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RECOVERY RECRUITING TOOLKIT:
HOW TO SURVIVE HIRING IN 2022

WELCOME TO THE NEW RECRUITING LANDSCAPE:
WE'RE HERE TO HELP

It's no secret that hiring is tough right now—candidates are resigning, reshuffling, and shaking up the labor market.

We're in the trenches with Talent Acquisition leaders every day, and in our quest to support them, we've uncovered wisdom and lessons learned to help make your journey a bit easier.
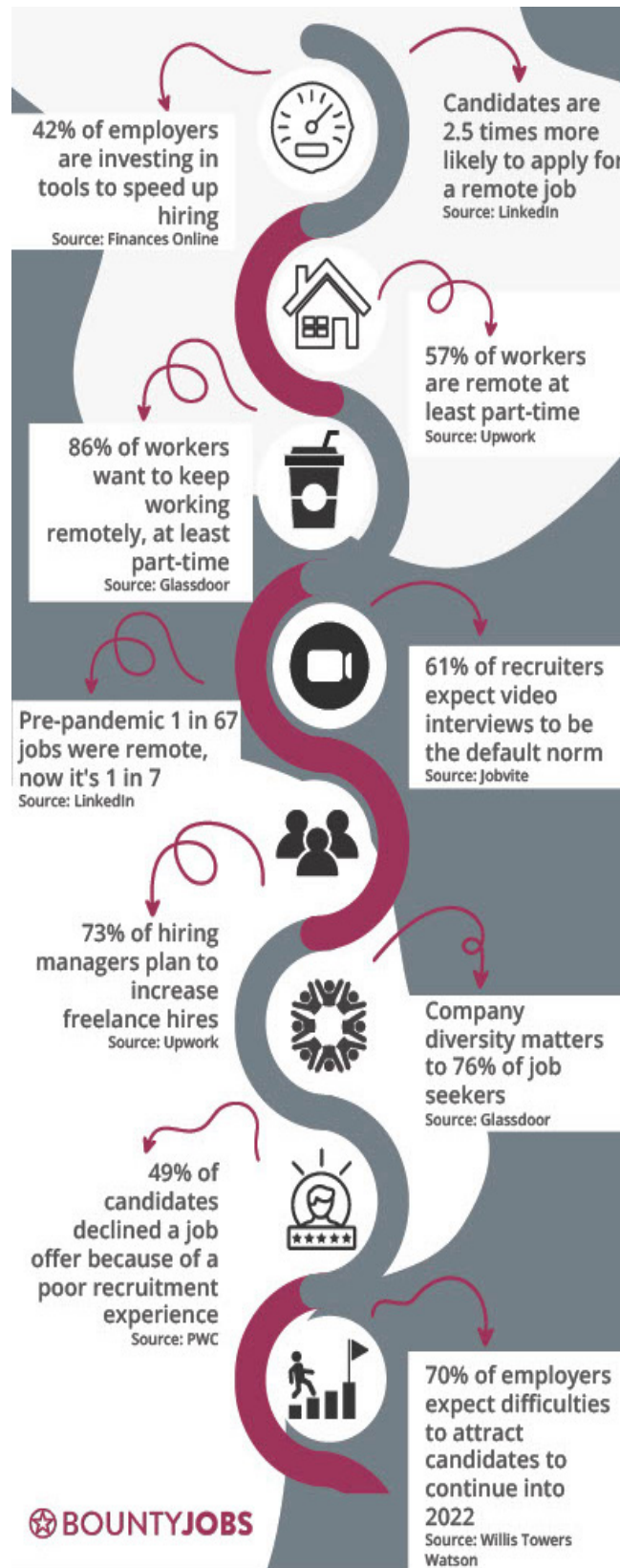
In this guide, you'll find our most popular and frequently downloaded resources—the learnings from our customers, partners, and other TA leaders as they navigated the challenges of the past few years and continue to prepare for ones to come.

The talent landscape is moving quickly in this tight labor market, but we're here to help connect you with real-world tactics and strategies to make sure you're successful. We hope you find some helpful ideas in this toolkit!

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10 TRENDS DOMINATING
TALENT ACQUISITION IN 2022

42% of employers are investing in tools to speed up hiring
Source: Finances Online

Candidates are 2.5 times more likely to apply for a remote job
Source: LinkedIn

57% of workers are remote at least part-time
Source: Upwork

86% of workers want to keep working remotely, at least part-time
Source: Glassdoor

61% of recruiters expect video interviews to be the default norm
Source: Jobvite

Pre-pandemic 1 in 67 jobs were remote, now it's 1 in 7
Source: LinkedIn

73% of hiring managers plan to increase freelance hires
Source: Upwork

Company diversity matters to 76% of job seekers
Source: Glassdoor

49% of candidates declined a job offer because of a poor recruitment experience
Source: PWC

70% of employers expect difficulties to attract candidates to continue into 2022
Source: Willis Towers Watson

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10 TRENDS DOMINATING
TALENT ACQUISITION IN 2022

42% of employers are investing in tools to speed up hiring.

Source: LinkedIn

As the open jobs volume climbs and unemployment rate continues to fall, resource-starved TA teams must adopt technology solutions to automate processes, freeing up human expertise to make hires faster.

Candidates are 2.5x more likely to apply for a remote job.

Source: LinkedIn

There may never be a true work/life balance, but remote jobs certainly begin to level the playing field. Many workers want the benefits of a remote role and they're twice as likely to go after a remote job than those that require time spent in the workplace.

57% of workers are currently remote, at least part-time.

Source: Upwork

No longer a "nice to have"—if employers don't offer a remote-flexible work environment, data shows that they will fall behind their competition with little hope of catching up.

86% of workers want to keep working remotely, at least part-time.

Source: Upwork

Bravo! You've figured out a way to maintain a solid remote-flexible work environment. Guess what? Your employees are thriving and want to keep it around long-term. Now's the time to ensure you have processes in place to keep your remote workforce connected, engaged, and productive for the long haul.

61% of recruiters expect video interviews to be the default norm.

Source: Jobvite

If you haven't already, it's time to get over your fear of being on camera—video interviews are here to stay. Embrace technology and ways to connect with each candidate to make sure you're making the right hire, even when you're not in the room.

1 in 67 jobs were remote pre-pandemic—now it's 1 in 7.

Source: LinkedIn

This stat is pretty staggering, and one in which we see similarities within our own internal data. Where remote jobs were just a dream for many candidates, they are now a reality—and for many job seekers, a requirement.

73% of hiring managers plan to increase freelance hires.

Source: Upwork

The days of full-time vs. part-time are over. Freelance, contract, contingent—these low-risk hiring options fit the bill during this topsy-turvy economic time to get talent in fast without the commitment.

Company diversity matters to 76% of job-seekers.

Source: Glassdoor

No one cares if you have beer pong in the office anymore. Today's quality candidate wants a stake in your company's mission. How your company handles DE&I dictates your future workforce.

49% of candidates declined a job offer because of a poor recruitment experience.

Source: PWC

Even when the market is on the employer's side rather than the candidate's market we have today, how the candidate feels they're treated during the recruitment process will make or break a successful offer. The past two years have truly made personalization and human connection a priority.

70% of employers expect difficulties attracting candidates through 2022.
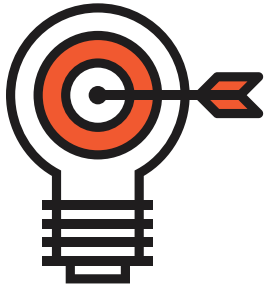
Source: Willis Towers Watson

The dawn of a new year meant nothing to the employment market. The same hiring challenges seen in December 2021 are still here mid-2022. Leveraging the trends outlined here will give you a leg up as you evolve your agile TA strategy.

HCI
Acquire the Right Talent

BOUNTY**JOBS**

TALENT PULSE
PROPRIETARY RESEARCH FROM HCI

Recruitment Marketing: How High-Performing Companies Attract Talent

BOUNTYJOBS

BountyJobs helps employers and recruitment agencies work better together. Our solutions help HR teams find and engage direct-hire agencies, manage the recruitment process with clarity and control, and optimize the entire agency channel. The result—better hires, faster. Learn more at **bountyjobs.com**.

TALENT PULSE
PROPRIETARY RESEARCH FROM HCI

Talent Pulse from the Human Capital Institute (HCI) explores the latest trends and challenges in strategic human capital management. Through quarterly research reports, *Talent Pulse* provides practitioners and decision makers with insights and tools to work better today and prepare for the future of work.

INSIDE THIS REPORT

HCI

Acquire the Right Talent

SUMMARY

Talent acquisition teams are facing intense pressure to find talent as priorities shift and hiring ramps up. With competition for talent and changing candidate expectations, recruitment marketing is a strategic priority. Companies are rethinking how they attract talent and focusing on initiatives to nurture and engage talent earlier in the process.

In this survey, we asked human resources and talent acquisition practitioners how their approach to talent attraction has changed over the past year. **And, while 81% of companies stated that recruitment marketing looks different since COVID-19, only one in three companies are increasing their budgets to better attract talent.**

In today's market, recruitment marketing is a competitive advantage. It improves the candidate experience by providing relevant information, targeted messaging, and more meaningful engagement. It also improves the recruiter experience by providing a more efficient way to communicate with a broader pool of talent via more personalized messaging and communication.

Despite the benefits and increased investment, most companies do not have a clear vision for the future of recruitment marketing. They invest in solutions without a strategy or ability to measure the ROI of their efforts. The result is a recruitment marketing approach that is reactionary and inconsistent. **According to this study, 66% of companies are unhappy with their recruitment marketing efforts today.**

Companies that want to drive change and build a successful recruitment marketing program will need to closely examine their strategies and technology options. We surveyed over 350 talent acquisition and HR professionals to understand how organizations that boast better human capital and business outcomes approach recruitment marketing differently.

We learned:

✔ **Recruitment Marketing Is Not an Isolated Activity**
High-performing companies are more likely to collaborate with other areas of the business to support recruitment marketing activities, including corporate marketing, Chief Diversity Officers, Employee Resource Groups (ERGs), and CHROs.

✔ **Technology [Alone] Will Not Solve the Problem**
Companies need a clearly defined strategy before investing in technology. Companies should consider their target audiences, overall goals and objectives, and key performance indicators before investing in technology. Most companies that lack the resources fail in their recruitment marketing efforts.

✔ **Data Needs To Drive Decisions**
Companies are collecting data on candidate interactions and engagement, but often do not know how to take action on that data. By setting goals, defining metrics, and building insights and action, companies can plan for the future.

✔ **Career Sites Need To Be Engaging**
A dynamic career site that includes information on corporate social responsibility, internal mobility, and DEI can be an effective tool at attracting talent.

FIGURE 1   **Percentage of organizations with a clearly defined recruitment marketing strategy.**

High-Performing Organizations
All Other Organizations

74%

56%
of organizations

49%
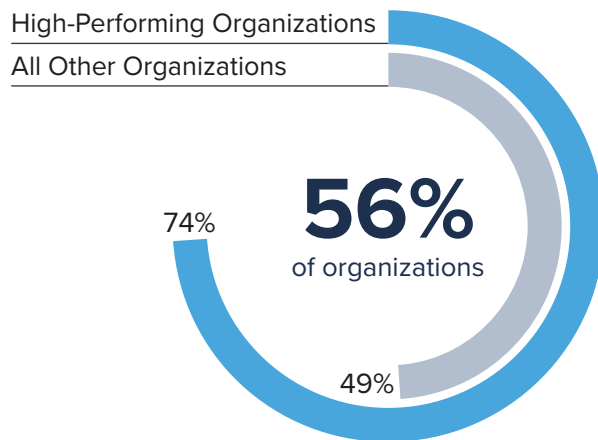
TOP CHALLENGES

Recruitment marketing is a critical area of talent acquisition that is too often ignored. Companies of all sizes and across all industries are struggling to find available talent. High-performing companies with a more strategic approach to recruitment marketing are more successful at attracting talent. Ninety-three percent (93%) of companies are struggling to find enough candidates in this market, compared to 55% of high-performing companies.

FIGURE 2 **Percentage of organizations challenged with finding enough candidates today.**

High-Performing Organizations
All Other Organizations

93%

78%
of organizations

55%
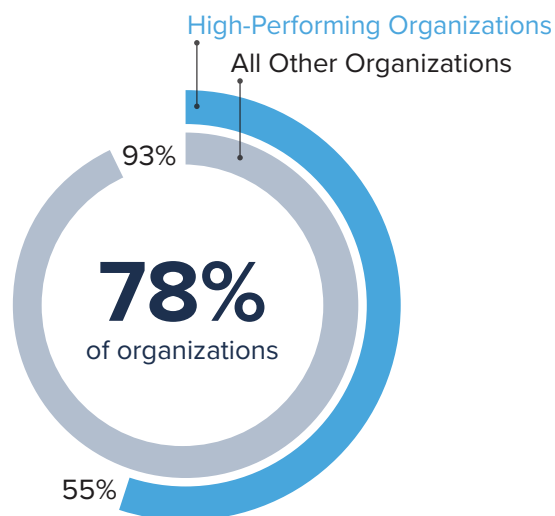
As companies look to grow, the labor shortage has impacted business operations and success. Retailers and restaurants have been forced to close or reduce hours. Supply chain has been impacted creating customer delays. Hospitals are reducing bed utilization with the shortage of nurses. And technology companies are not able to deliver on customer demands or roadmaps. Companies can no longer afford a passive or reactionary approach to recruitment marketing. They must invest in more strategic ways to attract, engage, and nurture talent for current and future needs. **Currently, 75% of companies are continuing their investment or increasing their investment in recruitment marketing.**

FIGURE 3   **Change in investment in recruitment marketing in the past year.**

- **Increased** — 34%
- **Remained the same** — 41%
- **Decreased** — 11%
- **Don't know** — 14%
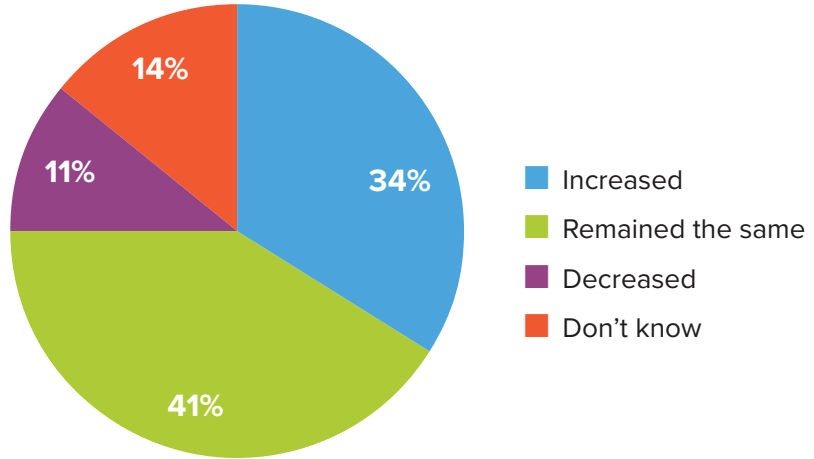
Although recruitment marketing has gained traction over the past few years, most companies are lacking the resources, staff, and strategy they need:

✔ **Lack of Resources:** Sixty percent (60%) of companies do not have enough resources on their talent acquisition team to support recruitment marketing efforts.

