold of a new tool out there that can compete with that. I find applicants with Hiretual, but I do have to kiss a few frogs every now and then. Quality of talent is a challenge, so if small businesses don't move with the current century, they will be left behind.



Monique Davis
Co-Founder at Fresh Talent Sources Inc.
(<50 employees)

Mid-Market Business



Be realistic about the hiring resources needed

At the start of the year, we went into growth mode and opened up 70 positions at the same time. Demand in education technology, like Remind, were higher than normal during the pandemic, especially during back-to-school season. We got more funding, had a lot more on our roadmap, and so we had to invest into our team. With two people on the recruiting team, we weren't capable of filling that many roles. Now, the talent team has grown massively to include coordinators, technical recruiters, onboarding specialists and more roles coming up.

Become the better choice for underrepresented talent to learn and grow

I think every company definitely needs at least one AI recruitment tool that works for diversity searches, not just any AI hiring tool. For a small company that competes for talent with bigger companies, ultimately the majority of candidates want to work for those well-known brand names and we end up having to compete with the Fortune 500. So we differentiate ourselves by hiring for more diversity and making workspaces more inclusive. These AI platforms like Hiretual are really useful for that, or else you're going to be on LinkedIn searching through all these groups or universities and your boolean strings get really complicated.





How Talent Teams Are Responding

Enterprise Business



Ensure robust enterprise databases are searchable, updated and recruiter-friendly

We always tell our recruiters to source from the ATS first because that's why we have it, so we can keep a hold of all these wonderful candidates that may have not been great for a specific role at one point in time. You build this huge database in your ATS of qualified candidates but they can get lost, so [Hiretual Talent Data Cloud] helps us refresh those profiles to ensure we have the most up-to-date information of all candidates in there.

Search with specificity across a wide range of hiring channels

We hire for growing skill sets, and certain roles for emerging technologies are much harder to fill than a technology that's been around the block for a period of time. There was a significant amount of websites that we were sourcing information from, and then there's Hiretual that has over 40 partnerships. Having all that data in one place is really beneficial because we use filters within the search engine to search from a targeted dataset. The volume of qualified candidates goes up as a result of that targeted searching capability.



Sara W Product Manager at leading IT consulting partner (10,000+ employees)



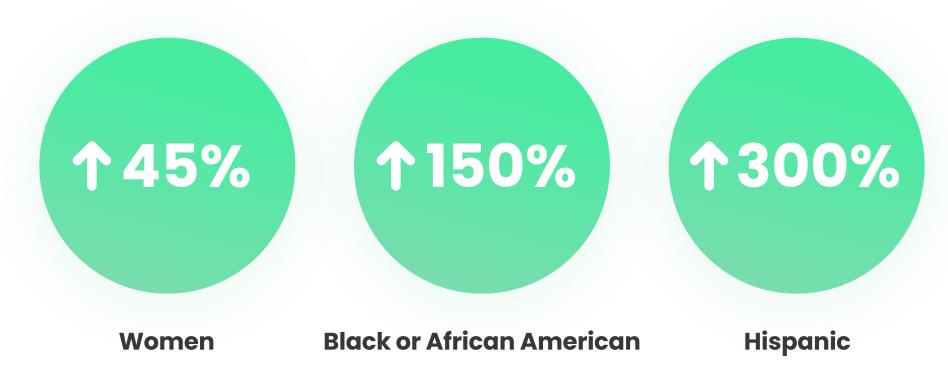
Moving Forward With Talent Relationships

Following social discourse surrounding racial inequality in 2020, **87% of Talent Acquisition professionals prioritized Diversity, Equity, and Inclusion initiatives in their recruitment process.** In the past six months, that priority level has increased even further, with **95% of Talent Acquisition professionals** committing to DE&I within recruitment.

This heightened prioritization has translated across the Hiretual platform, with increased searches for underrepresented talent over the past year.



