

The Future of Recruiting

This study provides insight into the evolved candidate journey, focusing on the influences that drive applicant behavior today and shape the recruiting practices of tomorrow.



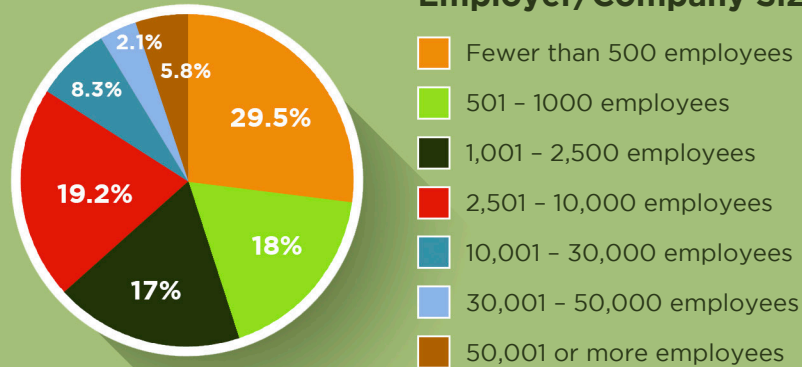
Employers are typically viewed as the decision makers in the recruiting process, but after surveying over 1,054 professionals, we found that job candidates—who are also consumers—are making decisions way before they submit an application or return to a place of business.

Social media and employer review sites have given the workforce amazing influence in shaping employment brand and reputation in real-time. And today, the stakes are higher than ever: Talent markets are becoming increasingly competitive, causing Candidate Experience and Employer Branding to remain key battlegrounds in the fight for talent.

As pioneers in Social Recruiting and Outplacement, we at CareerArc always have our sights set on what's next for talent acquisition, transition, and tech. But in order to learn what the future of recruiting might look like, we first needed to understand how recruiting practices are influencing talent and candidate behavior today, and vice versa.

The results of the Future of Recruiting Study, conducted in partnership with research firm Future Workplace, were collected through a survey of 616 HR professionals and 438 Job Seekers between February 2 - 14, 2017.

Employer/Company Size



Job Seeker/Candidate Breakdown



SECTION

1

The Evolved Candidate Experience

Current recruiting practices, applicant behavior, & the currency of trust

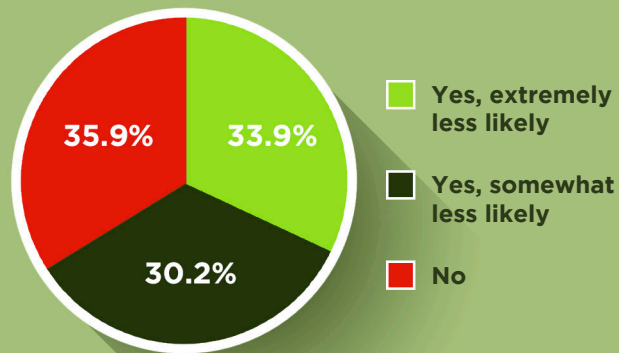
Candidate Experience Rating



64%

of Job Seekers say that a poor candidate experience would make them **less likely to purchase goods and services from that employer.**

Q: *If you had a poor candidate experience with a potential employer, would you be less likely to purchase that company's goods and services within the 3 months following that experience?*



One of the most significant findings from our study revealed a poor candidate experience could not only cost you repeat applicants, it could also cost you repeat customers. We also learned that Employers have suspected candidate and consumer behavior were linked, but only a quarter have attempted to prove it.

- **91% of Employers believe employer brand and candidate experience can impact consumer purchasing decisions**
- **However, only 26% of Employers have surveyed their candidates and consumers to measure this effect**

What's happening before the application?



Pssst! Reviews are important!

Negative reviews are discouraging potential applicants. The majority (55%) of Job Seekers report having abandoned a job application after reading a negative review about that employer.

55%

Meanwhile, the majority (55%) of Employers neither monitor nor address negative comments on social media and review sites, even though 99% believe managing their employer brand and reputation is important to attracting top talent.

What's happening after the application?

When Candidates have strong opinions, they share them.

But are these opinions landing online because they lack a direct line to the company?



A third of all Employees and Job Seekers share negative reviews.

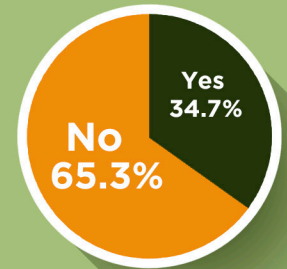
32% of Job Seekers reported having shared at least one negative review of a previous or prospective employer. Those who leave online negative reviews are also 66% more likely to spread those opinions on social media, compared to those who only convey their opinions directly with a friend or colleague.