✔ **Lack of Dedicated Role:** Sixty-seven percent (67%) of companies do not have a dedicated role for recruitment marketing.

✔ **Lack of Data:** Only 57% of companies use data to drive decisions in recruitment marketing.

When asked about top challenges in recruitment marketing, building a ready now talent pipeline, attracting diverse candidates, measuring effectiveness, and identifying the right audiences were top on the list (Figure 4).

FIGURE 4   **Top challenges in recruitment marketing.**

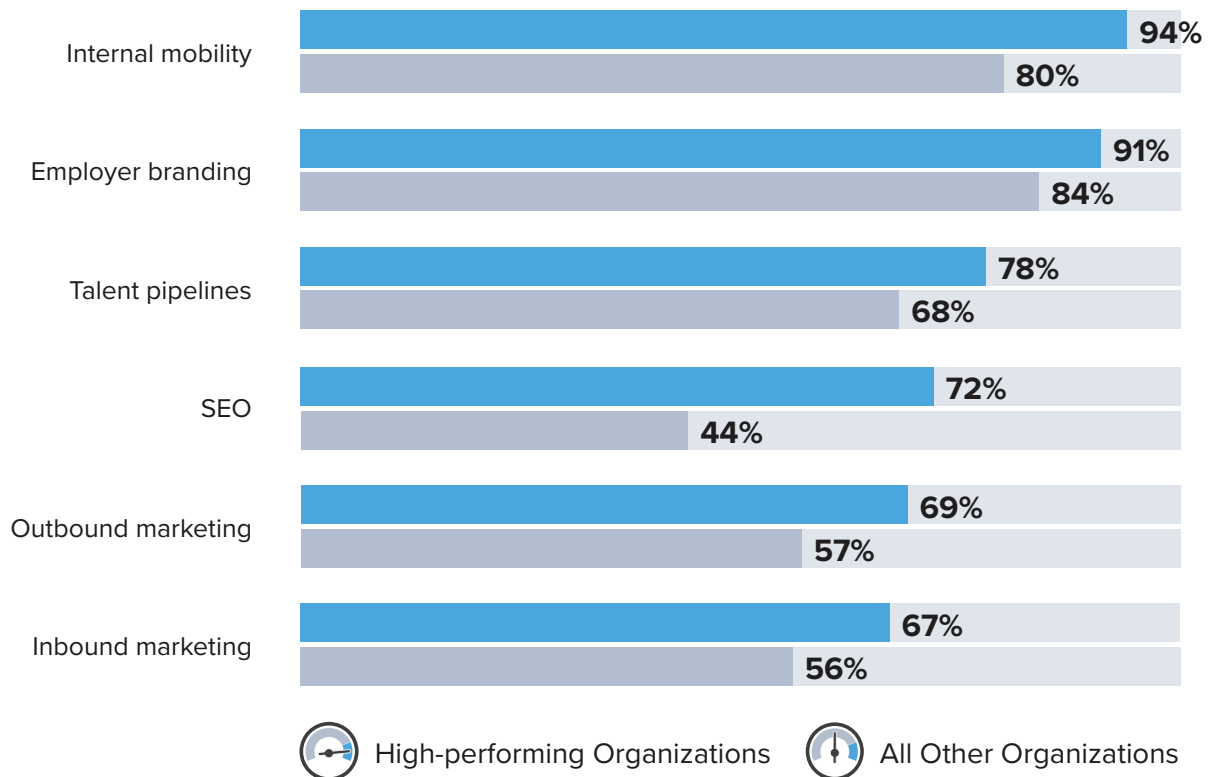|	
Building ready now talent pipelines	19%
Attracting diverse candidates	16%
Measuring effectiveness	15%
Identifying the right talent audiences	14%
Communicating employer brand	10%
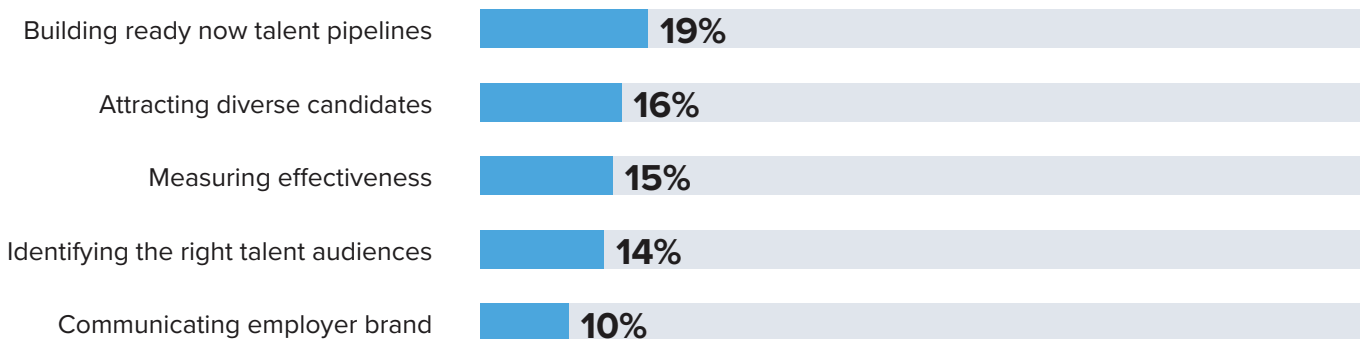
One reason that companies lag behind in recruitment marketing is that they do not have a clear definition of what it actually is and how it benefits the organization.

A CLOSER LOOK: DEFINING RECRUITMENT MARKETING

Recruitment marketing includes every interaction or activity before someone applies for a job. It encompasses the engagement, communication, advertising, and interactions with talent early in the process. Recruitment marketing as a practice includes inbound marketing, outbound marketing, employer branding, and candidate engagement. When combined, these processes help companies connect a brand to the right person at the right time, with the right communication and messaging. This study found that high-performing organizations have more robust recruitment marketing programs that include basic elements—such as inbound marketing, outbound marketing, and employer branding—as well as more advanced elements (internal mobility, talent pipelines, DEI, and SEO).

FIGURE 5   **Activities in recruitment marketing.**

Internal mobility
94%
80%

Employer branding
91%
84%

Talent pipelines
78%
68%

SEO
72%
44%

Outbound marketing
69%
57%

Inbound marketing
67%
56%

High-performing Organizations   All Other Organizations

- **Internal Mobility:** The process of moving talent across the organization into different roles is gaining traction as a critical part of talent acquisition. Companies with recruitment marketing strategies must consider how they attract this talent.

- **Employer Branding:** The employer brand is the reason that someone wants to work for an organization. It encompasses the culture and the employee value proposition. A strong, descriptive brand will help companies attract talent and alleviate some of the challenges that sourcing can create.

- **Talent Pipelines:** Candidates should be engaged through consistent communication and relevant information. Too often, organizations ignore their candidates until a job opportunity exists. Companies will have the most success when they have talent pipelines with hot, cold, and ready now talent.

- **SEO:** Search engine optimization is the process of improving the quality and quantity of website traffic to a website or a web page from search engines.

- **Outbound Marketing:** Outbound marketing is a traditional form of marketing that promotes a company through continued advertising, promotions, public relations, and sales.

- **Inbound Marketing:** Inbound marketing attracts customers by creating valuable content, communication, and experiences tailored to them. It forms connections that candidates are seeking and addresses concerns that they already have.

Similar to a corporate marketing strategy, recruitment marketing should use these activities to:

- ✔ **Influence:** Provide the right information through messaging, segmentation, and communication.
- ✔ **Attract:** Make sure organizations are going after the right audience by understanding the candidate personas, job advertising, and search engine optimization (SEO).
- ✔ **Nurture:** Engage with individuals consistently through information and messaging specific to their interests using vehicles such as campaigns and newsletters.
- ✔ **Convert:** Convert individuals into applicants and candidates at the right time.
- ✔ **Measure:** Evaluate these efforts to determine the engagement of candidates, conversion rates, and the effectiveness of the overall strategy.

Identifying the processes of recruitment marketing can help companies optimize the effectiveness of their strategies and technology investments.

THE RISE OF THE RECRUITMENT MARKETING PROFESSIONALS

Several roles in the talent acquisition function are measuring the success of talent acquisition technology initiatives and helping to drive these relationships with other parts of the organization. A few of these roles include:

Recruiting Operations Professionals

Less than 30% of companies have a dedicated recruiting operations role that can help support integration, implementation, and adoption.

Candidate Experience Manager

The Candidate Experience Manager role is influencing decisions around recruitment marketing solutions and candidate communication tools.

Recruitment Marketing Professionals

Recruitment marketing professionals play a pivotal role in helping companies create, manage, and track all pre-applicant activities. They are responsible for building out strategies to attract talent early, create talent pipelines, strengthen employer branding, and invest in the right technology solutions. Several companies we interviewed for this study stated that these roles play a critical part in talent acquisition technology selection today. This study found that 34% of high-performing companies have a dedicated recruitment marketing role, compared to 22% of all other companies.

FIGURE 6   **Percentage of companies with dedicated recruitment marketing role.**

High-Performing Organizations
All Other Organizations

32%
of organizations

22%

34%
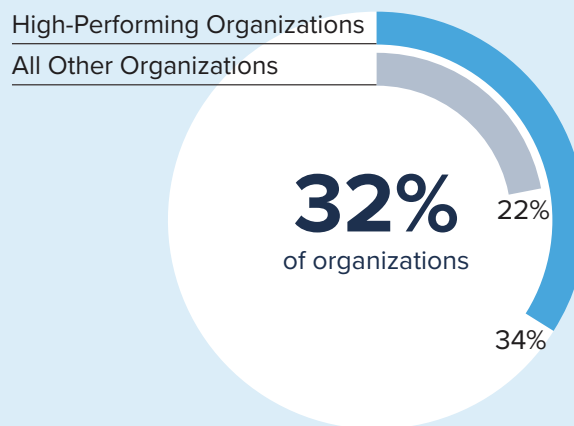
Companies need help attracting talent, engaging talent, and competing for talent early in the recruitment process. Without a strategic approach and a technology platform to support these efforts, companies are left with inconsistency in the experience, data, and capabilities.

KEY STRATEGIES

Recruitment marketing is more than technology investment. It is a commitment to strategic talent acquisition that encompasses people, process, and technology. Companies that have clarity around these aspects of recruitment marketing are better able to gain internal buy-in and achieve results through technology investment.

A few strategies that we identified from this study include:

- ✔ Identifying talent audiences
- ✔ Collaborating with other areas of the business
- ✔ Using data to drive decisions
- ✔ Personalizing communication

Identifying Talent Audiences

Recruitment marketing is most effective when companies consider the talent audiences or personas that they are targeting. Personas are profiles that represent groups of similar people in a target audience. They can help companies determine how to reach people on a more personal level while delivering the right messages, content, and deliverables at the right time.

Marketing departments spend energy and resources trying to understand their buyers. They identify, nurture, and engage buyers in a way that builds a long-term relationship. Most organizations develop buyer personas to understand the behaviors, motivators, challenges, and preferences of buyers.

The type of insight from a buyer persona and target audience can also be used to provide a more personal experience for candidates and give recruiters the insight they need to attract, recruit, and hire top talent. High performing organizations are more likely to segment marketing activities to target talent audiences, but they still have work to do.

FIGURE 7   **Percentage of companies that target talent audiences.**

High-Performing Organizations
All Other Organizations

52%
of organizations

58%   47%
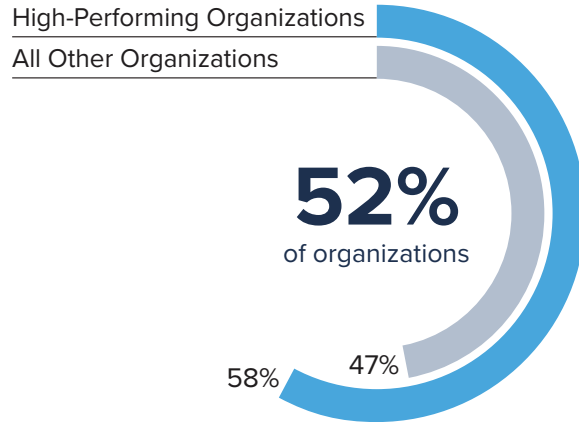
Different audiences require different communication, different engagement, different strategies, and different capabilities. Below are a few examples of the audiences that companies should consider in their recruitment marketing efforts:

Critical Roles

Diversity, Equity, and Inclusion

Employee Referrals

Alumni

High-volume Hires

Internal Hires

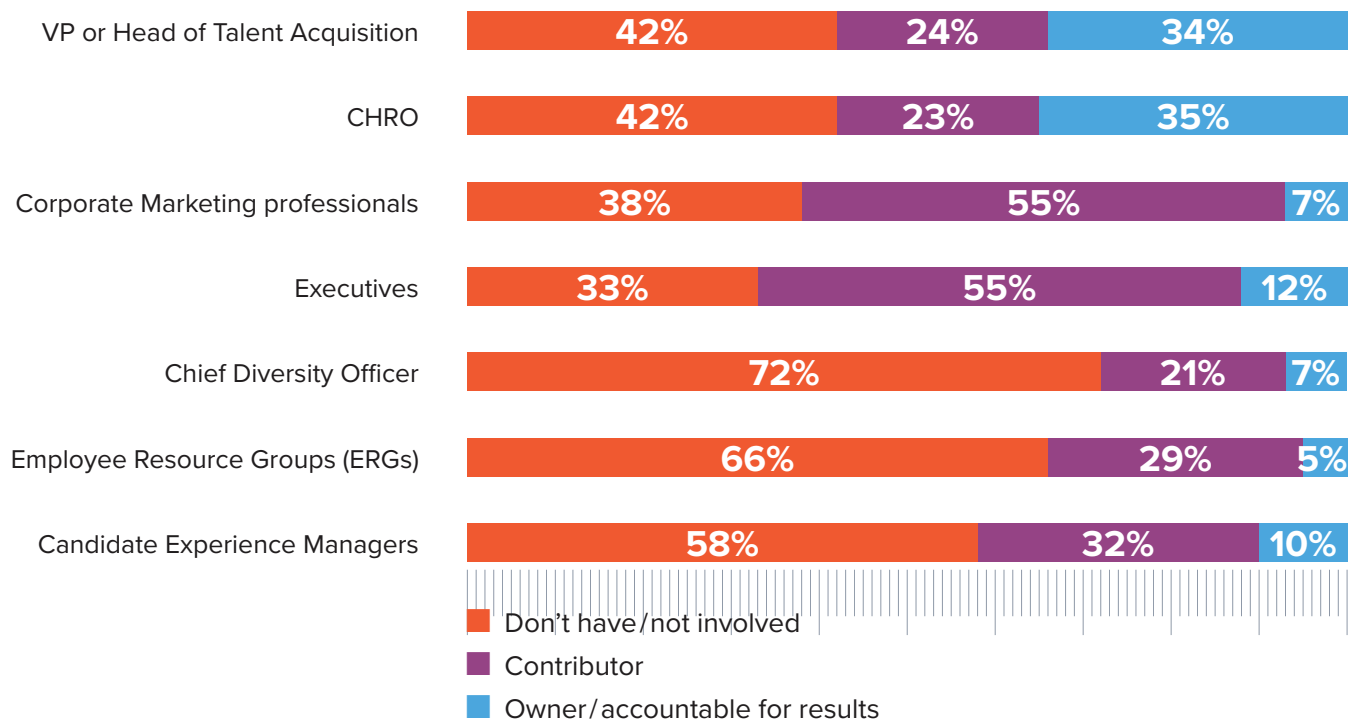Veterans/ Military Hires

Recent Graduates

Contingent Workers

## Collaborating With Other Areas of the Business

Recruitment marketing is a maturing area of talent acquisition. Unfortunately, many companies build isolated strategies that do not align with broader business objectives. Recruitment marketing is not an isolated process. It needs to be integrated with the overall corporate brand, DEI efforts, and employee experience. Today's candidates are sophisticated and have relationships with a brand even before they apply for a position. If content or communication is inconsistent, it may leave a bad impression.

