



ADP Research Institute®

The Recruitment Quotient:

Raising Your Talent IQ



A more human resource.™

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Introduction

The next big transformation in human capital management (HCM) is underway, led by changes in talent acquisition. Candidate expectations are rising regarding the frequency, pace, and transparency of communication in the hiring process. Unfortunately, the recruiting world has not kept up with the rising tide of expectations. Research from the ADP Research Institute® shows a gap between recruiters and job seekers, regarding the tools they use to find each other and what a quality talent acquisition experience looks like.

As companies attempt to navigate the changes caused by shifting age demographics, new technology tools, and the move towards a consumer-styled job seeker experience, winners and losers will emerge based on their responses to questions such as:

- Are you delivering the speed, transparency, and frequency of communication that candidates expect?
- Are your communication and outreach efforts attracting social and mobile workers?
- Are you incorporating active and passive strategies into your talent acquisition process?
- Are your people, processes, and technology infrastructure investments integrated?
- Does your employment brand support or inhibit your culture?

In order to understand the challenges and issues both recruiters and job seekers face today, the ADP Research Institute, a specialized group within ADP®, conducted two studies in 2013: the Recruiting Trends Study among recruiters in companies with 1,000 or more employees and the Job Candidate Trends Study, a companion piece, conducted among job seekers age 18 to 65. Both studies highlight trends and the results garnered provide a roadmap for recruiters who are looking to raise their Talent IQ.

Candidates' Expectations: Higher than You Might Think

Job seekers want frequent, prompt, and transparent communication about their status in the application process.

Consider the following:

73%

of job seekers would prefer at least weekly communications throughout the application process¹

58%

of job seekers believe that a reasonable time between first interview and a job offer is one to two weeks¹

1.7

is the number of phone interviews job applicants (on average) believe is a reasonable number when applying for a job¹

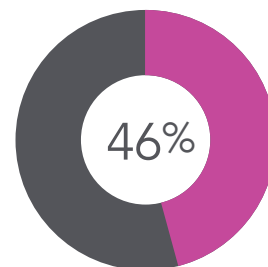
2.2

is the number of in-person interviews job applicants (on average) believe is a reasonable number when applying for a job¹

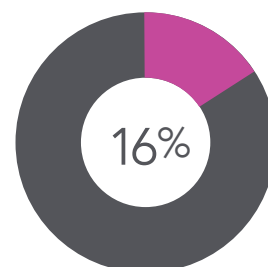
As job seeker expectations rise, many employers overestimate how well their current processes meet these expectations. In fact, 46% of recruiters feel their current process of tracking applicants "works well," but only 16% of job seekers feel the same.² This shows a tremendous disconnect between perception and reality for recruiters and candidates.

Despite candidate expectations for speed, transparency, and high-touch communication, many employers are moving in the opposite direction. For example, many employers are utilizing "longer and more thorough rounds of personality screening tests and interviews."³ By taking longer to fill jobs, these employers are increasingly at odds with the talent marketplace. A candidate is more likely to regard a job opportunity as favourable, if one company seems more decisive and organized than its competitors. Therefore, a company looking to differentiate itself could look toward creating a more communicative recruitment experience as well as putting processes in place, allowing for quick action once a valid candidate is identified.

Percentage that feel process of tracking applicants "works well"



% of Recruiters



% of Applicants

¹ Job Candidate Trends, ADP Research Institute, September 2013.

² Job Candidate Trends, ADP Research Institute, August 2013.

³ "A Sea of Job-Seekers, But Some Companies Aren't Getting Any Bites," The New York Times, June 27, 2012.