Searches for Underrepresented Talent on Hiretual January-April 2020 vs January-April 2021



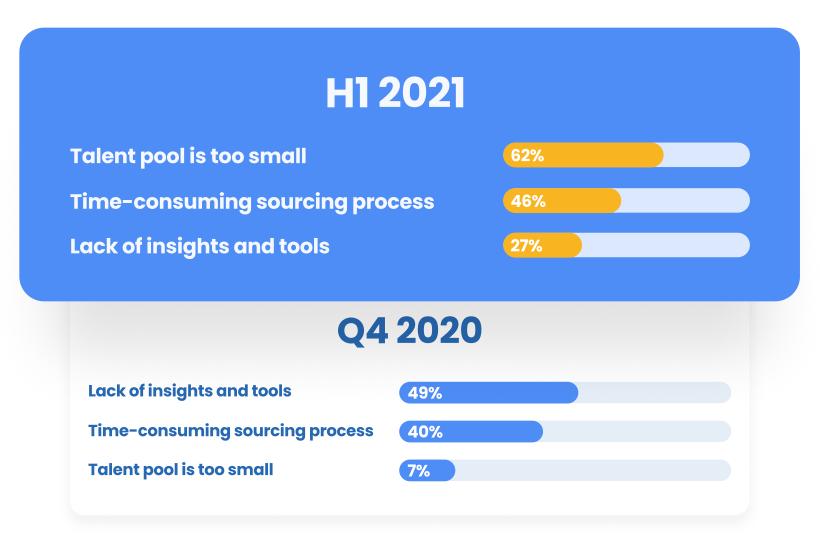
We're Committed to Helping Companies Build Inclusive Teams

Hiretual's Diversity Sourcing brings underrepresented talent to the forefront of talent pipelines.



A Deeper Dive Into the State of Diversity Hiring Today

Despite more hiring teams wanting to commit to a diverse workforce, there are still some significant challenges that teams are facing.



When it comes to tool selection and crafting relationships with underrepresented talent, teams have to consider their unique challenges. If we take a deeper dive into recruiting teams for different-sized companies, we observe the priorities and challenges for DE&I differ for each market segment.

Diversity Hiring Bottlenecks for Each Market Segment

Small (1-99)

Time-consuming sourcing process for underrepresented talent

Mid-Market (100-999)

Restricted talent pool for underrepresented candidates

Enterprise (1000+)

Non-inclusive workplace culture

Small to Mid-Market Businesses

Biggest Bottlenecks: Most small business recruiters struggled with a time-consuming sourcing process in 2021. Oftentimes, small business recruiters don't have the budget or awareness of recruiting automation resources, so they end up having to manually source for underrepresented talent across a variety of different sourcing channels that mid-market and enterprise businesses already have access to.

Most mid-market recruiters struggled with a restricted talent pool during candidate sourcing. With enterprise companies sourcing for the same type of talent, it's becoming even harder for mid-market hiring teams to find qualified underrepresented candidates.

Next Steps: To overcome time-consuming sourcing and restricted talent pipelines, small to medium-sized businesses can <u>leverage recruitment technology</u> or diversity hiring platforms that fit their budget.



Large Enterprises

Biggest Bottleneck: Unlike small business and mid-market recruiters, enterprise recruiters struggle less with limited talent pools for underrepresented candidates. With bigger brand names, hiring teams are prone to more candidate and applicant interest, including interest from underrepresented talent. However, our research shows that non-inclusive workplace cultures are the biggest roadblock for effective diversity hiring as employee retention among minority groups remains unstable.

Next Steps: Before you begin your next sourcing task, identify where your organization falls short in creating safe spaces and speak to underrepresented employees who are least satisfied with your existing workplace culture. Anonymous workplace surveys are an excellent place to start gathering employee feedback about workplace culture and the state of inclusivity in physical workplaces, online communication channels, and more.

Elevating Talent Experience in a Candidate's Market

Talent today wants to work for companies that align with their values. In fact, culture and value alignment is listed as the <u>top priority for employee satisfaction</u> in the United States (Source: Glassdoor). As a result, the candidate and employee experience are mission-critical for every company that wants to attract and retain talent.

Unfortunately, sourcing talent will always be difficult if a solid candidate experience framework is not in place.

Obstacles faced by recruiters

in the candidate experience

Communication with candidates	47%
Interviewing and Onboarding	31%
Candidate screening process	29%
Communication with the hiring team	28%
Heavy administrative/manual work for hiring team	25%

Effective communication between hiring teams and talent is an indicator of company culture and values. Candidates and applicants want outreach from a potential employer to be intentional and timely not an automated response that gets sent out months later.