Candidates aren't being heard.

Only 1 out of 3 applicants are asked by an employer for their feedback as a candidate.

Q: *Have you ever been asked by an employer for your feedback on their applicant process?*



What's happening after the application?

Candidates are kept waiting.

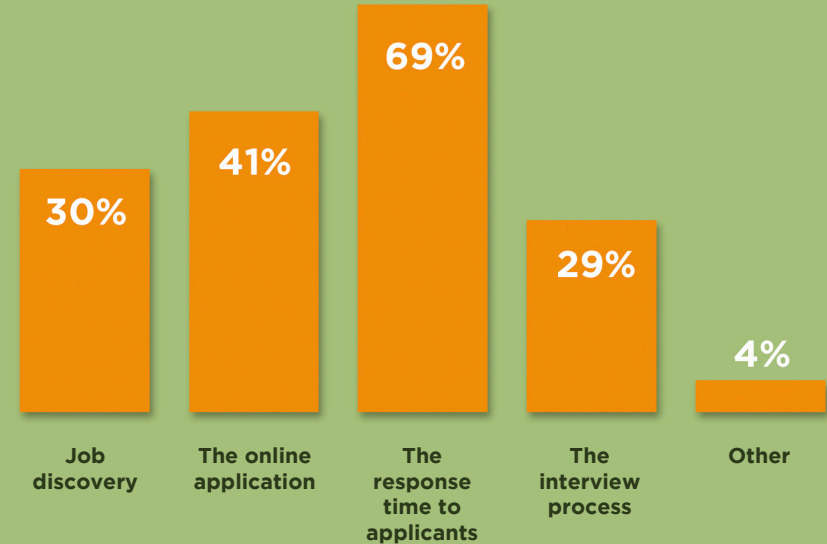


69% of Job Seekers believe the Response Time to Applicants waiting on a hiring decision needs significant improvement.

This is consistent with findings from the *CareerArc Candidate Experience Study* released last year wherein Candidates had rated “Timely Follow Up on Application Status” more important than a “Well-Designed Career Site” and a “Mobile-Supported Online Experience.”

We asked Job Seekers:

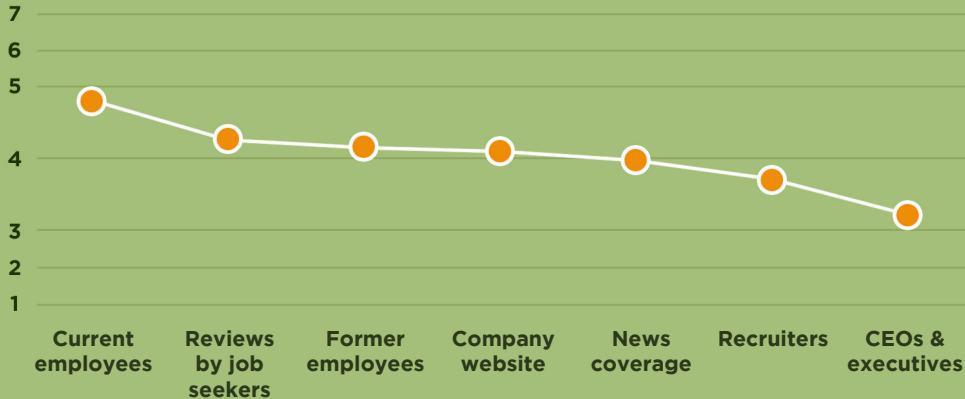
Which parts of the standard job search process needs dramatic improvement? (Select up to 2.)



Who do Job Seekers trust most?

Job Seekers rank current employees as the most trusted source for information about a company. The least trusted source? CEOs and other company executives.

Q: When researching/evaluating a potential employer, who would you trust most? (1-Least Trusted; 7-Most Trusted)



While Job Seekers place most of their trust on reviews from current, former, and prospective employees, only about 15% report Employer Review Sites as their first online destination when researching a potential employer.

Q: After you have learned of a job opening, where do you go first to learn about a company's employer brand identity and company culture?



For 61% of Job Seekers, a company's online properties serve as the first go-to resource to learn about a company's employer brand identity and company culture, a 17% increase from 2015.

What's working for Employers & Job Seekers?

In just a little over a decade, Social Media is now the most popular recruiting platform among employers and the most useful resource among job seekers.



91% of Employers are using social media to hire talent today.

85% of Job Seekers expect most companies in their industry to have at least one social media account.

