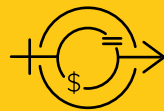# REORIENT YOUR RECRUITING GAME PLAN

ZOHO Recruit

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HOW ARE YOU MEASURING YOUR RECRUITING SUCCESS?

Improve your hiring strategy by analyzing key recruiting metrics. Finding the right person for the job is complicated, but we've isolated the top 8 factors to consider when you're ready to reorient your game plan.

 # 1 Time taken from sourcing to hiring

 # 2 Balanced gender ratio and equal pay

 # 3 Cost involved for hiring a candidate

 # 4 Job openings v/s filled positions

 # 5 Job offers made v/s accepted

 # 6 Quality v/s quantity of new hires

 # 7 Candidates satisfaction

 # 8 Feedback on performance by new hires

HOW ARE YOU MEASURING YOUR RECRUITING SUCCESS?

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For recruiters, the word "routine" holds a different meaning altogether. Because, a typical day is just like running a marathon -- Mornings that start off with replying to emails, scheduling interviews; leading into afternoons packed with meeting candidates; evenings that get down to updating clients, recording the day's events and long nights planning for the next day's course.

If you're thinking that's enough? Well, maybe not. The tide is turning in the recruitment industry, making it essential for recruiters to be "jack of many trades" -- like a guide when communicating with candidates, a social media manager to source candidates, a sales-person and a marketer when talking to clients, a manager to ensure his/her team is working on the same page and an analyst to measure results of strategies adopted and re-work them if and when required.

Invariably, every role is subjective to constant evaluation. A recruiter must also make it a mandate to keep track of all his department's workflows, their effectiveness and also ensure that recruiting strategies are updated and in-sync with the needs of the candidates.

It is essential that every recruiter is in sync with the continuously changing tide of the recruitment industry and try to adapt to the also changing needs of the candidates. In this predominantly candidate-driven market, one has to curate strategies to ensure that candidate engagement is effective, so that best talent is reached. This can be achieved when there is a thorough understanding of various metrics that actually matter.

1. TIME TAKEN FROM SOURCING TO HIRING

Recruiters like salespeople have to work with a very strong principle that has been time and again stated by several experts - "No fills, No money". While targets have to be met, one cannot compromise on the quality of hires. And quality hires happen when the right amount of time is invested into screening candidates, ensuring an organized interview has been conducted and that he/she has been evaluated well both for the job opening and also the company's culture.

While choosing the right applicant tracking system takes care of most of the above functions, recruiters must however plan their schedules, as they are often racing with time. First it starts with the time to fill, the time taken to start an interview process, the time taken for the interview workflow to complete and then finally the time taken by a candidate to accept the offer and on boarding. And the ever increasing competition has made recruiting much more challenging, with longer timelines and rising candidate expectations over remuneration.

The MRI Network's "Recruiter Sentiment Study 2015 (second half)" states, "that 63 percent of offers are now being made within four weeks of the first interview, which increased from 59 percent as compared to 2014". Adding to this, the LinkedIn Global Recruiting Trends 2016 Report mentioned that "the time-to-fill metric increased from 25 percent in 2014 to 28 percent."

Several factors can cause considerate delay in a hiring process, including -- high salary expectations, not finding the right talent, candidates rejecting offers at the last minute, among others.

MRI Network's - Recruiter Sentiment Study:
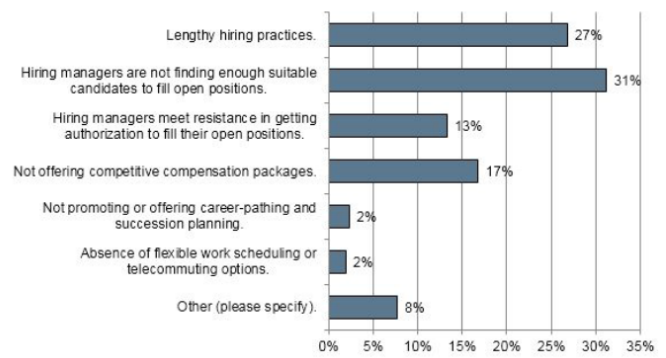
Recruitment industry experts have stressed on reducing the overall average time, as this will give managers to set right expectations and forecast resources required or their future projects. Some very important questions recruiters must ask themselves are:

1. How much time does a job opening take to fill?

2. How much time does the interview process go on for?

3. How much time for the candidate to accept/reject the offer?

4. How much time for on boarding?

Ideally, the interview process for entry level openings can extend to a couple of weeks, whereas more senior roles may take about three to four weeks. Most companies with faster hiring timings possesses strong talent management strategies. So, aim to lower the average time by comparing the time to hire for different roles.
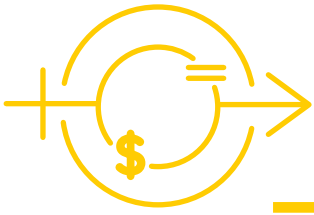
2. BALANCED GENDER RATIO AND EQUAL PAY

The debate about having equal representation of both the genders across industries and roles has been going forever. Studies have proven that a good balance of equal male and female employees, aids in diversity of thoughts, views, perceptions, ideas and also storms a healthy competition. Companies are now stressing on bringing a culture, that makes employees more encouraging and competitive as well.

A study done by Harvard Business Review stated that, "employees of firms with 2-D diversity are 45 per cent likelier to report a growth in market share over the previous year and 70 per cent likelier to report that the firm captured a new market.

However, this must parallelly be accompanied with equal companies. Recruiters must companies must ensure that there is equal pay for equal work. Specially recruiters should analyse a client well before they sign a contract with them. Because it is essential that the situation is win-win -- getting the client the right candidate and the candidate the right client. And also that the candidate is comfortable working in the organization. Else, the effort put on making the candidate into a new recruit is lost.

A paper presented by Weber Shandwick Research Study inferred that, "72 percent of employees with socially encouraging employers are significantly more likely to help boost sales, compared to only 48% of employees whose employers aren't socially encouraging." This particular finding can also be extended to having a balanced gender ratio, who challenge each other, encourage for a better organizational culture.
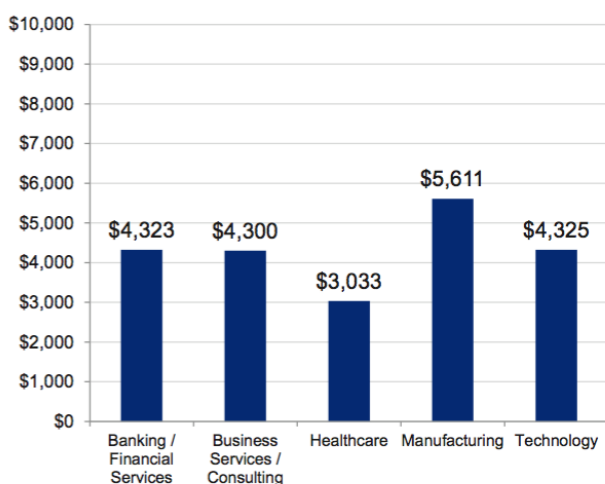
Recruiters must ensure that they are a part of this change and ensure that their strategies cover this very important, yet neglected metric. And not just gender, but also ensure equal pay as well.

3. COST INCURRED WHILE HIRING A CANDIDATE

While recruiters often consider just the cost of a hire, but many tend to overlook the actual cost incurred into bringing a hire on board. "At a cost of nearly $4,000 on average to fill an open position, U.S. companies are spending nearly three times the amount spent on training per employee," stated the Talent Acquisition Factbook 2015: Benchmarks and Trends in Spending, Staffing, and Key Recruiting Metrics, 2015, Bersin by Deloitte. The research also stated that business increased their talent acquisition budget to seven percent in just the last one year. And over 59% recruiting firms are investing more in their employer brand as compared to last year.