Talent and Employee Communication Tips from Talent Acquisition Consultant & Career Coach **Keirsten Greggs**

Tip 1: Show them you care

In terms of outreach, candidates want to see a more empathetic approach. COVID has definitely changed the way we go about engaging candidates. It has made recruiters think more about and put themselves in the shoes of the job seeker. The more a candidate feels like an equal/collaborative partner in the process the better. Have mechanisms in place for direct contact and feedback. Clear lines of communication and expectation setting go a long way.

Tip 2: Authenticity is key

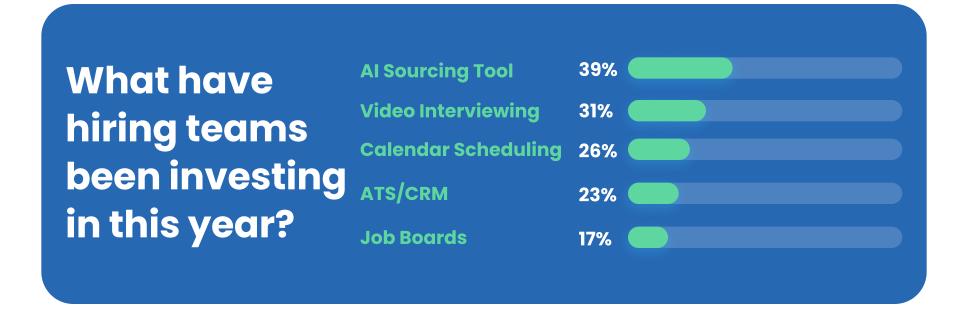
Authenticity is a key ingredient to a successful recruitment experience and lends itself to a positive candidate experience. Modeling authenticity has always worked for me in trying to get buy-in. Also, provide stakeholders with examples of favorable outcomes they can expect by being authentic at their touchpoint in the recruitment process. For example, an interviewer who behaves in a manner that closely resembles the work environment will fare better than one that misrepresents or sets unrealistic expectations.

Tip 3: Have senior leaders add value

Senior leaders who engage passive candidates are a value add. Instead of viewing them as a hindrance to the recruiting process or a "taking the place of the recruiter," view them as advocates for the organization. Having senior leaders who are actively engaged in the attraction phase of the recruiting process enhances the candidate experience.

Digitization & What Comes Next

Since March 2020, 89% of talent acquisition professionals responded to the pandemic with a rapid digital transformation of their recruiting resources. The aftermath of this digital transformation included 67% of recruiters introducing a new tool into their recruiting tech stack.





currently use at least one Al-powered recruitment platform



found Al-powered talent sourcing as the most helpful recruitment technology this year



purchased a new Al-powered talent sourcing platform this year



Are Teams Hesitant to Invest in Al-Based Recruitment Technology?





have no hesitation

are unsure on how to calculate ROI on its effectiveness

How to start measuring ROI on your recruitment technology:

- 1. **Determine the metrics that make the most impact on your team's performance.** Are you looking to make more hires from your tool, or are you looking to reduce time spent identifying qualified prospects for your pipeline?
- 2. Start tracking everything now. Even if you haven't been tracking anything prior to your investment in a tool. Keep tabs of your important metrics each month to see how your tool is making a difference and of course, be mindful of the market and set realistic expectations. On average, Hiretual customers expect to see ROI 4 months into using the tool, while others see results right away.
- 3. **Assign ownership of vendor operations to specific people on your team.** This individual or team is responsible for overseeing the quality of partnerships with recruitment technology vendors. This includes centralizing onboarding documents, gathering data on product usage among team members, and relaying feedback to customer success representatives so technical bottlenecks can be addressed.

Test This Out

Try calculating your estimated ROI with Hiretual



10 Critical Questions To Guide Your Recruitment Technology Selection Process

More than ever before, technology is providing hiring teams with solutions for evolving recruitment challenges. With so many options to consider, how can you ensure that the technology you choose answers your team's biggest questions and concerns? Here are ten questions to ask yourself, your team, and technology vendors before adopting a new recruitment tool.