This study found that talent acquisition and HR are the primary owners and contributors to recruitment marketing activities. On a positive note, over half of respondents stated that corporate marketing and executives are contributors to recruitment marketing professionals. Yet, only 29% of companies state that Chief Diversity Officers are contributing to recruitment marketing, and only 34% state that ERGs are contributing. As companies prioritize DEI, employee experience, and reducing bias in the hiring process, involving these stakeholders in recruitment marketing efforts can make an impact.
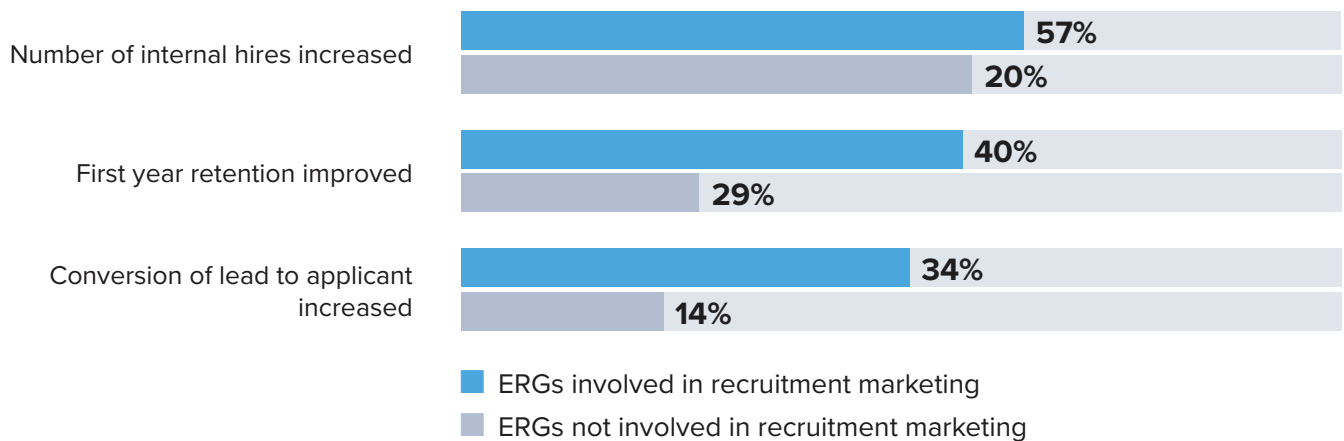
FIGURE 8 | **Involvement of key stakeholders in recruitment marketing.**

Stakeholder	Don't have/not involved	Contributor	Owner/accountable for results
VP or Head of Talent Acquisition	42%	24%	34%
CHRO	42%	23%	35%
Corporate Marketing professionals	38%	55%	7%
Executives	33%	55%	12%
Chief Diversity Officer	72%	21%	7%
Employee Resource Groups (ERGs)	66%	29%	5%
Candidate Experience Managers	58%	32%	10%

- Don't have/not involved
- Contributor
- Owner/accountable for results

FIGURE 9   **Percentage of companies where Chief Diversity Officers have some involvement in recruitment marketing.**

High-Performing Organizations
All Other Organizations

28%
of organizations

26%

53%
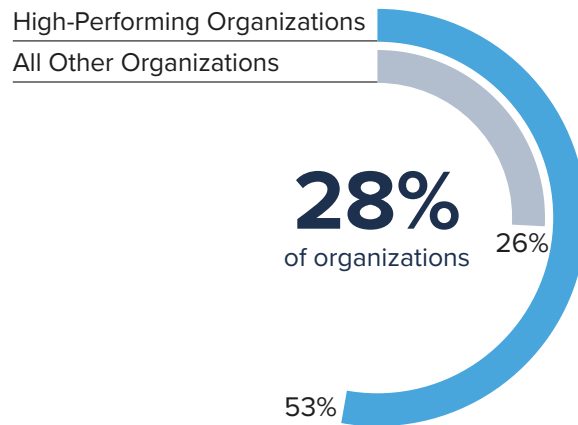
FIGURE 10   **Performance improvements when employee resource groups are involved in recruitment marketing.**

Number of internal hires increased
57%
20%

First year retention improved
40%
29%

Conversion of lead to applicant increased
34%
14%

■ ERGs involved in recruitment marketing
■ ERGs not involved in recruitment marketing

Data to Drive Decisions

Over the past few years, many talent acquisition teams have struggled to manage disparate systems and an influx of data in attracting talent. The primary challenge companies face is not necessarily the quantity of data, but rather the accuracy and consistency of that data. These priorities are paving the way for talent acquisition transformation. According to this study, 80% of high-performing companies use data to drive decisions and action for recruitment marketing, compared to 44% of all other organizations.

FIGURE 11   **Percentage of companies that use data to drive decisions.**

High-Performing Organizations
All Other Organizations

80%

56%
of companies

44%
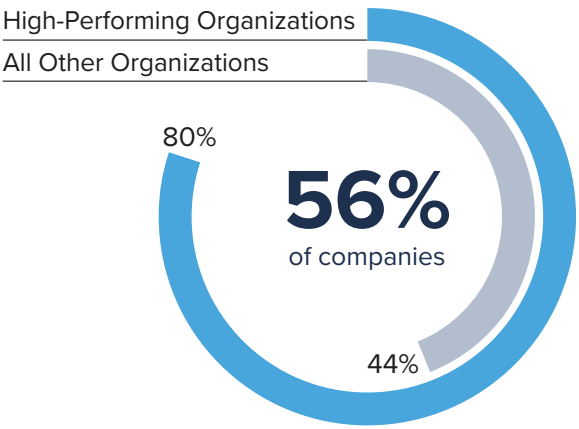
A new framework for talent analytics that looks at the insights needed to drive change is required (Figure 12). Organizations must start with their goals and objectives, identify critical metrics, develop insights on those metrics and prioritize action items to move forward.

FIGURE 12   **Talent Analytics framework.**

Goals What are the objectives and how do they align with business objectives?	**Metrics** What are the KPIs that align with business objectives?	**Insights** What is the meaning behind the data?	**Actions** What actions can you take to drive improvements and business outcomes?
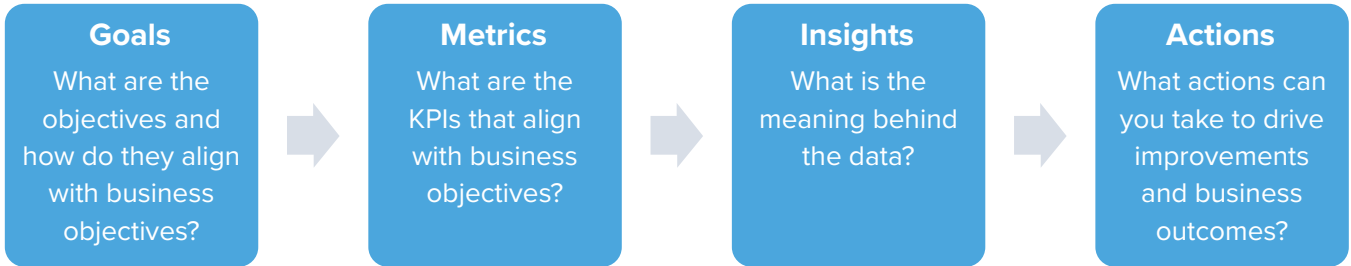
Goals: Goals for recruitment marketing may include building stronger talent pipelines for the future, attracting more diverse candidates, or targeting the right talent.

Metrics: Metrics for recruitment marketing include *efficiency* metrics (time to fill, recruiter productivity, conversion rates), *effectiveness* metrics (quality of applicant, quality of hire, first year retention), and *experience* metrics (candidate experience, diversity of sources and hires, and candidate engagement). This study found that the most common metrics used to measure recruitment marketing include time to fill, quality of applicant, conversion rates, open job views, and candidate engagement.

FIGURE 13   **Most common recruitment marketing metrics.**

Time to Fill	Quality of Applicant	Conversion Rates	Open Job Views	Candidate Engagement
24%	**16%**	**12%**	**12%**	**9%**
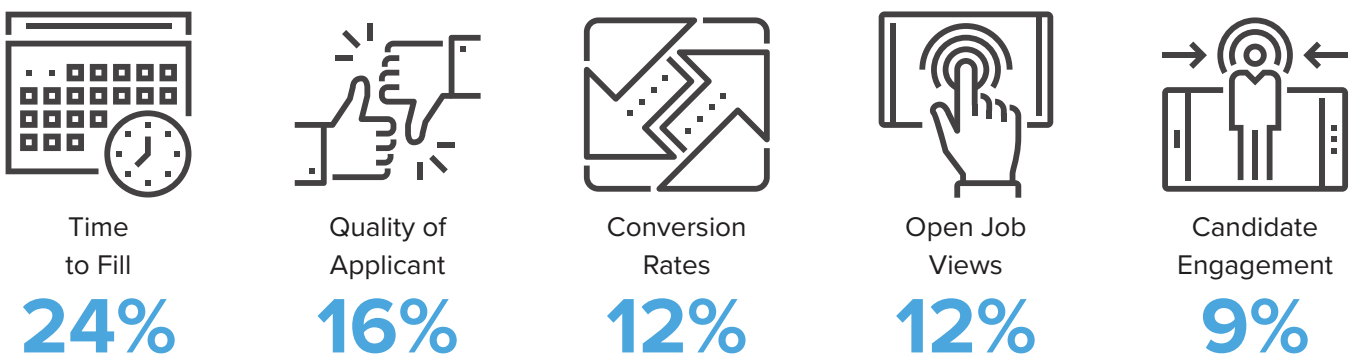
Insights: Recruitment marketing is an organization-wide endeavor where data and analytics should play a key role. Companies must use analytics and insights to identify any gaps, prioritize areas for action and enable ongoing measurement of progress.

Action: Companies must use these insights to determine what actions to take to people, process, and technology.
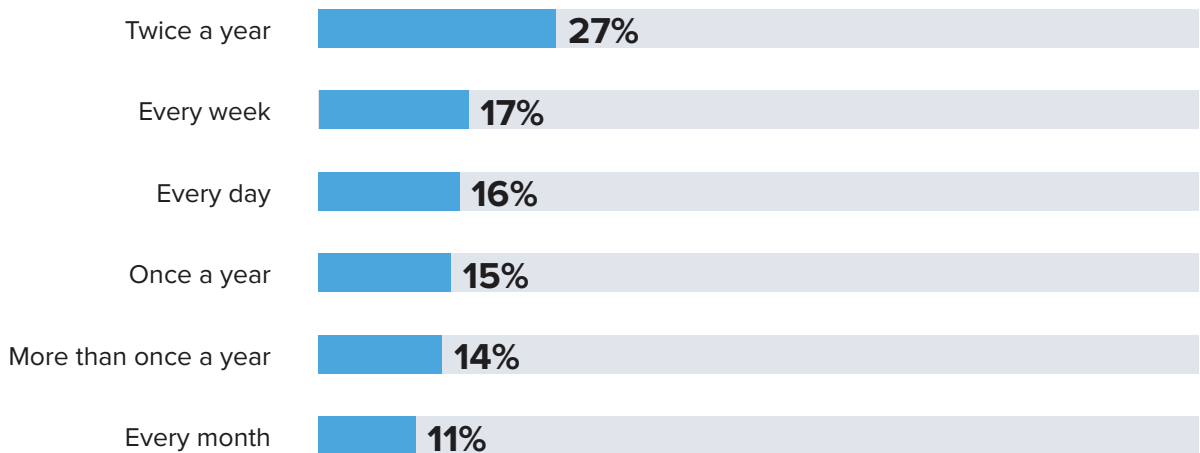
Personalized Communication

Companies need to be genuine with their messaging and communication. Employers should target key audiences and use social media to be transparent rather than promotional. Personalized messaging can help companies build stronger relationships with talent and help candidates feel more engaged through the process. For companies to create personalized communication, they must understand their talent audiences, segment communication to those audiences, and provide some consistency.

Unfortunately, the majority of companies (56%) only engage with candidates a few times a year or longer. These companies ask candidates to join a talent community and then, miss the opportunity to send information about future jobs or information about the company (Figure 14). High-performing companies are two times more likely to send out information to candidates at least every week.

FIGURE 14   **Communication with candidates.**

Twice a year	27%
Every week	17%
Every day	16%
Once a year	15%
More than once a year	14%
Every month	11%

Automation can play a critical role in helping to personalize communication and provide more connections and consistency to candidates. The next section of this report will focus on the role of technology.

TECHNOLOGY

Once companies can clarify the audiences and processes involved in a recruitment marketing strategy, they can better understand the role of technology.

Overall, recruitment marketing technology improves the front-end of the recruiting process and tackles most of what the ATS could never do. It accomplishes this by offering companies a single pre-applicant platform instead of multiple disparate solutions.
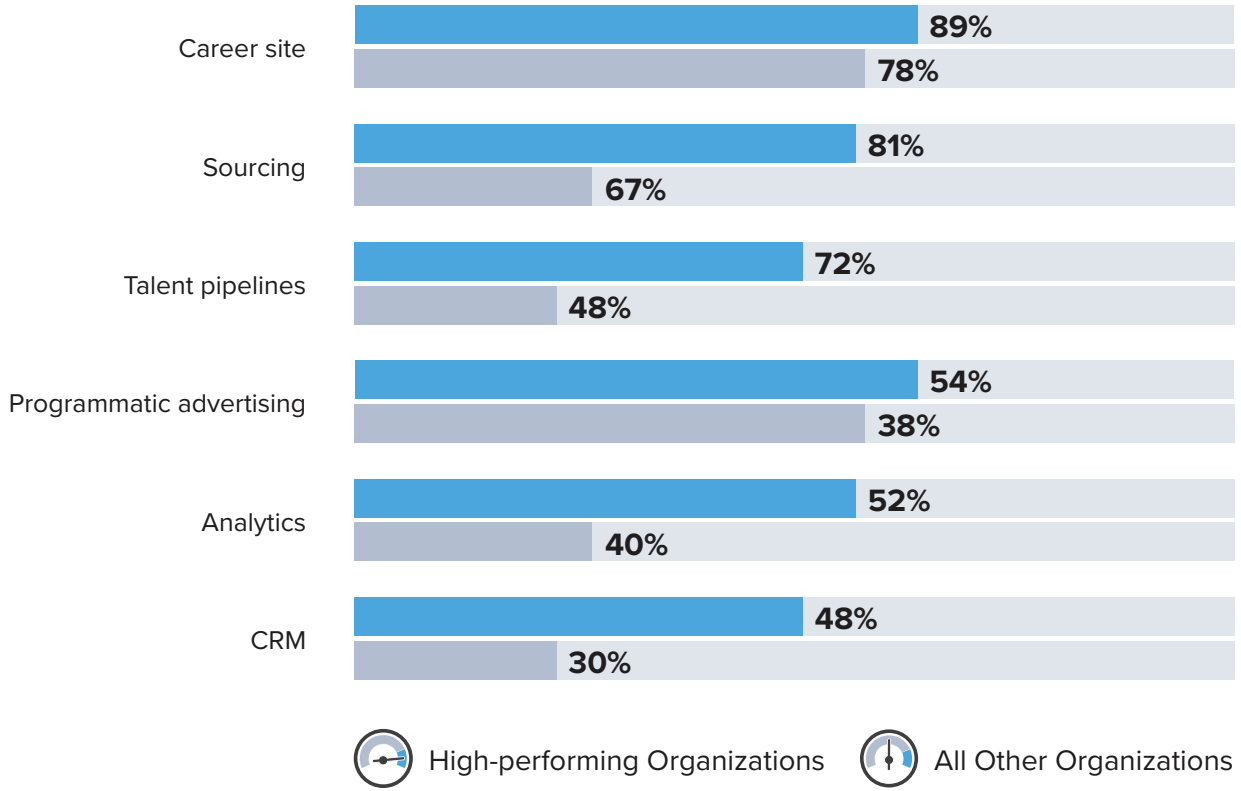
A recruitment marketing platform can handle all aspects of recruitment marketing, giving organizations the advantage of having greater insights, a more consistent experience, the ability to track conversion rates throughout the process, and improved efficiency. As recruiters look to do more with less, a single platform helps them better manage talent attraction.