There are several factors that can affect the Cost per hire, starting from -- 1. The advertisement budget for print, job boards, social media and more, 2. Time an interviewer or a manager spends on the interview, 3. Client contracts and 4. Administrative work and maintenance. The Society for Human Resource Management (SHRM) Survey provided insights on the budget spent on advertising and the average number of employees hired via them. The budgets spent on advertising varies as the company strength keeps increasing, however the number of hires are never constant.

Average Advertising Budget by Number of Employees

Figure 1: Cost per Hire by Industry, 2014

Source: Bersin by Deloitte, 2014.
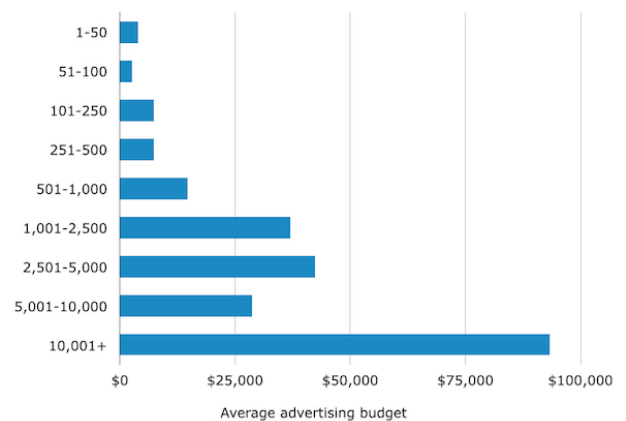
Average Number of Hires by Number of Employees
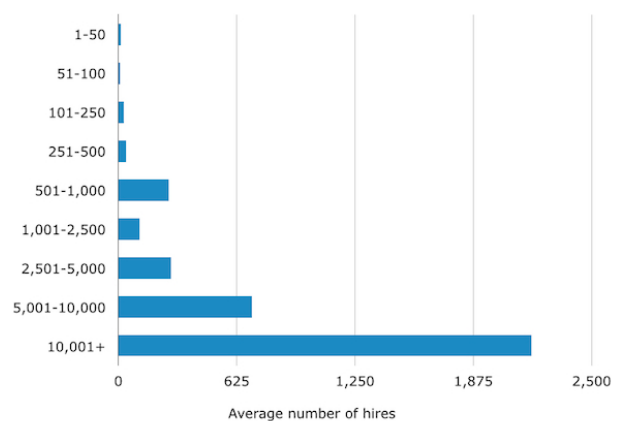
Recruiters of both staffing agencies and corporates must analyse the cost involved per hire and ensure that the effort put in getting good talent does not go waste. Be smart and advertise via channels that can bring in the best potential candidates. Compare the cost to hire across different roles and aim to lower the average as and when possible.

4. JOB OPENINGS V/S. FILLED POSITIONS

As staffing agencies or in-house HR team, recruiters need to constantly keep a check on the total number of job openings versus filled positions. And it is essential that the difference between these two remains as less as possible. These results must be analysed every month or quarter as it gives you a clear understanding of where you stand and if any old strategies have to be modified.

The Palmer Forecast had called for a nearly 5 percent increase in temporary hiring by the end of September, 2015. "Employment by the temp staffing industry at the end of 2015 came to 2.96 million workers on a season-ally adjusted basis, a historic high, according to data from the U.S. Bureau of Labor Statistics. Employment was 3.05 million on an unadjusted basis, ERE Media, a recruitment community reported,

This also calls for staffing agencies to increase their staff to deal with the ever increasing job market. Forecasts from Career Builder and Manpower show more employers plan to add staff — permanent, full-time, temp and contract — by the end of the year than was the case last year or even at the beginning of 2015.