Social and professional networks received the most votes among Job Seekers as the most useful resource during a job search. **67%** of Job Seekers expect it to be a more significant job search resource in the next 5 years.

We asked Employers:

*Which of the following do you use to recruit talent?
(Select all that apply.)*



We asked Job Seekers:

Which of the following have you found useful when looking for a job? (Select all that apply.)



SECTION

2

The Future of Recruiting

Trends, investments, & innovations

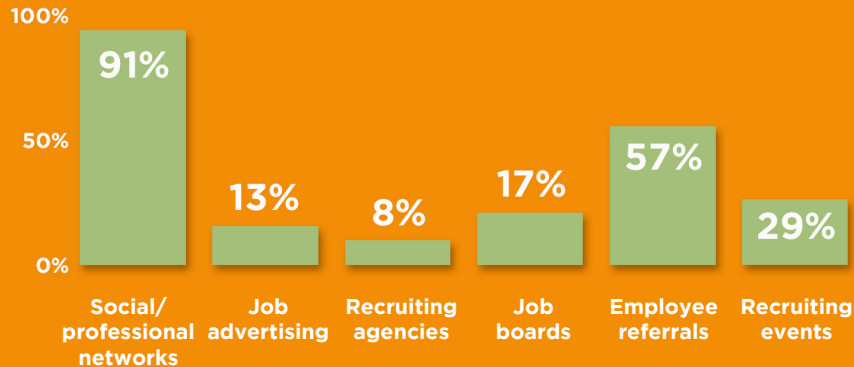
What's next for Recruiting & Employer Branding in 2017?



Most Popular Technology Investment? Social Media & Social Recruiting

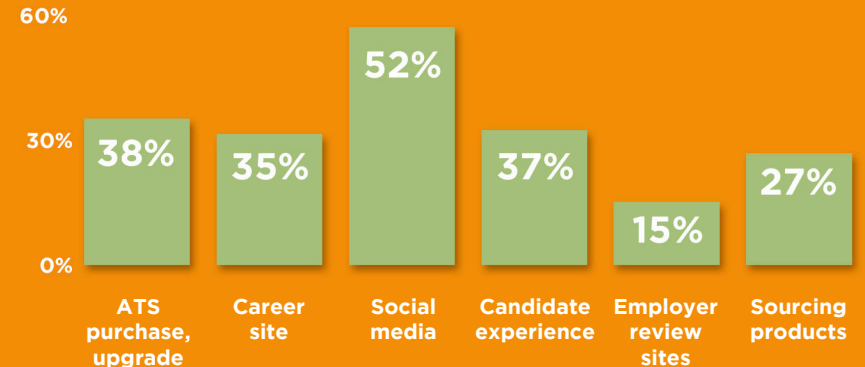
91% of Employers believe social media will become more significant as a source of hire in the next 5 years.

Q: Which of the following do you expect to become more significant as a source of hire in the next 5 years? (Select up to 3.)



Social Media and Social Recruiting Software top the list as the #1 planned technology investment of 2017, with over half (52%) saying they plan to continue or increase investment.

Q: In which recruiting technologies or platforms do you plan to continue or increase investment in 2017? (Select all that apply.)



What's next for Recruiting & Employer Branding in 2017?

#1 

Candidate Experience

#2

Recruitment Data Analytics

#3

Employer Brand Awareness

#1 Priority in Hiring? Candidate Experience

Q: Which hiring programs and initiatives are a top priority in 2017? (Select up to 3.)



63% of Employers expect hiring volume to increase in 2017 compared to 2016. 31% expect the same volume as last year.

61% of Job Seekers first visit a company's online properties—website, social media, etc.—to gain insight on employer brand identity and company culture. This marks a 17% increase since our **CareerArc Employer Branding Study**.

71% of Job Seekers rank Workplace Flexibility as the top benefit that would most attract or retain them as employees, followed by Health & Wellness Perks (58%) and Professional Development / Course Fee Reimbursements (48%).

What's next for Recruiting & Employer Branding in 2017?

99%

of Employers believe managing your employer brand and reputation is important to attracting top talent.

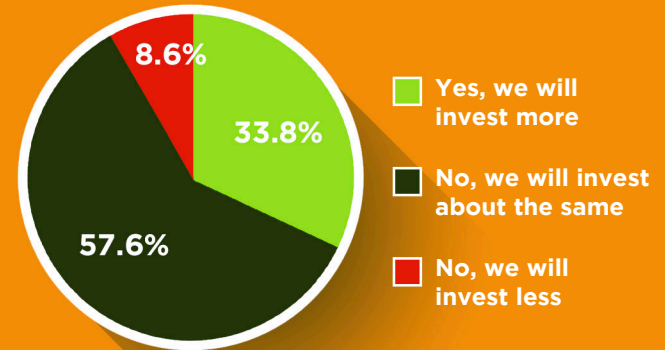
But only 45% devote HR resources to protecting employer brand.