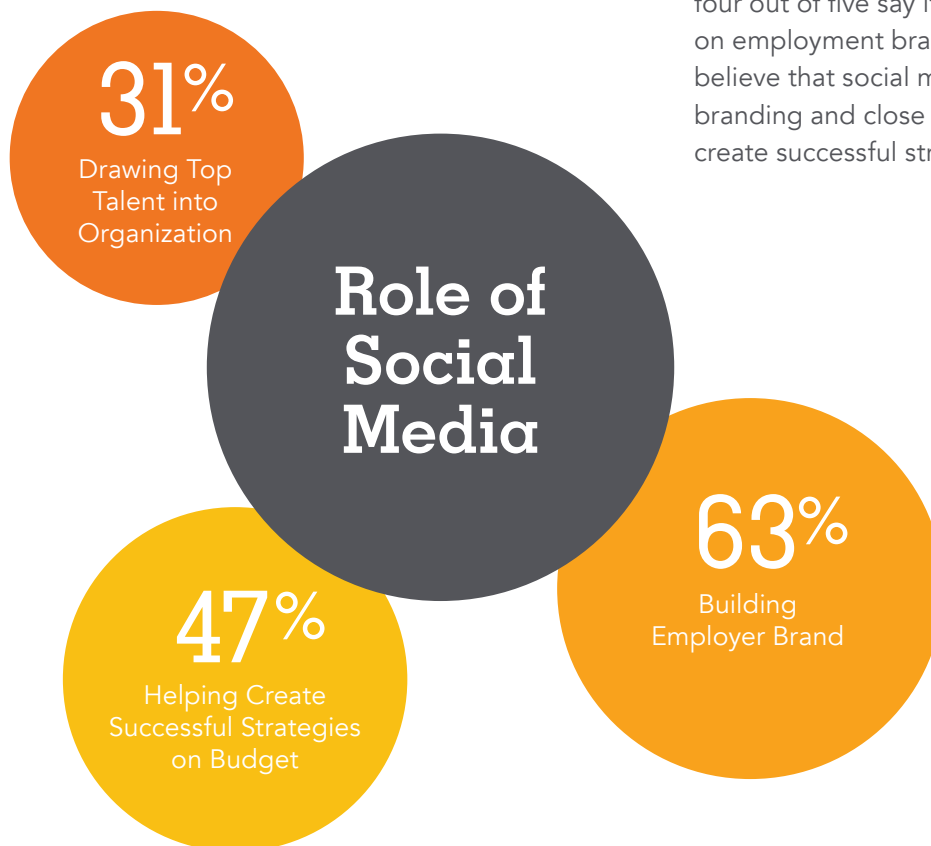
Recruiting Process

Employment brands, social media, and the consumerism of the recruiting process

Candidate perception is important for determining the success of recruiting efforts. Only 14% of job seekers feel the companies they have applied to have been responsive.⁴ In 2014, nearly two-thirds of applicants who reported a poor experience said they would never buy that company's products or services again.⁵ This stems from the poor impression left by employers who have failed to respond to applicants during the hiring process. What they don't realize is these perceptions about a company can do long-lasting damage to an organization's employer brand, reputation and have a negative impact on the ability to attract top talent.

In our increasingly consumer-driven society, a strong employer brand is crucial to ensuring that organizations find the talent needed to remain competitive. Developing methods for keeping active and passive candidates interested is a critical step towards attracting top talent. Using social media, talent communities, and mobile recruiting can be a central part of that process.

Nearly one-third of recruiters report an improvement in the impact of social and mobile tools, suggesting social media capabilities are becoming increasingly essential to integrate into recruiting solutions. Additionally, three-quarters say social media has a moderate-to-great impact on talent acquisition, and four out of five say it has a moderate-to-great impact on employment branding. Further, nearly two-thirds believe that social media plays a role in employer branding and close to half feel social media helps to create successful strategies on a budget.⁶



⁴ CareerBuilder 2015 Candidate Behaviour Study

⁵ Workopolis Job Seeker Research Insights, 2014

⁶ ADP Research Institute, Recruiting Trends, August 2013

Recruiting Process

Connecting a talent community to social media efforts casts a wider net and enables better connections.

Nearly 70% of best-in-class organizations already connect social media and talent communities,⁷ and targeted communications allow job seekers to find their niche interest in the company.

There is a mobile disconnect between job seekers and recruiters. According to a recent study, despite 43% of job seekers using mobile in their job search, 59% of recruiters currently invest nothing in mobile career sites. For those who are leveraging the power of mobile, they are already seeing its impact on candidate engagement including improvement in time-to-hire, quality of candidate, quality of hires and quality/quantity of referrals.⁸

Unfortunately, many corporate career sites are not mobile-enabled, which means the searches candidates want to perform are frequently delivered via a clumsy user experience designed for a different device. Companies with mobile-enabled websites will position themselves ahead of their competition and attract more interested candidates.