FIGURE 15 **Moving to a recruitment marketing platform.**

Ad Agencies   CRM
Social Sourcing
Disparate Solutions
Employee Referrals
Career Sites
Job Distribution

Recruitment Marketing Platform

Old Model   **New Model**

Recruitment marketing technology includes core capabilities ("must-haves") and advanced capabilities that may or may not be core to the platform ("nice-to-haves"). The most critical capabilities in these systems include career sites, CRM, analytics, apply, job distribution, talent networks, candidate communication, events management, internal mobility, automated scheduling, and employee referrals. High-performing organizations are more likely to invest in technology to support these different areas (Figure 16).

FIGURE 16   **Recruitment marketing technology investment.**

Career site	89% / 78%
Sourcing	81% / 67%
Talent pipelines	72% / 48%
Programmatic advertising	54% / 38%
Analytics	52% / 40%
CRM	48% / 30%

High-performing Organizations   All Other Organizations

The following framework shows the core and advanced capabilities in recruitment marketing today.
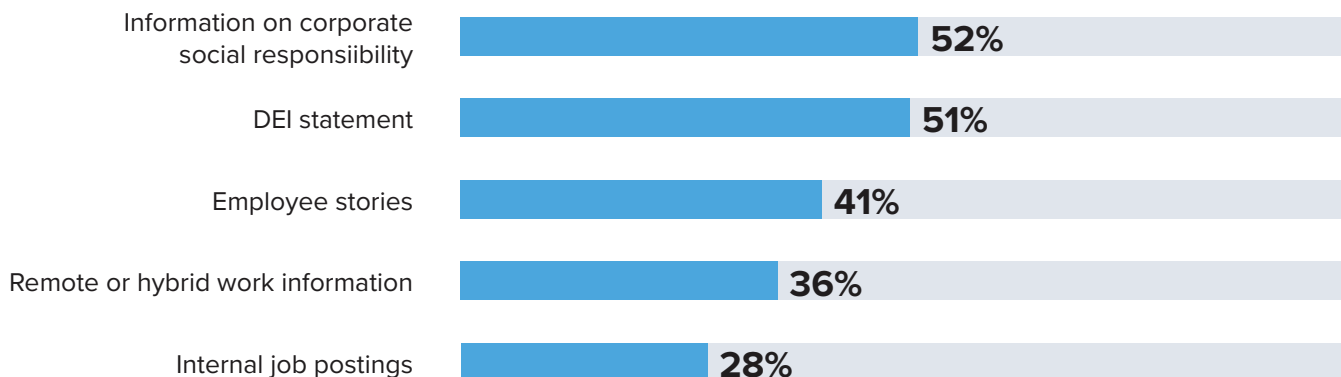
FIGURE 17   **Recruitment marketing framework.**

CORE

Career Sites	Job Distribution	Events Management	Analytics	CRM	Apply

Internal Mobility	Candidate Communication	Talent Networks	Employee Referrals	Automated Scheduling

AI/AUTOMATION

ADVANCED

Sourcing	Programmatic Advertising	Diversity and Inclusion	Conversational AI	Content Management	Internal Mobility
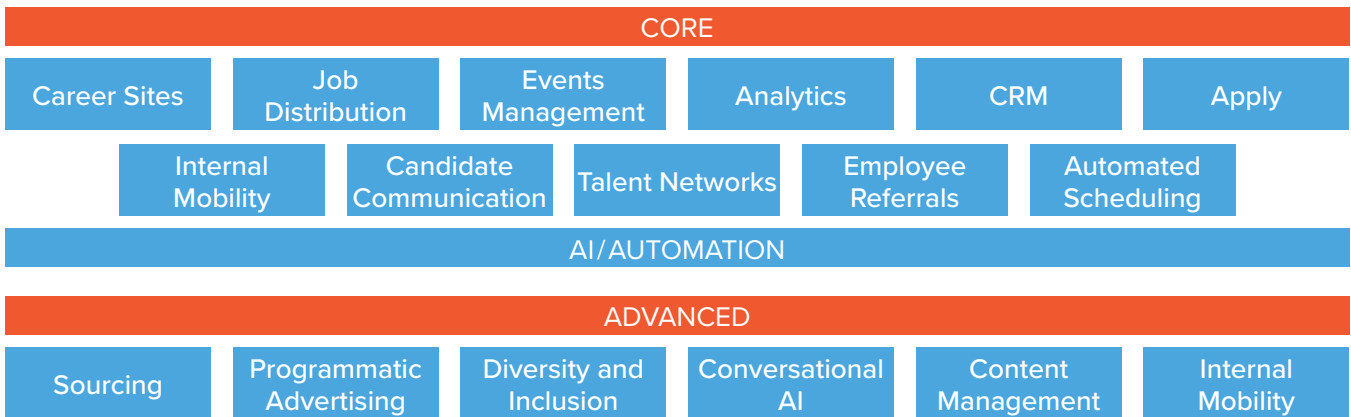
Core Capabilities

✔ **Career Sites:** Sites and microsites that are targeted to attract talent with content and information.

✔ **Events Management:** Capabilities to help create, manage, and track different events.

✔ **Job Distribution:** The process of distributing job posts to multiple sites.

✔ **Candidate Relationship Management (CRM):** A system to track, manage, and measure candidate communication.

✔ **Analytics:** Dashboards to provide insight into the effectiveness of recruitment marketing efforts.

✔ **Internal Mobility:** Capabilities to attract and engage talent internally for jobs and future opportunities.

✔ **Candidate Communication:** Capabilities to improve candidate reach through various types of communication, including messaging, text, and chatbots.

✔ **Talent Networks:** Capabilities to group candidates to anticipate future hiring needs.

✔ **Apply:** Capabilities to support a company's apply process, including mobile apply.

✔ **Automated Scheduling:** Capabilities to automatically schedule calls and interviews with candidates and hiring managers.

✔ **Employee Referral:** Capabilities to communicate, manage, and track the employee referral process to make it easier for employees and stakeholders to refer talent to the company.

Advanced Capabilities

✔ **Content Management:** Tools to support the collection, management, and publication of content to a career site.

✔ **Sourcing:** Solutions to source both active and passive talent.

✔ **Diversity and Inclusion:** Capabilities to help users be more aware of bias with data-driven hiring and greater decision making to ensure a more diverse and inclusive talent pool and workforce.

✔ **Conversational AI:** Solutions that use omnichannel communication to engage with candidates in a more meaningful way through text, messaging platforms, and voice.

✔ **Programmatic Advertising:** The automated buying and selling of advertising online.

✔ **Internal Mobility:** Capabilities to engage with internal talent and provide targeted messaging.

To attract talent, companies need dynamic career sites that provide information on the company, highlight the employee experience, and offer an easy apply process. Most ATS providers and recruitment marketing providers are offering career site capabilities today. The information and content included on career sites varies based on the company and employer brand. This study found that over half of companies include information on corporate social responsibility and a DEI statement on their career sties. Only 28% of companies include internal mobility or internal job posting information despite the increased focus on internal talent.

FIGURE 18   **Content on career sites.**

Information on corporate social responsiibility	52%
DEI statement	51%
Employee stories	41%
Remote or hybrid work information	36%
Internal job postings	28%

CONCLUSION

Companies building a business case for recruitment marketing need to understand the key trends and benefits of investing in a more strategic approach to attracting talent.

The foundation of this strategic approach is a strong understanding of the business objectives within your organization, and alignment between the employer brand and the consumer brand. For talent acquisition to be effective, recruitment needs to begin long before a candidate applies for a job. It needs to begin before that individual even knows they want a new job.

ORANGEBOX
DIGITAL TOOLKIT BY HCI

Metrics for Improving Recruitment Marketing

Building relationships with talent earlier

✔ Number of leads that opt in to your talent network (by skill, location, etc.)

✔ Growth of talent pipelines over time

✔ Conversion rate of sources to leads, applicants, and hires

✔ Cost per lead, applicant, and hire

✔ Cost per hire from talent network versus external source

Improving the content on the company career site

✔ Trends in the number of career site unique visitors and sessions

✔ SEO ranking and popular keyword for career site on Google

✔ Number of social shares within job description

✔ Views of military/veteran, diversity/campus/student/intern content

✔ Views of job family specific content

✔ Views of employee stories

Improving the candidate experience

✔ Tracking of all employer brand touchpoints in candidate journey for all candidate contacts

✔ Conversion rate of career site visitors to leads

✔ Opens, clicks, and conversions from personalized email nurture campaigns

Improving the conversion rates of leads

✔ Opens/clicks/views of marketing campaigns

✔ Leads that opt in to your talent network

✔ Leads that apply for a position

✔ Applicants that drop off but then are re-engaged to complete application

✔ Applicants that are hired

Improving the time to fill a position

✔ Time to find

✔ Time to acquire a lead

✔ Time to apply

✔ Time to interview

✔ Time to offer

✔ Time to hire

Improving the quality of hires

✔ Hiring manager satisfaction

✔ Positive candidate experience survey results

✔ Improvement in Glassdoor Rating

✔ First year retention

✔ First year performance

Improving operational efficiency

✔ Time saved from automation of workflows

✔ Cost savings by elimination of manual data analysis with spreadsheets detailing real time analytics

HCI

ABOUT THE RESEARCH

In August 2021, a survey link was distributed via to opt-in members of HCI's Survey Panel and electronic mailings. We filtered those who are not involved with recruitment marketing at their organization, duplicate entries, and careless or partial survey responses out of the dataset for a final total sample of 451 respondents. The results of this questionnaire and secondary sources form the basis of this research. Seventy-one percent are headquartered in North America. Only categories describing at least 5% of the survey sample are displayed below.

Survey Respondent Demographics

What is your functional area?	
Human Resources	49%
Recruiting, Sourcing, Talent Acquisition	20%
Talent Management and Organizational Development	10%

What is your current level of responsibility?	
I manage my work and contribute to teams and projects.	25%
I manage my work and lead a team of people.	23%
I lead and am responsible for other people managers below me.	8%
I am responsible for a business unit or function.	28%
I am responsible for an entire organization.	16%

How many employees work at your organization?		
Small	Under 100	18%
	> 100 and ≤ 500	28%
Medium	> 500 and ≤ 1,000	13%
	> 1,000 and ≤ 5,000	23%
Large	> 5,000 and ≤ 10,000	5%
	> 10,000 and ≤ 50,000	10%
	> 100,000	4%

What is your industry?	
Manufacturing	16%
Information	5%
Finance and Insurance	10%
Professional, Scientific, and Technical Services	12%
Educational Services	6%
Healthcare and Social Assistance	11%

Definition of High-Performing Organizations

HCI researchers developed an index of seven talent outcomes (candidate experience, internal mobility, employee engagement, diversity and inclusion, quality of hire, conversion rates, and hiring manager satisfaction) and seven critical business dimensions (customer satisfaction, regulatory compliance, talent attraction, innovation, profitability, shareholder value, and productivity) for evaluating the relative strength and weakness of respondents' organizations. These inventories are composed of items with five-point rating scales. Scores from these items are aggregated to create a composite score that reflects the overall strength of each organization in terms of its performance. Those scoring 52 or greater on this inventory are considered high-performing organizations (HPO) and consisted of 33% of the total. HPO status had no relationship with the number of employees within an organization nor the respondents' seniority.

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BOUNTYJOBS

SOURCING HACKS SERIES:
A RECRUITER'S SURVIVAL GUIDE

WHAT EMPLOYERS NEED TO KNOW NOW

Hiring Managers. Employers. Recruiters.

With all of what's going on in the world right now, can we agree on this one thing?

HIRING IS HARD RIGHT NOW AND WE ARE ALL JUST TRYING TO FIGURE IT OUT.

The year 2020 was tough on everyone. As we nosedive into what happened with talent acquisition, it was crazy hard on workers in just about every industry...including those that are usually tasked to find those workers their next opportunity – recruiters. The impact of the pandemic devastated some talent acquisition teams, and many still have not recovered.

The very nature of a recruiter's role changed almost overnight.

Virtual recruiting and onboarding, managing remote work roles and other new qualifications were just some of the challenges facing recruiters – for those recruiters that could even find work for themselves.

We all have the same end goal – attracting, hiring, and retaining quality candidates best-suited for each role and company culture.

What do those involved in hiring need to know right now? What are hiring resources (recruiters!) dealing with?

We had actual conversations with actual recruiters who are actively recruiting in this crazy talent market TODAY. See what they had to say.

HOW CANDIDATES FEEL
NOW

Recruiters Say…

"Especially coming out of COVID, candidates are more cautious about moving and any relocation. However, this is now improving, and activity has picked up."

Top Shelf Experience

The candidates you're hunting for expect a top-notch recruiting experience. They're typically off the market in 10 days, after all.

Transparency is the name of the game. Candidates want to know why employers are hiring for a new role and where the company is going.

Working remotely tops the list of requirements for many candidates. Employers need to reassure candidates that a position is permanently remote…not just until the pandemic lifts. Such clarity instills confidence in candidates during the recruiting process that the employer is trustworthy.

It pays off – trusted organizations are 2.5 times more likely to function as a high-performance organization with revenue growth than lower performing organizations.

Safety and Culture

Workplace safety, culture, and flexibility are also top of mind with today's candidates. Especially if the candidate needs to work onsite, these concerns need to be considered and discussed from the candidate's point of view.

Employers should go above and beyond simply being compliant in these areas and really show that they take these aspects seriously.

