Executive Summary: 2014 Recruiting Innovations and Best Practices Survey
Background

TalentRISE and the Center for Research and Service at Illinois Institute of Technology developed this pulse survey to gain insights into innovations, best practices and trends in recruitment. HR/Recruitment Professionals, Operations/Hiring Managers, Finance Professionals and Consultants/Contractors, representing a variety of industries, responded to the survey that was divided into 4 parts:

1. Strategies
2. Technology/Tools
3. Processes
4. People

Respondents were also asked about how they are preparing for future challenges:

On the heels of the economic recovery, what are the top three recruiting challenges that apply to your organization and require the most innovative solutions?

- Hiring better quality talent: 64%
- Hiring talent faster: 51%
- Developing/growing high-potential talent: 46%
- Addressing unexpected hiring spikes, scalability in your recruitment model: 36%
- Leadership succession: 26%
- Other: 10%
- Global recruiting: 8%
- Executive recruiting: 8%

Note: Values represent the percentage of respondents that selected a particular option.
Part 1: Recruiting Strategies

- Most respondents indicated that they do not plan to utilize external recruiting options any more or less compared to the past 3 years.
- The aspect of STRATEGY that most respondents said they plan to invest more time and resources into was evaluating/implementing sourcing strategies, followed by workforce planning.
- When the results were broken out by industry type, there was still a high level of agreement across groups as far as the STRATEGY areas they plan to invest in.
  - There was more variation in ratings when broken out by position, where Consultants/Contractors tended to report lower likelihood of investing in most areas across the board and Executives tended to report higher likelihood.
- When asked about tracking performance metrics, most respondents focus on tracking direct costs, quality of hire, and time to hire.
- Across industries and positions, there was a high degree of variation in the types of performance metrics tracked.

**Compared to 3 years ago, how are you investing more or less time and resources in the following STRATEGIC recruiting needs?**

- Evaluating/Implementing different sourcing strategies: 3.9
- Strategic Planning/Workforce Planning: 3.6
- Assessing rewards/compensation: 3.5
- Investing in employment branding; recruitment marketing: 3.5
- Organizational structure of the recruiting function: 3.5
- Creating specialized roles (Sourcers, recruiters, etc.): 3.4
- Evaluating or relying on outsourced recruiting options: 3.1
- Contracting with external executive search firms: 3.0

*Note: Responses are on a 5-point scale ranging from 1 = Considerably less, 3 = No more or no less, and 5 = Considerably more*
Part 2: Recruiting Technology/Tools

- Search Engine Optimization (SEO) and Applicant Tracking Systems (ATS) are the technology/tools being invested in the most.
  - Very few respondents reported investing in Candidate Relationship Management tools or a suite vs. best-in-class approach.
- Results by industry indicated:
  - Non-profits and Healthcare/Pharma tended to report investing more in SEO and ATS.
  - IT and R&D tended to report investing more in building online talent communities and video interviewing.
  - Professional Services had the largest percentage of respondents saying they were not investing in new tech/tools.
- Results by position indicated:
  - Executives tended to report investment in on-boarding, ATS, and SEO.
  - Consultants/Contractors reported investing in SEO, HRIS integration, on-boarding and model recruitment.
  - Recruiting Professionals primarily reported investing in ATS, SEO, and HRIS integration.
  - HR Professionals overwhelmingly reported investing in ATS, followed by building online talent communities and SEO.

Which of the following recruitment TECHNOLOGY & TOOLS are you investing in?

- Social/Career Website Search Engine Optimization (SEO): 42%
- Applicant Tracking Systems (ATS): 42%
- On-Boarding: 33%
- HRIS integrated with recruitment modules: 30%
- Online Assessment Tools: 23%
- Mobile Recruitment: 21%
- Not currently making any new or additional investments: 21%
- Video Interviewing: 16%
- Tools to Build Online Talent Communities: 14%
- Tools for SEO/Search Engine Marketing (SEM): 12%
- Candidate Relationship Management (CRM): 7%
- Other: 2%
- Suite vs. Best-in-class approach: 2%

Note: Values represent the percentage of respondents that selected a particular option.
Part 3: Recruiting Processes

• The top priorities of most respondents were measuring quality of hire, client/candidate satisfaction, performance metrics, and ROI.

• Results by industry type indicated:
  – Non-profits prioritized client/candidate satisfaction, ROI, and establishing performance metrics.
  – IT/R&D identified assessing/re-engineering processes as the top priority followed by measuring quality of hire and client/candidate satisfaction.
  – Healthcare/Pharma focused more on quality of hire, performance metrics, and ROI.
  – Professional services overwhelmingly prioritized quality of hire followed by satisfaction.