Candidates are demanding better service, more nimble responses and a more innovative process. They want a relationship with organizations and to feel like part of the brand prior to considering employment. They want to hear from others, learn about their experiences, and share their own. To be successful, organizations must tailor recruitment communications and talent communities to reflect their organizational culture, and build employment brand loyalty prior to engagement.

The top five career-related activities job seekers are likely to do on their mobile device include:⁹

- Search for jobs: **51%**
- Save job listings so I can apply from my computer later: **44%**
- Get real-time alerts about job openings: **44%**
- Visit a company's careers site: **39%**
- Read company reviews from employees: **37%**



9 in 10 job seekers say they will use their mobile device during job search in the next 12 months.



45% of job seekers report using their mobile search for jobs at least once a day.

75% are likely to search for jobs via a mobile device.



Nearly **1 in 2** think mobile devices will be the most common way people search for jobs in two years or less.



1 in 5 already believe they are.

⁷ HR Executive's Guide to Web 2.0: Cracking the Code for Talent Management, Aberdeen 2013.

⁸ Jobvite, Social Recruiting Survey Results 2014

⁹ Glassdoor's survey on the Rise of Mobile Job Search, April 2014

Disconnects Still Remain Between Recruiters and Applicants

While recruiters and job seekers are using social media more often and more successfully, there are still disconnects. Those gaps could add to frustrations in finding the right match for open positions.

Recruiters and applicants, alike, note the poor quality on both sides of the hiring equation. Nearly three out of five job seekers expressed frustration over the lack of quality positions, while 52% of recruiters have a similar complaint about the quality of applicants. Additionally, matching appropriate employee skill sets to available job openings is also cited as a top frustration among both recruiters and job seekers.¹⁰

Despite high unemployment in the United States, millions of jobs remain open due in part to a well-documented skills gap. The skills gap is exacerbated

because many candidates describe themselves in generic terms in their social media profiles while recruiters are typically seeking specific skills to fill specific roles. This study sheds light on the possibility that recruiters and job seekers are having trouble finding each other in spite of new recruiting and social media tools.

Nowhere is this disconnect more pronounced than the use of LinkedIn. 44% of recruiters listed LinkedIn as “extremely” or “very” useful in their pursuit of new talent, while only 19% of job seekers felt the same when looking for a job.¹¹ While other social media sites are not found to be nearly as useful as LinkedIn, a definite gap exists between recruiters and job seekers.

Quality hiring frustration



81% of job seekers expressed frustration over the lack of quality positions



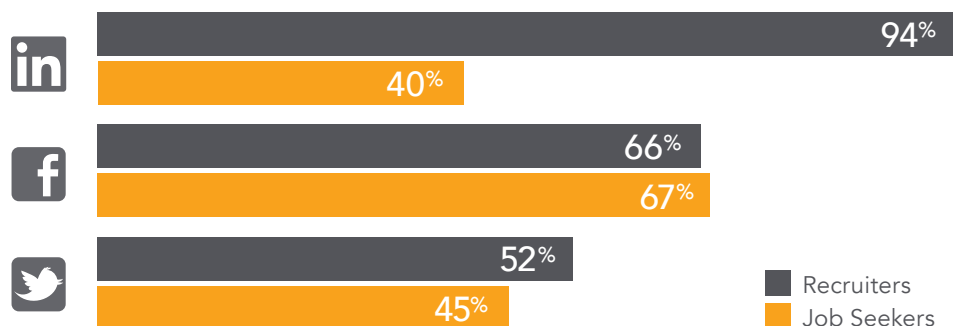
56% of recruiters saying finding quality employees is challenging

¹⁰ Recruiting Trends, ADP Research Institute, August 2013 and Job Candidate Trends, ADP Research Institute, September 2013

¹¹ Recruiting Trends, ADP Research Institute, August 2013 and Job Candidate Trends, ADP Research Institute, September 2013

Social Media Is an Essential Recruitment Tool

How Social Media Is Being Used



Recruiter Source: Jobvite Social Recruiting Survey Results 2014
Job Seeker Source: Jobvite 2015 Job Seeker Nation: Inside the Mind of the Modern Job Seeker