LEVERAGING A
CHANGING MARKET:
Act Quickly

Ever heard the phrase, 'time is of the essence'? Sear it into your brain. We heard repeatedly this running theme – if you don't act quickly on reviewing and selecting candidates, you might as well put a big L on your forehead. Okay, the recruiters didn't explicitly say that, but they might as well have.

Many employers are having a tough time finding quality candidates that directly correlate to the open role in question. Applicants? Yep, got those. Candidates that are just the right fit? Those are few and far between. Unfortunately, too many employers sit on those submitted candidates. By the time they decide to move forward…. another company has already snapped them up.

Early bird gets the worm and all that.

Recruiters Say…

"Right now, the hiring market is moving fast. Using emails, text messages, or phone calls, it's literally minutes between when a good candidate is available and when a swarm of recruiters descend on them. Candidates have a limited shelf life of availability."
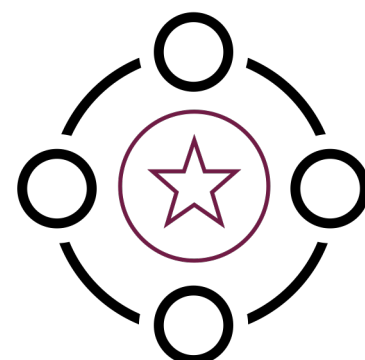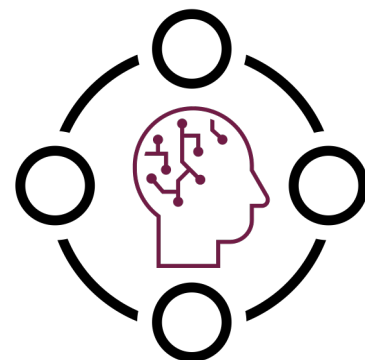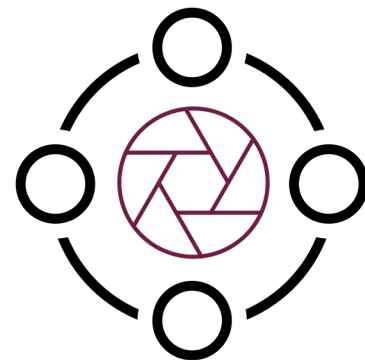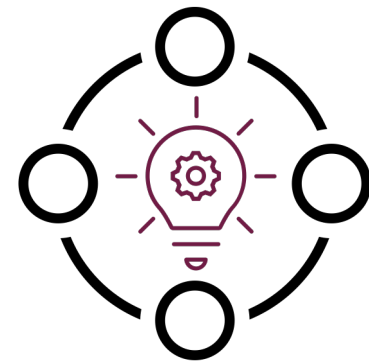
LEVERAGING A
CHANGING MARKET:
Act Quickly

Recruiters Say...

"As soon as a candidate is submitted, the clock starts. Once submitted, it's critical that the candidate is reviewed, and employers respond in a timely manner...which is 48-72 hours. Sometimes I'll have exceptional candidates sit for weeks. Typically, by the time the employer gets around to them, they are no longer available."

"Even if a candidate is reviewed quickly, sometimes it takes a while to receive feedback on interest of the candidate. In the meantime, the candidate feels frustrated, causing a negative experience."

"If employers don't move quickly on good candidates, another company will, causing them to lose out."

"Responsive employers have the highest rate of successful hires, and in turn, the dedication of recruiters who will want to work with them."

"Remote work opportunities have put additional pressure on the regular timeline crunch to make decisions with interviews and offers. Clients must realize that they aren't the only game in town and if they want top notch candidates, they don't necessarily have to pay them more, but move quicker through the decision process and focus on their core competencies of attracting the right candidates."

"If there is a strong relationship between the recruiter and the client, then the process will go much smoother. The recruiter will have solidified the opportunity with the candidate and represented the client to the best of their ability. It's up to the client to ensure that they move through the process swiftly as to not be disappointed in losing qualified talent."

SOURCING QUALITY CANDIDATES:
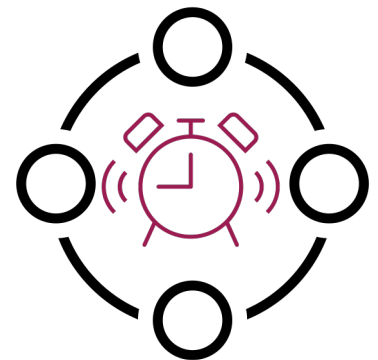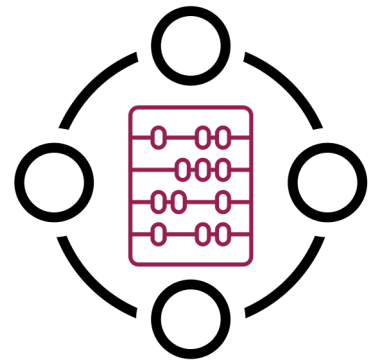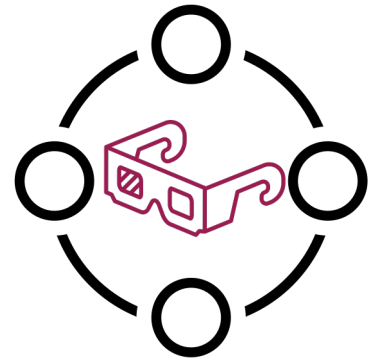
Patience and Persistence

As we've heard from recruiters, what employers must understand is that it's tougher than ever to find these candidates and have them be open to applying for a new role. The unemployment rate is dropping while the volume of new roles posted is increasing...further strengthening the reality that...EVERYONE IS HIRING AND WANTS THE CANDIDATES YOU WANT.

Those passive candidates that used to be prime options to lure to your open roles? Their current employers are latching onto them...tight. They're working incredibly hard to retain their top talent...making the job of a recruiter that much more challenging.

Don't take our word for it, here's some snippets from recruiters we spoke with:

Recruiters Say...

"To hire a qualified candidate that's also a good fit for the company takes more time than the employer feels is reasonable. Employers want a job filled quickly, but then when the process is rushed, they wonder why the new hire doesn't work out well."

SOURCING QUALITY
CANDIDATES
Patience and Persistence

Recruiters Say…

"Employers don't realize the changes that have occurred in the recruitment arena. Younger candidates want different experiences from those candidates who entered the workforce a decade or two ago."

"Employers need to offer something unique to the workforce, especially for strategic, high-end roles."

"We're dealing with lots of phantom jobs. They're open and needed, but then they don't always get approved at the final step. That is, after we've spent countless hours, days, weeks, and sometimes months finding the ideal candidate; and we don't get paid for all that time. This makes it challenging to keep our Recruiters and Sourcers wanting to support that specific client again."

"Everyone wants to work remote now or have more flexibility to do so. Companies need to provide at least a convincing standard-operating-procedure (SOP) for COVID readiness if they want to compete within this new war for talent."

# RECRUITER SUPPORT FOR THE
BEST OUTCOME:
Partner Up

It takes two to tango. All involved in the talent acquisition process need to be openly communicating and in lockstep of how the process is going to go.

Recruiters Say…

"Hire more employees to support recruitment efforts."

"Empower your recruiters to offer better, more flexible incentives and spend more time retraining for retention."

Get the right resources – "I'm an HR Manager who has been pulled in to assist the recruitment efforts because the company won't hire more people in the talent acquisition department."
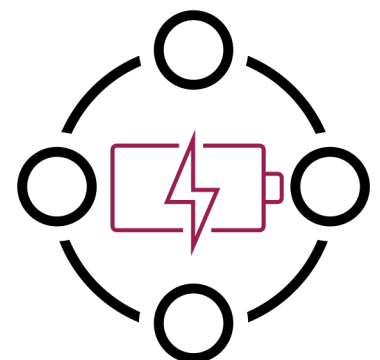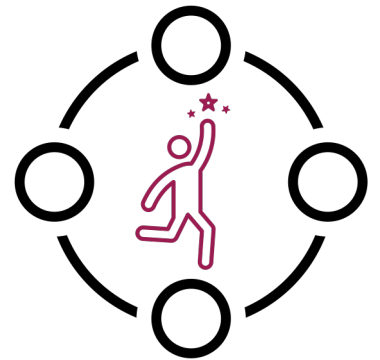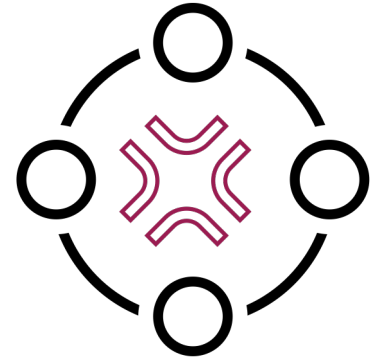
CONSIDER ADDITIONAL
HIRING PROCESSES:
BRANCH OUT

If your recruiter is suggesting you explore an alternative or additional hiring process, such as contingent, it's wise to listen.

According to a LinkedIn survey, 70% of respondents stated that a "hiring process that combines virtual and in-person processes will become increasingly standard due to the associated cost and time savings". As well, hiring from within is up 20% since the onset of COVID-19. Half of respondents are looking at a decreased recruiting budget this year. On the flipside, 66% are expecting their learning and development budget to increase or at least stay the same. This data speaks to the trend of employers leveraging internal mobility programs that correlate with reskilling initiatives or taking on contingent talent rather than hiring externally. Another thought is that employers will focus on more project-based, cross-functional work that will support changing business objectives, rather than static roles/jobs.

While building up talent via internal mobility is certainly a great option for the long-term, many in recruiting suggest that external hiring or contingent staffing during this uncertain economy may work best in the short-term while everyone finds their footing. Contingent allows the employer to have flexibility in allowing them to increase or decrease headcount as needed...and quickly.

Check out our guide, "Contingent Workforce: A Top Recruiting Solution for Employers in 2021"
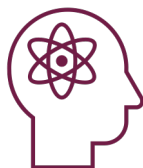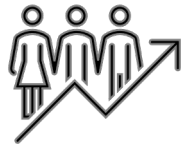
RECRUITERS ARE TAKING ACTION

Right when the pandemic started and it was clear it was going to have a lasting impact, many recruiters dove into learning and development. From virtual interviewing to advisory training to virtual onboarding and consulting candidates on how best to work remotely, recruiters recognized the need to immerse themselves in how best to manage this 'new normal'. Employers looked toward their recruiting resources to guide them through these unprecedented times...the labor market was changing, and no one fully understood how. Recruiters found themselves in a position of teaching employers and fellow recruiters on how to manage this new landscape... learning as they went. As fast as they got information and learned from it, they were disseminating it to others.

A few tips for employers as heard from our conversations with recruiters as well as our own research:

- Embrace digital tools that support hiring technology – this is now the standard for talent acquisition. In a report from Monster, 70% of U.S. recruiters use virtual technology for at least half of their discussions, but it's also listed as the third hardest challenge for companies with 28% of respondents saying virtual recruiting will continue to be a struggle this year. Most recruiters prefer in-person interviews to best gauge if a candidate is the right fit – it's challenging to weigh if the candidate can work well remotely.

- Update required skills with today's expectations – in addition to hard skills and requirements, candidates that are adaptable, embrace technology, value communication, and demonstrate flexibility should be seen as top tier.

- Encourage recruiters to really connect with the candidates, making a more personalized process. By adopting automated processes, a recruiter's time can be freed up to forge important relationships with candidates, differentiating your company from your competitors.

RECRUITERS ARE TAKING ACTION:
Mismatched Priorities

Per Monster's Future of Work Report, 82% of U.S. employers plan on hiring new employees this year. Employers, regardless of industry, list the following qualities as top of their list when considering new employees – dependable, collaborative, problem-solving, flexible.

In contrast, a separate survey from Monster found that workers had the following expectations of employers – flexible work schedules, salary protection, health policies and protocols, training staff on the new ways of working, shifting to a more remote work environment.   Recruiters have the challenging job of marrying the two perspectives to come to a solid agreement that results in a strong relationship of new employee with employer.

We'll wrap up with possibly the most telling quote we heard from a recruiter: "I feel beat up."

This is a more than challenging time for everyone. If we can all remember that everyone involved in the talent acquisition process has the same end goal – we'll repeat it for those in the cheap seats; attracting, hiring, and retaining quality candidates best-suited for each role and company culture – then we'll all be better for it. Let's work together to take the talent acquisition industry into the future stronger than ever, using our combined forces for good.

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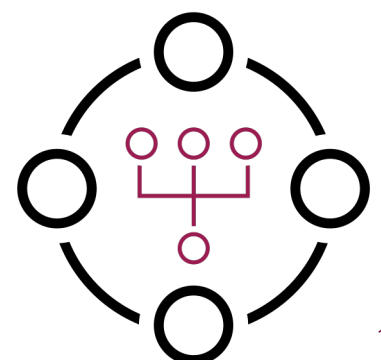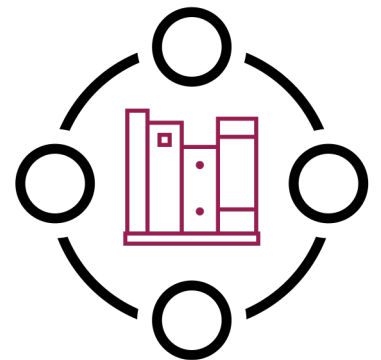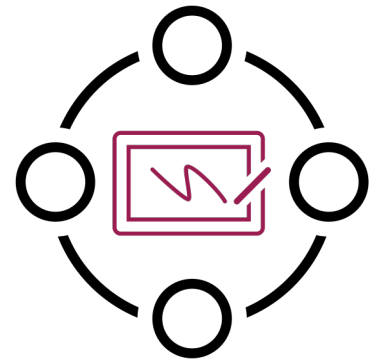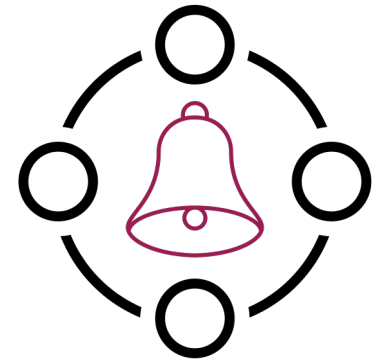
THE FUTURE OF
CONTINGENT WORKFORCE MANAGEMENT

Authored by: **Madeline Laurano**

aptitude research

This report was sponsored by

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THE FUTURE OF
CONTINGENT WORKFORCE MANAGEMENT

Every business is examining its workforce. Economic conditions and the global pandemic have placed attention and reliance on the idea of a flexible workforce that can meet the fluctuating demands of a modern organization. With changes in hiring activities, the shift to remote work, and changing business priorities, the demand for a more flexible workforce has never been greater. According to our research, 80% of companies are leveraging contingent workers, and 1 in 3 companies plan to increase their investment in 2021. A contingent workforce helps companies fill critical talent gaps, reduce costs, and increase overall productivity. In a year when agility and resilience are becoming table stakes for businesses, alternative work arrangements are essential to the future of the workplace.

Yet, despite the increased investment in contingent labor, companies still face many of the same challenges. Most companies lack visibility into the use, spend, and performance of this critical workforce segment. Additionally, cost control and fee models are a concern as companies question their staffing agencies and technology partners that lack the expertise in-house. The approach to contingent workers has been reactionary, with companies responding to immediate needs and ignoring long-term implications. The question, "Are we doing this right?" is becoming even more difficult to answer.