97% of Employers plan to invest in employer branding efforts in 2017. The majority (51%) plan to increase their employer branding investment.

95% believe employer brand protection (addressing negative reviews, monitoring social media feedback, etc.) will become more important in the next 5 years.

91% plan to maintain or increase their investment in recruitment technology and software.

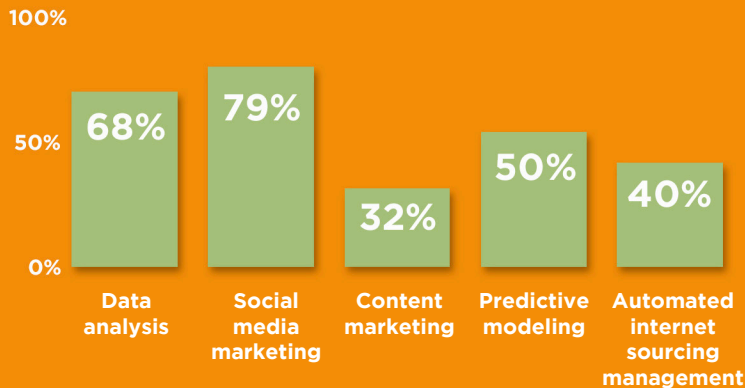
Q: Will you be increasing investment in recruitment technology/software in 2017 compared to 2016?



What's ahead? Recruiting in 2020

79% of Employers believe that **Social Media Marketing** will be the most in-demand HR skill by year 2020.

What new skills will be required of the HR professional by the year 2020? (Select all that apply.)



69% of Employers already collaborate with their marketing department on employer branding initiatives, while 18% plan to do so starting this year.

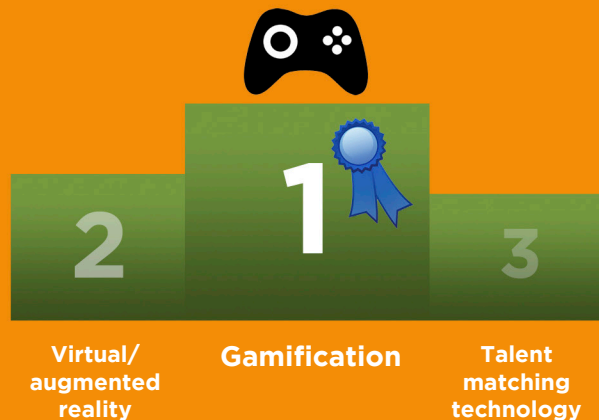
Q: Do you collaborate with your marketing department on your employer branding initiatives (showcasing company culture, website design, image library, mission statement creation)?



What's ahead? Recruiting in 2020

Employers & Job Seekers are slightly disconnected on the recruiting technology roadmap. Job Seekers want to see more Virtual Reality and Job Matching Technology in the job search, while Employers plan to integrate more Gamification in their recruitment process.

The top technologies **HR and hiring professionals** wish their company would adopt by year 2020:



The top technologies **Job Seekers** want to see more of by 2020:

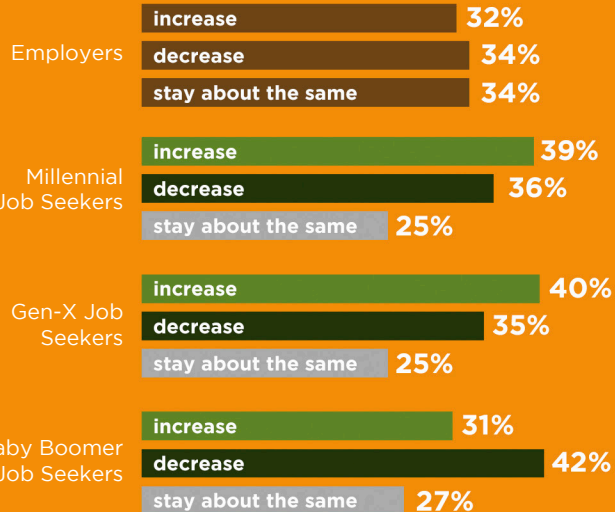


What's ahead? Employment Outlook

Employers & Job Seekers are both split on the future job market.