Salaried workers are almost twice as likely to list LinkedIn as having a significant-to-moderate impact on their recruiting efforts, and workers making more than \$100,000 per year report much greater success with LinkedIn. This metric held true across multiple ages. On the other hand, Facebook is almost three times as likely to be used as a job search resource by those under age 30 compared to those over age 45.¹² Those same younger workers were almost twice as likely to describe Facebook, Twitter, and Google+ as having significant or moderate impact on their job search when compared to workers over age 45.¹³

Today, job-hopping is a reality. The average time an employee will stay at their current company is 1.7 years – down from 4.2 in 1990.¹⁴ Companies also have to attract an ever-growing number of Millennials to meet current and future staffing needs. By 2025, Millennials will represent 75% of the global workforce according to the US Bureau of Labor Statistics.¹⁵ This group has different expectations than older generations. Millennials care more about a company's culture, personal fit, growth potential, and work/life balance than they do about compensation. They also tend to be entrepreneurial types who want to feel

that their work makes a difference to the overall growth of their companies.¹⁶

As high-income earners join young job seekers in leveraging social media to find jobs, there is more pressure for recruiters to optimize their social messages and sourcing efforts. These improvements could help recruiters build talent pipelines and provide more information to candidates. Using candidate relationship technologies, recruiters could then nurture conversations with prospects and foster better connections.

At the same time, job seekers should spend time strengthening their LinkedIn profiles, given the attention recruiters are paying to this network. Hourly workers and junior employees looking to move to management and salaried positions would especially benefit from improved merchandising of their strengths and interests via social media. Candidates often portray themselves in a generic manner via social media. Candidates should consider tailoring their social media presence to the types of jobs they are actively or passively pursuing to further improve their alignment with future job openings.

¹² ADP Research Institute, Job Candidate Trends, September 2013.

¹³ ADP Research Institute, Job Candidate Trends, September 2013.

¹⁴ Workopolis job seeker research insights, 2014.

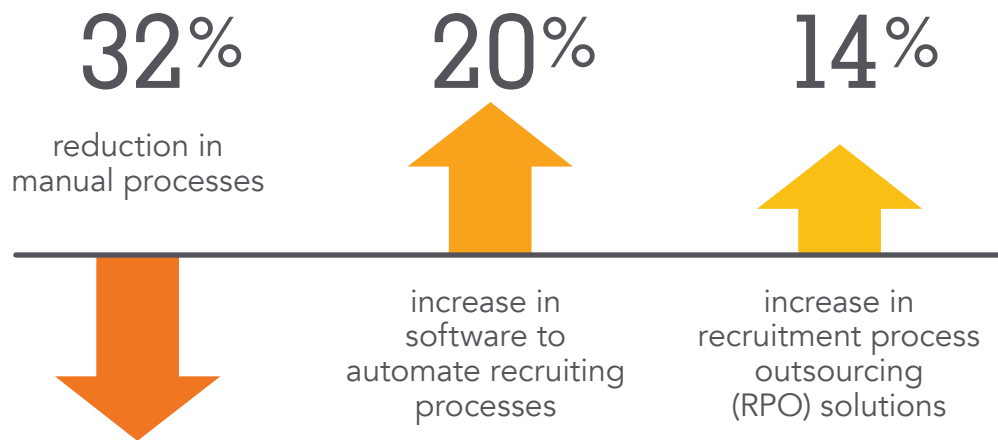
¹⁵ The Deloitte Millennial Survey, 2014

¹⁶ Employer Branding for Dummies, Glassdoor Special Edition, 2014

Existing Solutions Are Not Meeting Current Needs

In today's workplace, the average recruiter uses more than four systems or tools during the recruitment process, yet only 30% rate their current recruitment solution as "excellent" or even "very good" in providing an end-to-end process¹⁷ for acquiring talent.

Recruiters cite integration three times more often than any other component as a way of improving the talent acquisition process. In an attempt to address this issue, recruiters said they expect the following in the near future:¹⁸



A unified recruiting solution – which brings together people, process, and technology – would allow recruiters to spend more time focusing on finding the best available talent, and increase recruiter and candidate satisfaction. Companies with integrated recruitment processes will give their recruiters a competitive edge that could prove essential in the war for talent.