> **Contingent Workforce (Non-Employee Workforce) Definition:**
> The contingent workforce umbrella is expanding beyond temporary workers. Contingent workforce management today includes on-call workers, independent contractors, SOW-based projects, and freelancers.

Contingent workforce management is ripe for transformation. Companies must examine what is broken to develop deeper insights and a more effective framework. They must reconsider the ownership, fee models, and partnerships that they have in place. Based on data collected by Aptitude Research and ERE Media in November and December 2020, this report will explore the current state and the future of contingent workforce management.

This report answers the following questions:

- **What are the key drivers for investing in contingent workers?**

- **What are the challenges that companies face today?**

- **What are the different stages of maturity for improving contingent workforce management?**

- **What role do ownership, cost, and technology play in the contingency workforce management maturity model?**

- **What actions can companies take to become more strategic in the next year?**

Aptitude Research Methodology

Aptitude Research conducted the research cited in this report in November and December 2020

Quantitative Research: 274 Global Responses from Talent Acquisition Leaders across all industries and from companies with 1,000+ employees

Qualitative Research: A series of interviews with companies to understand their strategies for automation
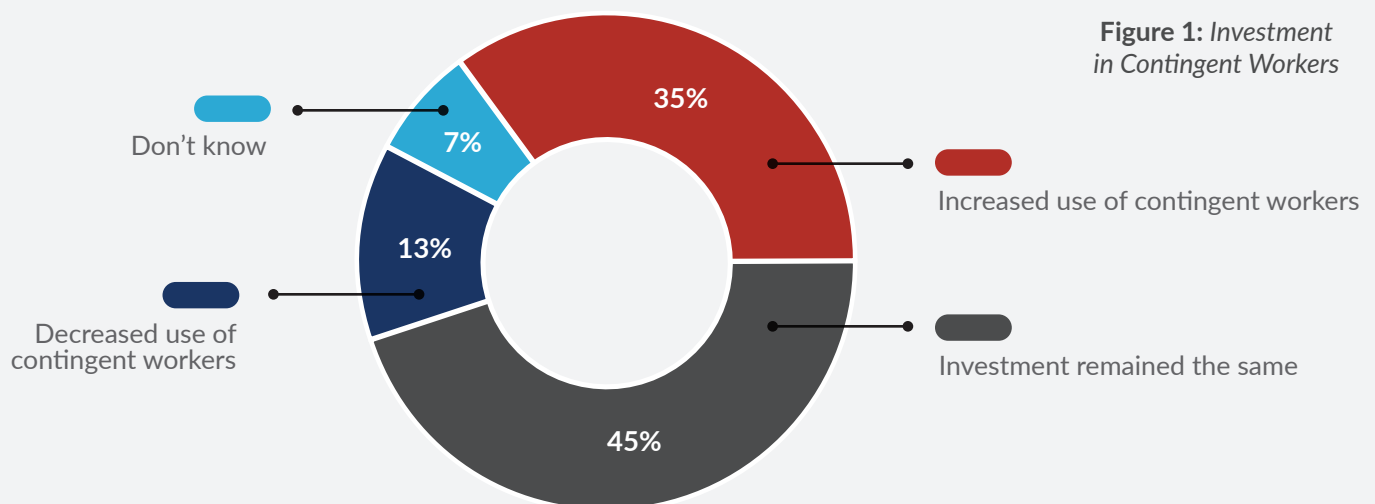
CURRENT STATE:
## INCREASED INVESTMENT AND GREATER COMPLEXITY

Traditional employment has changed significantly over the past year thanks to changing business needs and a new focus on workforce flexibility. Both employers and employees want flexible options during a time of uncertainty, and a contingent workforce enables organizations to be agile and adapt quickly. The contingent workforce umbrella expands beyond temporary workers to include on-call workers, independent contractors, scope-of-work (SOW)-based projects, and freelancers. This study found that 80% of companies plan to continue or increase their use of contingent workers in 2021, compared to 62% of companies that plan to continue hiring permanent employees (see Figure 1).

As companies look to adopt a more flexible workforce, they need to better understand what drives this investment and what challenges they may face.

Figure 1: *Investment in Contingent Workers*

Don't know — 7%

Decreased use of contingent workers — 13%

Increased use of contingent workers — 35%

Investment remained the same — 45%

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KEY DRIVERS

Companies respond to a massive shift in talent acquisition, and the way companies think about, and leverage talent needs to change. This shift – and the focus on rapid scalability – has intensified the need for a new model.
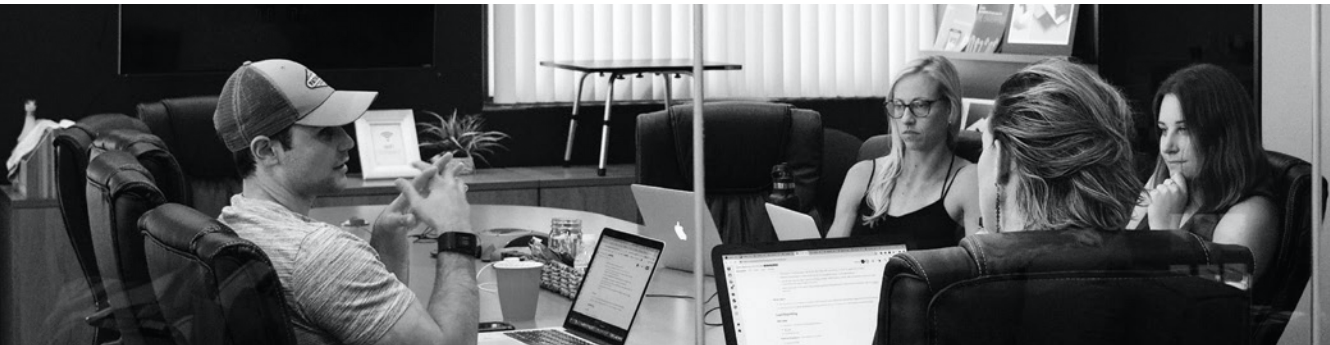
The shift to a contingent workforce is not a recent trend. Companies have steadily increased the ratio of contingent workers over the past decade. Still, the pandemic has accelerated the urgency and forced companies to think more strategically about their workforce composition. This study found several key drivers for investing in contingent workers, including the need to fill talent gaps, create more flexibility, increase productivity, reduce costs, and increase diversity efforts. These key drivers also reflect the need for rapid scalability. Today's environment means that companies must be able to move quickly and scale at a different pace. **Contingent workers enable companies to scale in a short period of time by filling the talent gaps, improving productivity and performance.**

Figure 2: *Key Drivers for Investing in Contingent Workers*

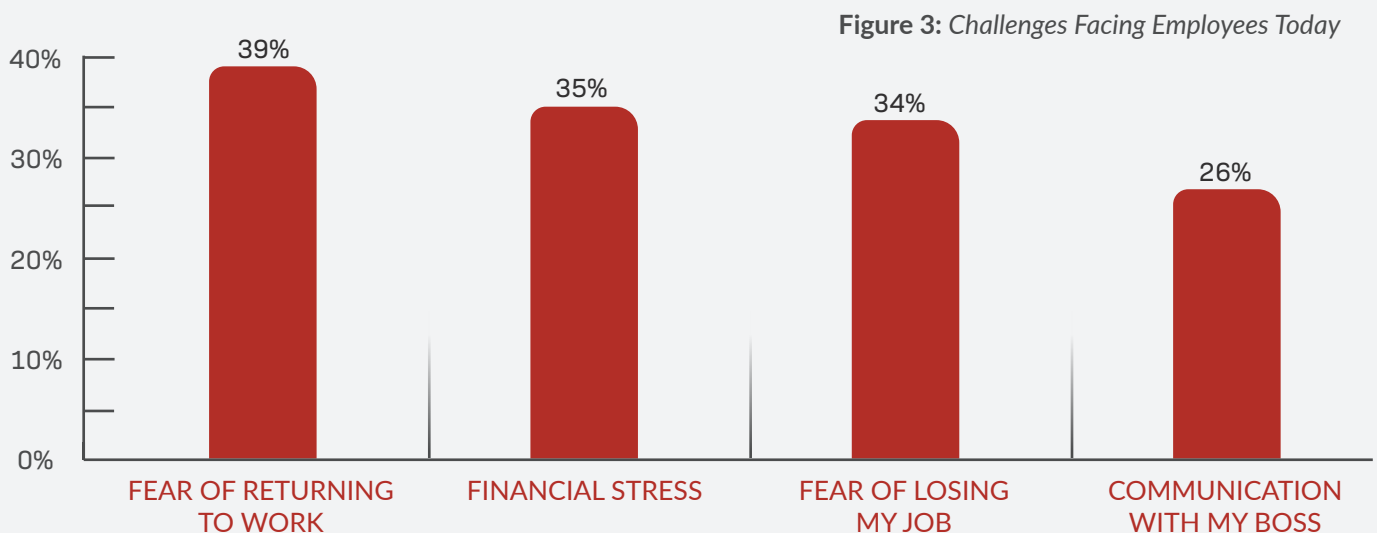|	
FILL CRITICAL TALENT GAPS	54%
MORE FLEXIBILITY	46%
INCREASE PRODUCTIVITY	32%
REDUCE COSTS	28%
GREATER DIVERSITY	9%

Fill Critical Talent Gaps:

Contingent workers contribute to an organization's productivity by bringing expertise to highly skilled roles and collaborating with full-time employees on projects and business objectives. Organizations had to adjust and adapt overnight to the new realities of 2020, and contingent workers provided much-needed skills to support this business transformation. Companies looking for immediate talent needs found a viable solution in contingent labor this year, whether engineering skills, healthcare expertise, or even hourly retail or hospitality roles.

Create Greater Flexibility:

Aptitude Research surveyed over 400 employees in the summer of 2020, and the greatest challenge at that time was the fear of returning to work (See Figure 3). Although we expect safety concerns to wane as vaccines become more readily available, the traditional 9 to 5 office environment is being reconsidered by both employees and employers. Working from home has become a reality for people and a requirement as they evaluate job opportunities. Contingent workforce provides greater flexibility that can drive productivity and engagement in a remote environment.

Figure 3: *Challenges Facing Employees Today*

Bar chart:
- FEAR OF RETURNING TO WORK: 39%
- FINANCIAL STRESS: 35%
- FEAR OF LOSING MY JOB: 34%
- COMMUNICATION WITH MY BOSS: 26%

Increased Productivity:

Companies that use contingent workers cited a 20% increase in overall productivity this year. Many contingent workers are already accustomed to working remotely and do not require the same support or training that traditional workers may need. According to the Bureau of Labor Statistics (BLS), 23.7% of employed persons teleworked in December 2020 because of the coronavirus pandemic, up from 21.8% in November. Further, more companies now have the digital infrastructure necessary to support distributed teams thanks to this shift to remote work.

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Reduced Costs:

Recruitment is an expensive undertaking. The cost of a traditional hire is $4,000 or greater. This cost does not account for the time spent posting a job, reviewing resumes, scheduling calls, interviews, and onboarding a new hire. Also, the complexities and expenses of a dispersed workforce is a costly undertaking as more companies move toward remote models. When managed correctly, contingent workers can help reduce these costs by offering a more simplified and streamlined process on a short-term basis.

Greater Diversity:

Sixty-two percent of companies stated that they are looking to improve diversity and inclusion as their top priority this year. Companies looking critically at diversity and inclusion may have more immediate success in leveraging contingent workers to reduce bias and increase inclusivity. Conversely, companies that lack diversity and inclusion programs may find it difficult to engage talented contingent workers.

Risk Mitigation:

It is interesting to note that risk mitigation was not identified as a top driver or challenge for contingent workforce management today, although it is a priority for business leaders and procurement professionals to manage this workforce. In this study, procurement leaders were two times more likely to identify risk mitigation as a priority than HR leaders. Risk mitigation involves process compliance, workflow management compliance, technology compliance, audits, Independent Contractor (IC) management, and employee classification. As HR becomes more involved in the hiring and management of contingent labor, risk mitigation must continue to be a focus.

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44% COST CONTROL
WITH THE USE OF
CONTINGENT WORKERS

34% INEFFICIENCIES
IN MANAGING
CONTINGENT WORKERS

32% VISIBILITY INTO
THE USE OF
CONTINGENT WORKERS

30% LACK OF
OWNERSHIP

26% VISIBILITY
INTO SPEND
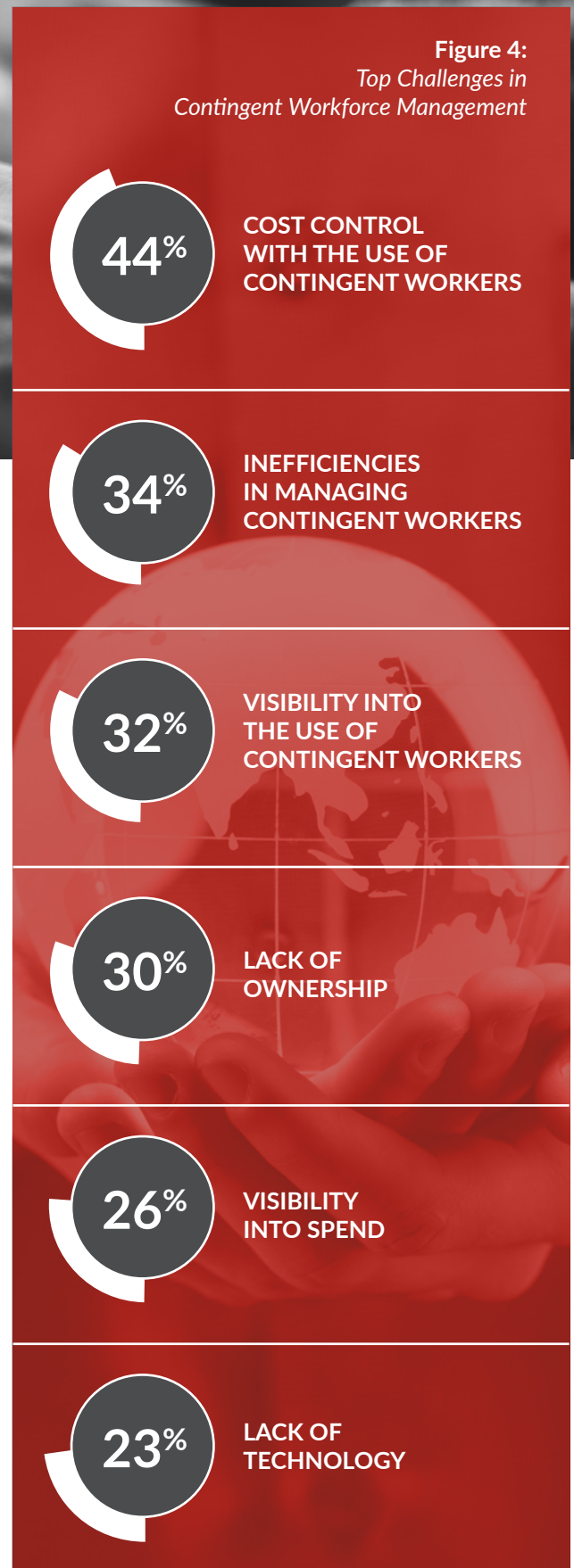
23% LACK OF
TECHNOLOGY

TOP CHALLENGES

Despite the benefits of a flexible workforce, companies rely on antiquated models that create challenges with visibility, cost control, and efficiency of contingent workers. Companies want some indication that their contingent workforce models are effective, but they lack the insight and expertise to measure success. The contingent market is underserved, and even the BLS has faced challenges in its reporting frequency and scope. Companies have few options when looking to improve or evaluate their efforts.