- What are my biggest pain points and how does this tool solve them?
- What does the budget for this tool look like and is it worth the investment?
- Does our team have the operational bandwidth to take on this tool?
- Does my team have the time to onboard and adopt a new technology vendor?
- 5. How can I measure ROI?
- 6. How will this tool fit into my current recruitment processes and workflows?
- Is this tool easy-to-use without extensive training resources?
- How does this tool achieve my businesses' current hiring objectives?
- Will this tool set my business up to achieve long-term growth objectives?
- 10. What does customer support for this tool look like?



On the Road to Recovery



CEO and Co-Founder of Hiretual

Steven
Jiang



As I look back on the past year and a half, I can't help but feel inspired. I'm inspired by the way so many people have overcome unprecedented professional and personal challenges. I'm inspired by the relentless efforts of those fighting for the rights and fair treatment of all people. Last but not least, I'm inspired by teams that create new opportunities for long-term growth and success between employees and employers through hiring.

With an inspiring past and an even more exciting future ahead of us, I wanted to share three predictions for what I think will happen in the recruitment space within the next six months.

1. Nationwide hiring resurgence

As we entered the fourth quarter of 2020, I spoke about the Great Rehire and how companies are preparing to compete fiercely for talent this year. On the Hiretual platform, we observed sourcing spikes in recruiting hot spots like New York, London, and San Francisco. Candidates are also being sourced in higher volumes in areas that typically don't see as much traffic on our platform, such as Cincinnati, the Greater Detroit area, and the Greater St. Louis area. Now that pandemic restrictions are being lifted and flexible work options are on the table for more companies, we're closely monitoring talent sourcing patterns across the country.

From what we've seen, hiring will continue to grow across both typical recruiting hot spots and emerging ones, and these opportunities will come from just as many small businesses as there are enterprises. Enterprises have been on a steady incline in hiring activity since the fourth quarter of 2020. But with small businesses on Hiretual hiring up to 6x more at the start of 2021 compared to pre-pandemic levels, the cumulative volume of candidate searches across market segments will greatly propel employer competition by the end of the year.

(1) hiretual

On the Road to Recovery



2. Increased AI adoption by small businesses

Technology is meant to level the playing field for everyone. Unfortunately, it's hard to level the playing field if recruiters from larger enterprises are the only ones with access to advanced hiring technology. NFIB reports that as of May 2021, 48% of small businesses reported unfilled job openings. In years past, recruitment technology powered by artificial intelligence was less accepted and less adopted primarily because it was highly priced for many hiring teams. Today, things are different. The goal of Hiretual's tiered pricing plans is to give smaller companies the flexibility to pay for the functions they need

I had a great conversation with Jeff Kaye, Co-CEO at Kaye/Bassman - Sanford Rose Associates, one of the biggest recruiting franchises in the country. We talked about three areas where small businesses can build a competitive edge over large enterprises during this period of recovery — customized flexibility, personalized leadership and authentic relationships. Increased AI adoption among small businesses aims to support stronger communication with talent with access to powerful data and analytics. As Jeff says, "With the right weapon, David can still beat Goliath today as well!"

3. The Talent Data Cloud

The reinvented talent acquisition technology stack is made up of multiple systems, each serving their own functions while collecting large volumes of data that end up siloed from each other during the recruitment process. When conducting our research for this report, we found that 66% of talent acquisition professionals introduced a new tool to their tech stack since the pandemic began. This is why Hiretual built our Talent Data Cloud, so it can be a hub of information unified from different sources in the talent technology stack — that could include Hiretual, your ATS, job boards, calendar schedulers and more.

The Talent Data Cloud refreshes and enriches data within a centralized hub, so talent teams can easily navigate and rediscover updated recruitment information. This progression in managing and acting on past and present hiring data will transform how recruiters find and engage with underrepresented talent. Diversity hiring is becoming less of an initiative and is finally being adopted as a core organic value in the recruitment process. This year, Hiretual will continue evolving how talent teams work with data so we can open up more avenues for underrepresented candidates to stand out in talent pipelines.

About Hiretual

Hiretual is the pioneer of Al Sourcing and the leading intelligence-driven solution for Talent Acquisition teams of all sizes. Recognized by top user review platforms as the best recruitment automation software, we empower and inform organizations to build unique state-of-the-art recruiting strategies that cannot be found anywhere else.

- 42% increase in hires per recruiter
- 5x more qualified talent in your pipeline
- 50% reduction in weekly sourcing time