¹⁷ ADP Research Institute, *Recruiting Trends*, August 2013.

¹⁸ ADP Research Institute, *Recruiting Trends*, August 2013.

Raise Your Talent IQ: Three Recommendations

Talent management has the greatest influence on business success and – of all the components of talent management – acquisition, sourcing, and tracking have the highest impact at 70%.¹⁹ Organizations that wish to stay ahead of the competition, as the talent landscape shifts, should pay close attention to the following trends and recommendations.

1 Enhance Your Employer Brand.

According to a LinkedIn survey, companies with a strong employer brand enjoy a 50% lower cost-per-hire than those without.²⁰ Creating a powerful employment brand involves more than applying a logo and tagline. The brand is built or can be lost in the communications and activities of the recruiting process. Each branding opportunity should be thoroughly considered and brand messaging should align to the desired talent.

- Make sure job seekers understand your opportunities, culture, and differentiators before they apply
- Your systems and processes should differentiate your brand with high-touch outreach
- Optimize your brand for a more social and mobile-enabled job seeker

2 Use the Right Metrics.

Recruiters have managed the talent acquisition function in the past based on short-term results, individual transactions and the pursuit of a happy hiring manager. Time-to-hire and lead source data will always be important, but KPIs which shed light on the candidate's experience could be competitive differentiators.

- Provide mobile vs. computer Web browser access to your career sites
- Monitor time from interview to offer
- Provide frequent outreach and communication following initial interview
- Track candidate satisfaction with the process

3 Invest in Talent Communities and Broadcast Effective Communications.

Improved and integrated communications strategies are an important part of presenting a strong employer brand, and can make the hiring process more efficient and effective. Talent communities are an essential strategic investment for creating online communities for candidates with targeted skill sets, allowing for tailored communication strategies and programs. Talent communities also allow recruiters to nurture prospects until a match can be made, strategically sharing company updates and information on openings with a ready-made talent pool. Create communication strategies that are transparent while keeping candidates invested in the company and the opportunity. Start by creating spaces that will attract your preferred talent.

- Provide opt-in opportunities for candidates to receive information on job alerts and company information
- Communicate regularly with members of the talent pool and candidates in the interview process
- Use the talent pool to generate a pipeline of active and passive job seekers
- Develop talent communities for hard-to-fill areas before a job opens up
- Leverage outreach and communications through the talent community and social media to connect with passive talent and to nurture relationships

¹⁹ What Is Your Best Source of Hire, Aberdeen Group, May 2013.

²⁰ Employer Branding for Dummies, Glassdoor Special Edition 2014



Additional Information

About the Studies

The results reported in this paper reflect information garnered from two separate ADP Research Institute studies conducted in 2013: the 2013 Recruiting Trends study and the 2013 Job Candidate Trends study.

Research Methodology

The ADP Research Institute 2013 Job Recruiting Trends study was conducted in August 2013 among 506 recruiters in companies with 1,000 or more employees.

The study universe included representative samples of all categories of U.S. enterprises with 1,000 or more employees. A statistically projectable sample of respondents was interviewed, split between three groups by size: enterprises with 1,000 to 2,499; 2,500 to 9,999; and 10,000+ total U.S. employees. The resulting data achieved statistical reliability at the 95% confidence level both overall and in each of the size groups.

Respondents had to evaluate, recommend, or make final purchase decisions for new processes and technologies around talent recruitment strategies.

The ADP Research Institute 2013 Job Candidate Trends study was conducted in September 2013 among 2,561 job seekers ages 18 to 65. The ADP Research Institute 2013 Job Candidate Trends study was conducted in September 2013 among 2,561 job seekers ages 18 to 65. Respondents were active (seeking new employment or looking to change employers) or passive (if contacted to pursue a job opportunity with a new employer, would consider it) job seekers.

The statistically projectable sample of respondents interviewed was split between type of job seeker, type of current employee (salaried vs. hourly), and age. The resulting data achieved statistical reliability at the 95% confidence level both overall and by each group.

About the ADP Research Institute®

The ADP Research Institute provides insights to leaders in both the private and public sectors around issues in human capital management, employment trends, and workforce strategy.



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