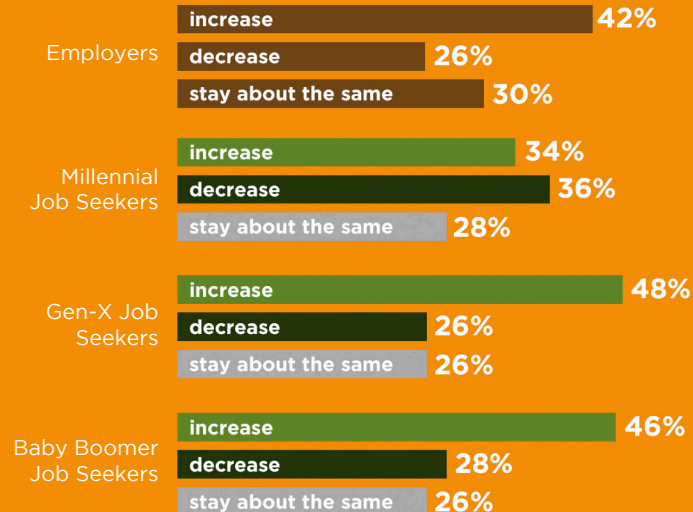
Millennial and Gen-X Job Seekers are slightly pessimistic on the employment outlook under the Trump administration.

Unemployment will:



Gen-X and Baby Boomer Job Seekers are slightly optimistic about job growth under the Trump administration.

Job Growth will:



More Volatility?

45% of Job Seekers forecast increased employment volatility (layoffs, mergers and acquisitions, etc.) in their industry this year compared to last. That is nearly double the amount of job seekers who expect less volatility (25%). 31% believe volatility will stay relatively the same.

38% of Employers expect more volatility; 16% predict less volatility. 47% believe volatility will stay relatively flat.

SECTION

3

Employer Brand

Risk, opportunity, & a call to action

Employer Brand: Risk & Opportunity



Most Overlooked Brand Risk? Long-Term Joblessness

The long-term unemployed (jobless for 27 weeks or more) are **2.5x more likely to share negative reviews** about an employer on social media than the short-term unemployed.



Biggest Opportunity? Outplacement

Nearly 70% of unemployed Job Seekers who were offered **outplacement services**—an employer-sponsored career benefit that helps the recently unemployed land their next job faster—**say it improved their relationship and/or perception of their previous employer.**

The bottom line

“ Only a decade after the dawn of employer review sites, we now see its effects on the balance of power which has shifted full-swing from employer to employee—now the most trusted and vocal sources of information in the modern job search.

This puts pressure on companies to invest in employer brand awareness, brand protection, and candidate experience, or risk losing not only top talent but loyal customers as well. Amidst this major shift, our study also reveals how social media has surfaced as the enduring platform-of-choice where employers and candidates alike connect and engage in the job market.

- **Robin D. Richards, Chairman & CEO, CareerArc** ”

It's Time to Act. Our survey confirms what employers have been suspecting: candidates are also consumers, and how they are treated as candidates can directly affect their bottom line. However, what this study also reveals is that while most employers have the right intention and believe candidate experience is the top priority, only a minority have put action behind these good intentions.

Employer takeaways

3 Steps to Delivering a Better Candidate-Consumer Experience

- **Ask your candidates for feedback.** Start measuring candidate sentiment and learn who among your candidates also identify as customers. This will provide benchmarks to evaluate your candidate experience over time and help quantify the potential revenue impact from an improved candidate-consumer journey.
- **Give candidates more than a Thank You note.** In our *Candidate Experience Study*, we learned the applicant's biggest pain point: never being notified of the decision made on their application. Most Applicant Tracking Systems automate this crucial step, but companies who aim to go beyond what is expected choose to also re-engage candidates with future job opportunities and include them in their talent community. Offering career assistance support, like *CareerArc Candidate Care*, helps applicants better prepare for their continued job search to land their next job faster.
- **Meet candidates where they enjoy and expect to meet you—on Social Media.** Social and professional networks received the most votes among Job Seekers as the most useful resource during a job search. If companies want to make a lasting impression on candidates, social media is now the best venue for that exchange. Remember that promoting and protecting a positive employer brand is not limited to reacting to online critiques. Rather, proactively sharing what truly makes your company great provides your applicants and employees all the evidence available to evaluate your brand fully, and fairly.



CareerArc is the leading HR technology company helping business leaders recruit and transition the modern workforce. Our social recruiting and modern outplacement solutions help thousands of organizations, including many of the Fortune 500, solve critical business issues with 21st century tools and technology. By leveraging the cloud, running on world-class infrastructure, and combining web, mobile and social media applications, we help companies gain a competitive edge in recruitment, employment branding, and benefits.

Learn more about CareerArc's enterprise solutions at www.careerarc.com.