• Results by position indicated less variation in priorities with two trends emerging:
  – Quality of hire was a top priority across all positions.
  – Prioritizing performance metrics, satisfaction, and ROI garnered either a high or low percentage of respondents for a particular position choosing that priority.

• When choosing to use an executive search firm, the top factors are having a previous relationship with the firm and the industry or functional specialization.

What are your TOP three priorities today related to your recruitment PROCESSES?

- Measure quality of hire: 66%
- Measure client/candidate satisfaction: 49%
- Establish performance metrics/scorecards: 49%
- Measure ROI of investment in recruiting: 44%
- Assess/re-engineer the entire recruiting process: 32%
- Centralize or de-centralize the recruiting process: 12%
- Other: 7%

Note: Values represent the percentage of respondents that selected a particular option.
Part 4: People and Recruiting

- The most common reported changes in practices related to people were focused on organizational structure, establishing new roles, and investing in recruiters.
  - Very few respondents indicated that they were re-designing recruiter competencies or building in-house executive search capabilities.

- Results by industry indicated:
  - Most industries tended to report changes in organizational structure and establishing new roles.
  - Non-profits reported more engagement with search firms, IT/R&D tended to report establishing new roles, healthcare/pharma reported several changes across the board, and professional services were divided between hiring recruiters and establishing new roles.

- Results by position tended to more closely mirror the overall results compared to the results by industry type.
  - Executives tended to report more engagement with search firms.
  - Recruiting Professionals more frequently reported investing in training recruiters.
  - HR Professionals and Consultants/Contractors were the only positions that reported re-designing recruiter core competencies.

**Compared to three years ago, what are you doing differently now with regard to the PEOPLE in your recruiting organization?**

<table>
<thead>
<tr>
<th>Activity</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Re-designing the organizational structure</td>
<td>38%</td>
</tr>
<tr>
<td>Establishing new roles (e.g., sourcing specialist, recruiter, researcher)</td>
<td>32%</td>
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<tr>
<td>Hiring more part-time or contract recruiters</td>
<td>27%</td>
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<tr>
<td>Investing in training recruiters</td>
<td>24%</td>
</tr>
<tr>
<td>Engaging with search firms or other outside firms for additional resources</td>
<td>22%</td>
</tr>
<tr>
<td>Hiring more full-time recruiters</td>
<td>19%</td>
</tr>
<tr>
<td>Building/Investing in an in-house executive search capability</td>
<td>14%</td>
</tr>
<tr>
<td>Other</td>
<td>11%</td>
</tr>
<tr>
<td>Re-designing recruiter core competencies</td>
<td>5%</td>
</tr>
</tbody>
</table>

*Note: Values represent the percentage of respondents that selected a particular option*
Looking to the Future

- For the large part, most respondents were undecided on how they might address increased hiring demand.
  - Many respondents reported that they would be less likely to engage RPO vendors or to increase spending on executive search providers.
- Across industries, the majority of respondents reported that they were undecided on how they would deal with an increase in hiring demand in the future.
  - IT/R&D respondents reported they would be more likely to build or expand their sourcing team/function, their internal executive search team/function, and to engage an external research/sourcing vendor.
- Across positions, executives and consultants/contractors reported that they were less likely to utilize any one of the options listed for addressing increased demand, while Recruiting and HR Professionals tended to report being undecided.
- Most respondents were in agreement that the top recruiting challenges they face are recruiting higher quality talent, hiring talent more quickly, and growing/developing internal talent.
  - Global and executive recruiting were not considered future challenges for most respondents.
- Results by industry and position were very similar to the overall results, except for Non-profits and consultants/contractors, where a high proportion of both groups reported succession planning as a future challenge.

Looking ahead 12 months, how likely are you to consider the following to address critical talent needs when hiring demand spikes up?

- Building or expanding a dedicated sourcing team / function: 3.0
- Engaging contract recruiters to expand internal team bandwidth: 2.9
- Increasing spend on contract recruiters to gain more flexibility during hiring spikes: 2.9
- Building or expanding an internal executive search function / team: 2.7
- Engaging a sourcing / research vendor to support your internal full life cycle team: 2.6
- Engaging an RPO vendor solution to outsourced recruiting for select roles or a department: 2.4
- Increasing your spend with executive search providers: 2.3
- Engaging an RPO vendor solution to outsource 100% of recruiting for ALL roles: 1.9

Note: Responses are on a 5-point scale ranging from 1 = Very unlikely, 3 = Undecided, and 5 = Very likely
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