5. JOB OFFERS MADE V/S. ACCEPTED

One of the most effective ways of measuring your recruitment rate is by getting an accurate data of the total number of new hires and the number of actual employees reporting to work every year. To further break it down, get the hiring per cent by calculating the total number of requisitions filled by the number of approved ones. This gives you a fair idea of how your strategies are working.

Most of the times, one particular factor that gets neglected by recruiters is actually the effort taken to bring a candidate till the last round. After this, if the candidate gets rejected or if the candidate rejects the offer, the effort taken by the recruiter, the time and money invested in screening the candidate goes in vain. Recruiters must take account of such situations and how much do they amount to. Also, accordingly take measures to be prepared for it. One question you have to ask yourself here is, "How many offers were made for one job opening, before it was ultimately filled?"

This can be easily achieved when the recruiter is sure of what the market trends are, and what the company is offering. If he/she is confident on offering what the candidate did not get in his previous job, then they can be assured of not losing out on a candidate.
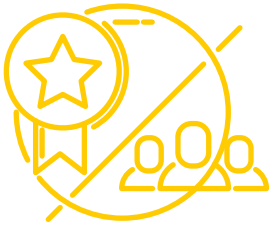
6. QUALITY
VS. QUANTITY
OF NEW HIRES

Recruiting is just not filling as many job openings as possible in the least amount of time. It is in fact the number of quality hires achieved in a small amount of time. And that is when your recruiting game plan is working right.

The recruitment market has shifted from employee-driven to candidate-driven. In just a span of three years, the candidate-driven market shot up from 56 percent in 2012 to 90 percent in 2015, stated the MRI Network's latest Recruiter Sentiment Study 2015 (second half). Candidates are definitely driving the market today and in times like this, it is essential that recruiters understand how to screen for the best talent.

As per the Global Recruiting Trends 2016 - LinkedIn Talent Solutions, more than 39 percent agree that quality of hire is the most valuable metric for performance. Apart from the skill set, work experience, recruiters must also screen their personality, value that they can bring to the company, multi-tasking ability, a team player and communication skills.

It's A Candidate Driven Market

Source: MRINetwork.com/RecruiterSentiment
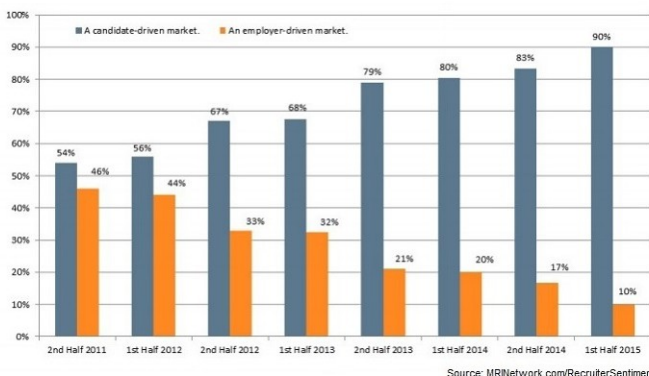
7. CANDIDATE SATISFACTION

Since the recruitment market is now predominantly candidate-centric, it is essential that recruiters and their ATS is in sync with the changing needs of the candidates. And candidate experience has become one of the main factors to be achieved and yes, measured. Surveys or feedback forms or a quick rating form can help recruiters find out what the candidates' requirements are.

Create the feedback form in such a way that the questions seem very candidate-centric. Instead of stating, try asking questions that matter. And not necessarily at the end of the recruitment process. But sometimes, even midway as well.

8. FEEDBACK ON PERFORMANCE BY NEW HIRES

This can be more simplistically termed as - Client Satisfaction. A recruiter's job often ends with hiring and on-boarding. But, a succesful recruiter is one who goes back to his client to get feedback on performance by new recruits. This gives them a fair idea, if their hires actually fit the requirements of what the client wanted.

Recruitment is always a win-win situation. Fitting the candidate in the right company and the company getting the right employee, not just in terms of work experience or skill set, but also their compatibility with the company's culture.