According to this study, cost control, visibility into the use and spend inefficiencies, lack of ownership, and technology were the top challenges.
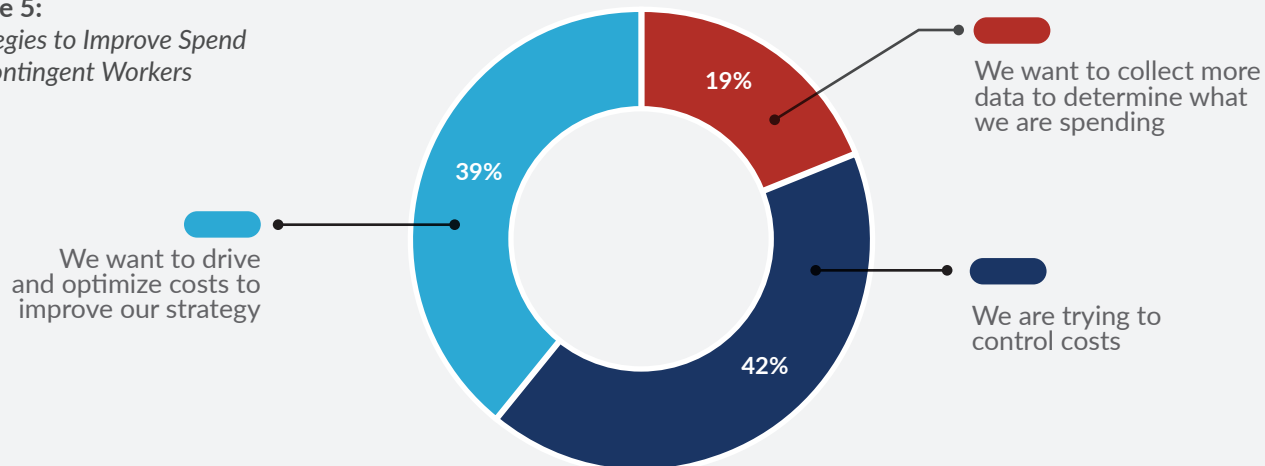
Cost Control:

Cost control as it relates to contingent workers is not a new challenge. Companies question their spending and the role of staffing agencies in managing that spend. Furthermore, most companies do not pay attention to cost until it is too late. According to this study, 39% of companies are not tracking costs for contingent workers, and 42% of companies looking to reduce spend are just trying to control these costs.

Figure 5:
Strategies to Improve Spend on Contingent Workers

39% We want to drive and optimize costs to improve our strategy

19% We want to collect more data to determine what we are spending

42% We are trying to control costs

Controlling costs does not mean that hiring contingent workers is not justified, but it represents a growing concern that companies may be spending more than they should. Many aspects of managing contingent labor can impact program spend, including:

- **Lack of budget visibility:** To control costs, companies need visibility into what those costs are and how their budget is allocated.

- **Inability to forecast the budget:** Companies think about contingent needs in the short-term without looking at what they are currently spending, what they have left to pay, or how they can prepare for future spending.

- **Lack of consistent rates across vendors:** Managing vendor costs and rates is an overwhelming task. Companies tend to set rates by vendors without standardizing and analyzing what those rates should be for the short-term and long-term.

Visibility:

One of the greatest challenges with contingent workforce management is the lack of visibility into use, spend, and performance. Without insights into how to manage non-employee labor, companies will always question the value and models that they have in place. According to this study, over 60% of companies lack strong visibility into spend, fee models, vendor performance, engagement, and overall use.

Figure 6: *Areas Lacking Visibility in Contingent Workforce Management*

SPEND 36%
FEE MODELS 34%
VENDOR PERFORMANCE 29%
OVERALL USE 22%
ENGAGEMENT 18%
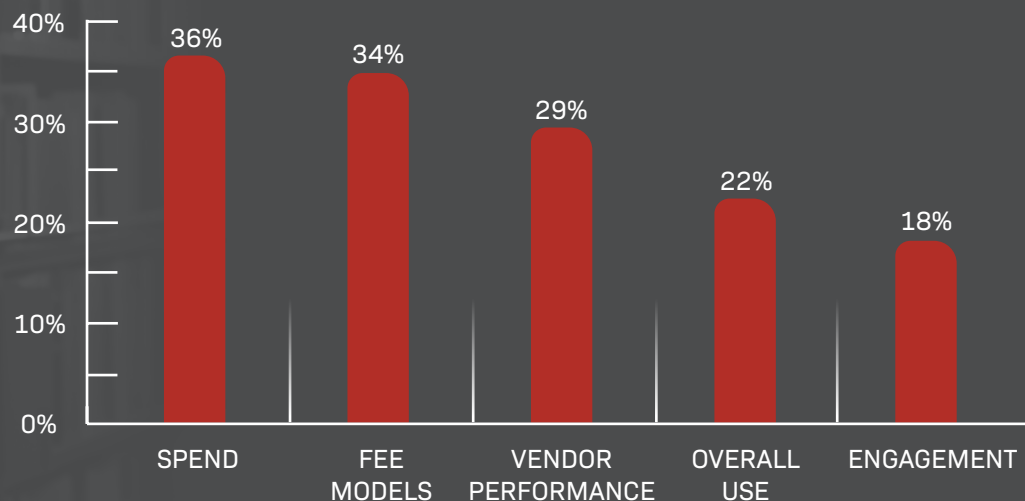
Inefficiency:

One of the most significant benefits of a more flexible workforce should be increased efficiency in processes and performance. Unfortunately, the reliance on outdated methods and tools to support these efforts often creates unexpected inefficiencies and uncertainty. This became evident during the pandemic, with healthcare organizations unable to scale or staff fast enough. Studies show that contingent labor accounts for 30% of the nursing needs today. Yet, when hospitals needed support across different geographic areas, inefficiencies and outdated regulations delayed the process. Some states, such as California and New York, required weeks to bring out-of-state nurses on board. When asked to identify their greatest pain points with contingent workforce management, companies identified evaluating and measuring ROI, data management, vendor management, IC compliance, and expertise with the employer of record (EOR). Each of these pain points is the result of an inefficient and ineffective approach to contingent workforce management (see Figure 7).

Figure 7: *Pain Points in Contingent Workforce Management*
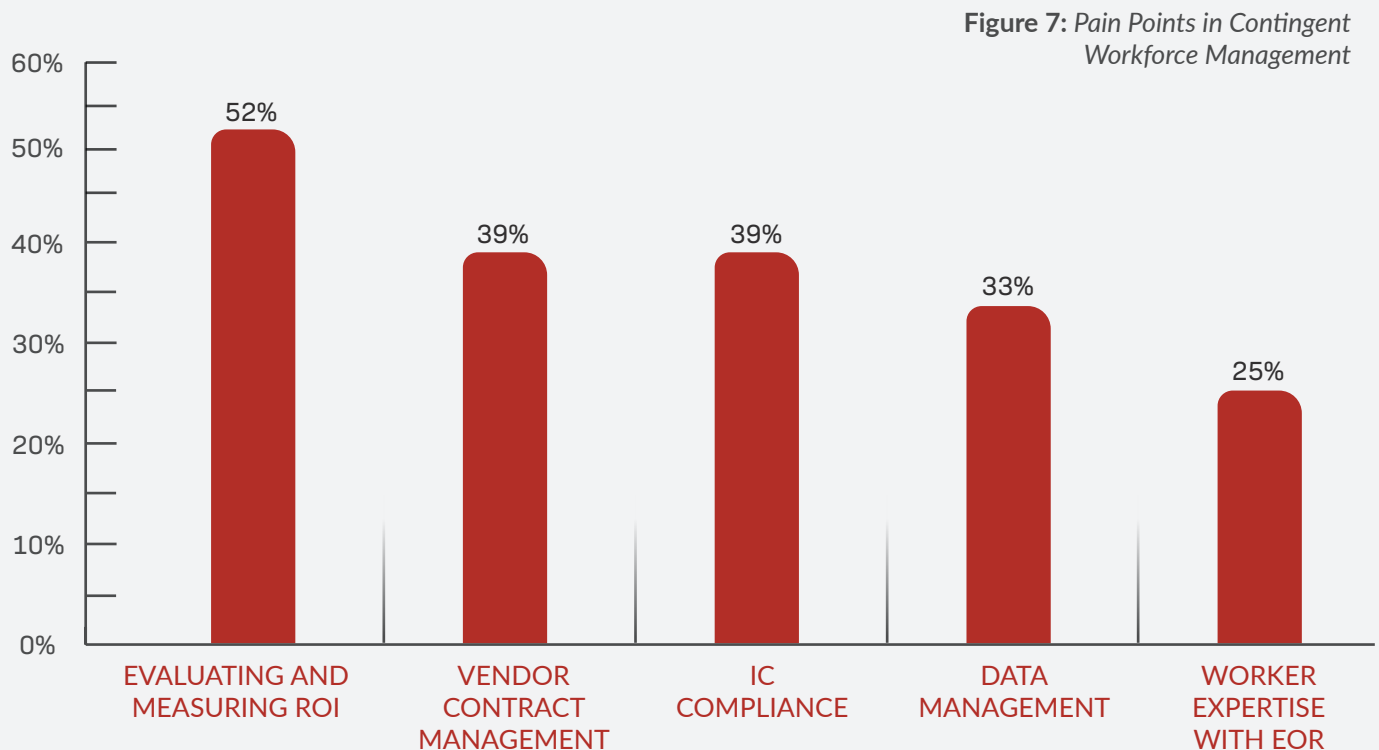
Compliance:

Many companies are hesitant to use contingent labor due to the risk of misclassification of independent contractors (ICs). Although it may seem simple for organizations to distinguish between full-time and part-time employees, many organizations still struggle to properly classify workers and establish a baseline. As a result, the IRS and numerous federal, state, and local institutions are cracking down on organizations for the proper classification and co-employment. For example, if a company uses an independent contractor for over 30 hours a week, they may still need coverage. When organizations misclassify workers as ICs, they violate laws around worker compensation, unemployment insurance, and overtime. They are also leaving themselves vulnerable to potentially crippling wage and hour violations.
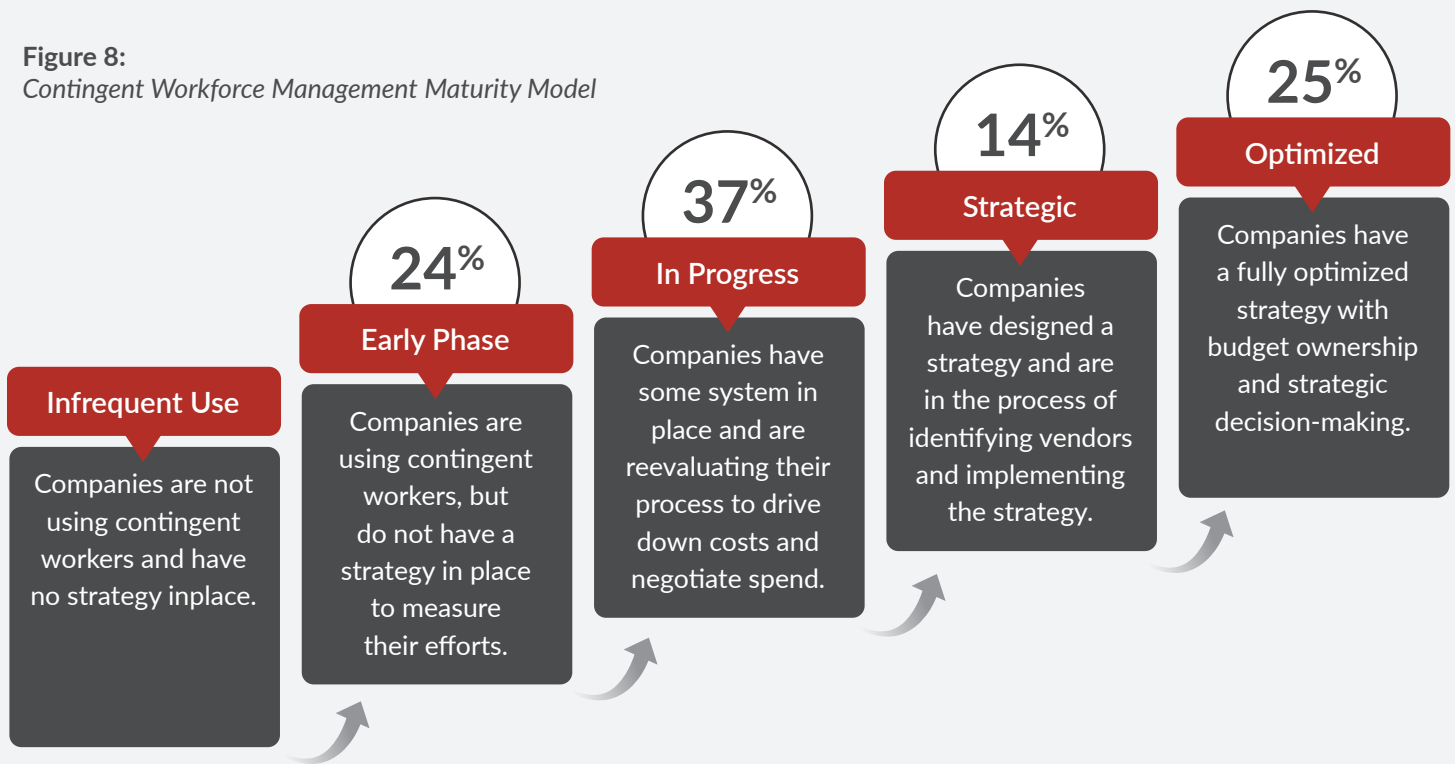
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FUTURE STATE:
SHIFTING TO AN OPTIMIZED STRATEGY

Every company is at a different stage in its contingent workforce journey. Some companies are just getting started and making ad hoc decisions based on short-term demands for talent, while other companies are strategically planning for their future talent needs. Although contingent workforce management is a key priority this year, most companies are still immature in their flexible workforce approach. Only 1 in 4 companies currently have an optimized strategy around contingent workers.

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Aptitude Research developed the following maturity model to help companies understand their own process around contingent workers and the steps they need to take for a more strategic and optimized approach. This maturity model includes four stages: Early Phase, In Progress, Strategic, and Optimized.

Figure 8:
Contingent Workforce Management Maturity Model

Infrequent Use

Companies are not using contingent workers and have no strategy inplace.

24%

Early Phase

Companies are using contingent workers, but do not have a strategy in place to measure their efforts.

37%

In Progress

Companies have some system in place and are reevaluating their process to drive down costs and negotiate spend.

14%

Strategic

Companies have designed a strategy and are in the process of identifying vendors and implementing the strategy.

25%

Optimized

Companies have a fully optimized strategy with budget ownership and strategic decision-making.

Currently, 18% of companies surveyed report no use or infrequent use of contingent workers. As these companies consider their priorities over the next year – and their ability to fill talent gaps and adjust to shifts in talent demand – they should view the following maturity model.

Five different characteristics define each stage:

- **Ownership:**
  Who has ownership over contingent labor, including budget and vendor management?

- **Visibility:**
  What visibility do these companies have into spend, vendor performance, and engagement?

- **Solutions:**
  What technology and services are in place?

- **Fee Models:**
  What fee models are in place, and how satisfied are companies with those models?

- **Key Performance Indicators (KPIs):**
  What success have companies achieved with their contingent workforce strategies to date?

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Early Phase:

The "early phase" stage of contingent workforce management includes companies that are just starting to put a strategy together. They are using contingent workers, but their efforts are ad hoc, and they have no process to manage or track these efforts.

Characteristics: Companies at this stage are driven to fill talent gaps in the short-term (40%), and their greatest pain point is cost control (62%). Procurement takes greater ownership in the overall contingent workforce strategy for budgets (45%), vendor management (30%), and overall use (25%). The greatest change these companies are looking to make in the next year is to shift ownership from procurement to HR (62%). Sixty-eight percent (68%) of these companies are not happy with their current fee model and rely on bill rate models. At this stage, companies have low technology and service adoption, with only 38% using vendor management systems (VMS) and only 28% using managed service providers (MSP), while 78% are using manual methods like Microsoft Excel.

How to Progress: These companies are beginning to shift ownership but need to build more significant expertise to change fee models and leverage the right technology solutions.

In Progress:

The "in progress" stage of contingent workforce management includes evaluating or reevaluating their approach, spending, and use of contingent workers. They are trying to reduce costs and renegotiate spend.

Characteristics: Companies at this stage of the contingent workforce model are also driven to fill talent gaps in the short term (64%), and their greatest pain point is the lack of ownership (54%). HR and procurement both own different aspects of contingent workforce management, with less than 25% of companies using a shared-ownership model. The most significant shift companies are making is their use of vendors and staffing agencies, with 1 in 2 companies looking to switch to this model. Although companies are using both bill and pay rates (including markup) fee models, nearly 60% are not satisfied with these models. Technology adoption is greater, with 50% of companies using a VMS and 39% using an MSP.

How to Progress: These companies should shift their ownership to have greater visibility into areas like budget and vendor management. Companies at this stage should consider budget analysis, standardization, and forecasting.

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PHASE
3

Strategic:

Companies at the "strategic" stage of the contingent workforce model have greater visibility into their use of contingent labor.

Characteristics: Companies at this stage are driven by the need for greater flexibility (78%) and have challenges with inefficiencies (42%). The greatest shift companies are making in this stage is around ownership. HR has more shared responsibilities for companies at this stage, with 40% sharing ownership of total contingent workforce management. Strategic stage companies are also more likely to use a pay rate model and are more satisfied with that model. Companies are also more likely to invest in solutions, with 67% of companies using a VMS and 35% using an MSP.

How to Progress: Though more progressive, these companies should strive to build their expertise, shift their fee model, and carefully evaluate providers for true partnership.

PHASE
4

Optimized:

Companies at the "optimized" stage have more control over their contingent workforce management strategies. They have greater visibility into the process and own their fee models to ensure better decision-making.

Characteristics: Companies at this stage are driven by the need to fill talent gaps and reduce inefficiencies (54%). They are three times more likely to have shared ownership of budget and vendor management between HR than early phase companies. They also have greater expertise and experience at this stage to take on more control of the vendor management process. Companies can better manage bill rates with greater consistency and market standardization.

At the optimized stage, companies see greater improvements in KPIs like worker satisfaction, fill rates, visibility, and productivity (see Figure 9).
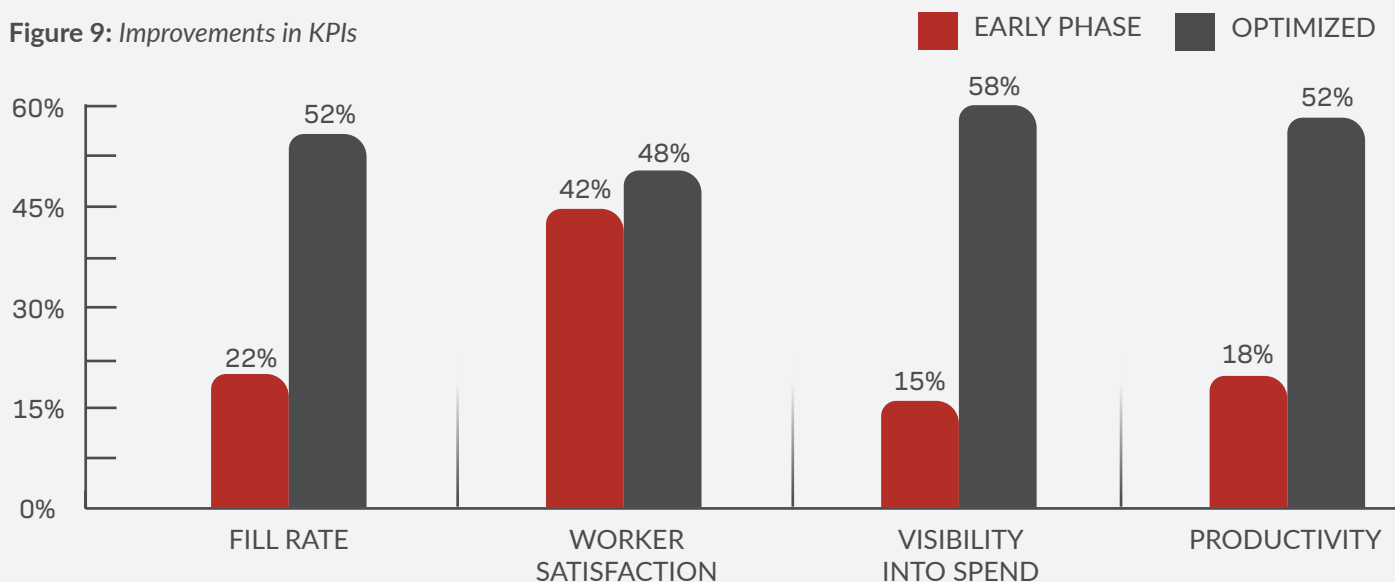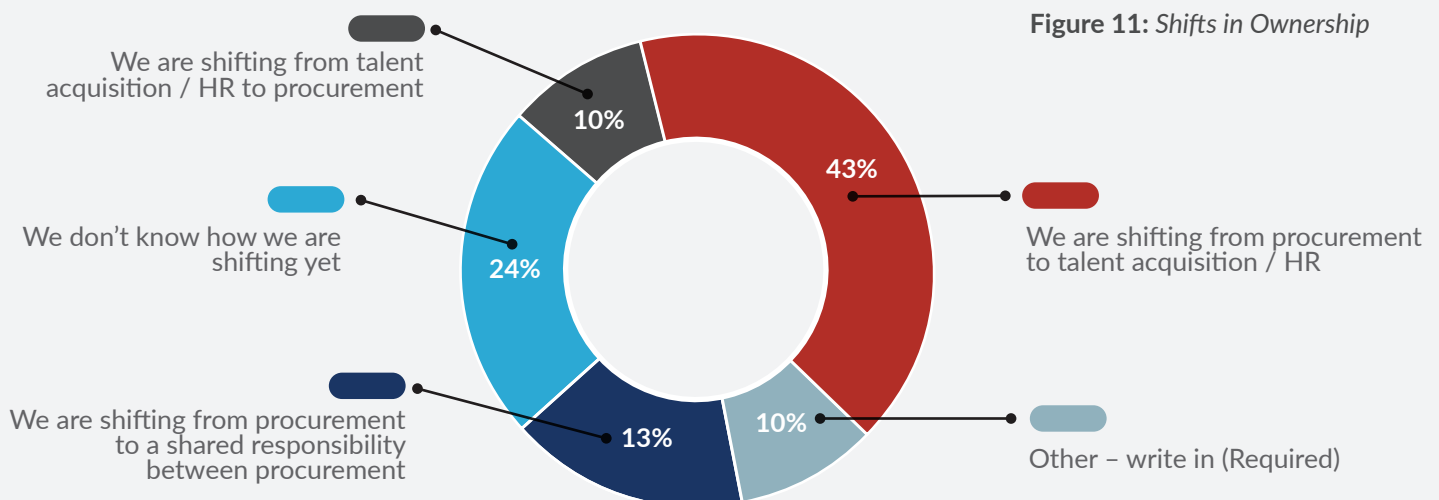
Figure 9: *Improvements in KPIs*   ■ EARLY PHASE   ■ OPTIMIZED

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Figure 10: *Maturity Model by Characteristics*

	Early Phase	In Progress	Strategic	Optimized
Ownership	Procurement	Procurement/HR	HR and Shared	Shared (heavy HR)
Visibility	Low	Low	Medium/High	High
Fee Models	Bill rate with little flexibility	Bill rate with little flexibility	Bill rate and pay rate	Bill rate and pay rate with greater ownership and visibility
Solutions	Low tech adoption; Excel spreadsheets	Greater adoption of VMS and MSP	VMS, MSP	Next-generation contingent solutions, HCM solutions, MSP
KPIs	Lack of defined KPIs	Fill rate	Fill rate	Fill rate, productivity, worker satisfaction.

Companies looking to mature and progress across these characteristics must reevaluate and shift their approach to ownership, fee models, and technology.

SHIFTS IN OWNERSHIP

The lack of clear ownership is a fundamental problem facing many contingent workforce programs. Talent acquisition does not always have visibility or expertise on contingent labor, and procurement often relies on antiquated tools and strategies. Thirty-five percent (35%) of companies are shifting their ownership this year to reduce overall costs. When asked how they are shifting ownership, 43% are shifting from procurement to HR, and 24% are shifting from procurement to a shared model. By taking control of contingent workers' spending, companies will gain more visibility and confidence to manage bill rates with greater consistency and market standardization.

Figure 11: *Shifts in Ownership*

We are shifting from talent acquisition / HR to procurement — 10%

We don't know how we are shifting yet — 24%

We are shifting from procurement to a shared responsibility between procurement — 13%

We are shifting from procurement to talent acquisition / HR — 43%

Other – write in (Required) — 10%

Recommendation: Companies shifting ownership from procurement to HR should consider greater collaboration between the functions to facilitate clear communication during this transition.

SHIFTS IN FEE MODELS

Over 40% of companies currently rely heavily on a bill rate model in which staffing firms manage the costs, and companies have limited control over how much they spend on contingent labor. As a result, 58% of companies are not happy with this model and question if they are "doing it right." The excessive fluctuation from different staffing agencies is an indication of uncontrolled spending and dissatisfaction in the process. Forty-one percent (41%) of companies plan to shift their fee models this year, but they do not have the expertise to move to a pay rate model that provides more control but requires more work.

Recommendation: Companies shifting to a pay rate model will need to consider consolidating budget tracking, developing more consistency in rates, and developing negotiation strategies to avoid excessive markups. By taking control of contingent workers' spending, companies will have greater visibility and more confidence in their approach can better manage bill rates with greater consistency and market standardization.
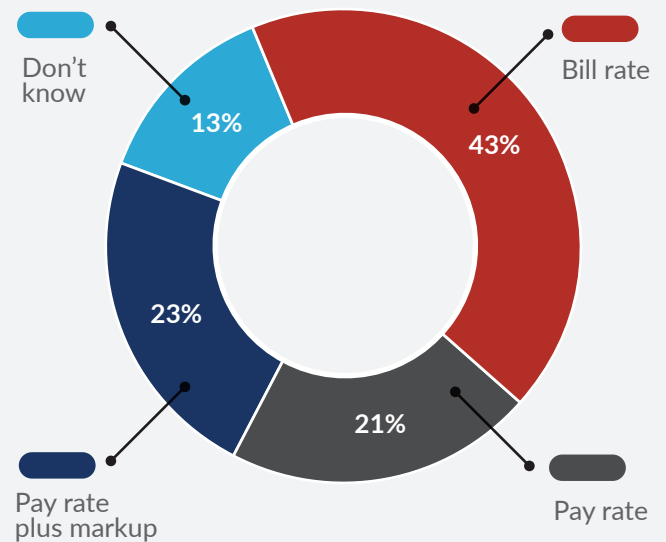
Figure 12: *Current Fee Models*

Don't know — 13%
Bill rate — 43%
Pay rate plus markup — 23%
Pay rate — 21%

SHIFTS IN TECHNOLOGY

Investing in technology and service providers will help organizations with reporting, maintaining costs, and staying compliant. Unfortunately, companies have relied on the same solutions when considering technology for managing their contingent labor, including VMSs, MSPs, and workforce and talent management systems.

The traditional solutions that support contingent workforce management are cumbersome, costly, and often unrealistic for most companies looking to scale rapidly. The contingent workforce technology landscape has changed over the years; yet most companies are not aware that there are better options to identify and engage contingent workers. The reliance on these traditional tools has prevented transformation in an industry in desperate need of change.

The VMS remains the bread and butter of contingent workforce management. Still, 1 in 2 companies are looking to replace their provider in 2021, and only 29% of companies are satisfied with their existing provider. Fortunately, companies have better technology options, including talent marketplaces to connect workers with employers, contingent solutions to improve visibility, and providers looking to disrupt the contingent model and offer better solutions and experiences.

Vendor Management Systems:

Organizations that invest in a VMS are more likely to ensure compliance and drive business outcomes. VMS technology helps manage all aspects of the contingent labor umbrella by automating the process of procuring, managing, and analyzing contingent labor. These solutions are transactional in nature and provide limited visibility to companies.

Managed Service Providers:

MSPs bring a consultative approach to contingent workforce management and assist organizations in day-to-day operations. MSPs also offer expertise in handling the nuances of the contingent workforce umbrella, including mitigation of risks associated with contractors, consistent tracking of milestones/delivery dates against agreements for SOW-based projects and services, and process improvements to improve the productivity of contingent labor. The trend over the past few years has been to move the MSP model in-house; yet few companies have the expertise to do so and need to consider solutions that can support them through these operations.

Workforce Management Solutions:

These solutions enable organizations to track and use workforce data to make better decisions around critical workforce management processes. These processes include time and attendance, scheduling and absence management, strategies, and tools for critical core HR functions like payroll and benefits and the power of integrated workforce management. Yet, most workforce management solutions tend to support permanent labor with limited expertise in contingent work.

Recommendation:

Companies have access to better technology options today and should consider next-generation contingent workforce solutions. These solutions can help companies scale rapidly, improve visibility, mitigate risk, and provide an improved experience for both employers and workers. The future of contingent workforce technology comes from providers looking to disrupt this market by offering one platform to source, engage and pay non-employee workers, and measure and manage spend.

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Quadient is an international software organization specializing in mail equipment, business process automation, and customer experience management. With nearly 6,000 employees globally, Quadient leverages contingent labor to fill critical talent gaps and support short-term augmentation. Quadient leverages a marketplace to support its use of contingent work, and individuals can identify opportunities on its career site.

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KEY RECOMMENDATIONS:
CREATING AN IDEAL MODEL

Companies that have an ideal and optimized contingent workforce management model have clearly identified their goals and priorities for the next year and are exploring more effective solutions for their non-employee workforce. Companies looking to mature in their contingent workforce efforts in 2021 should consider the following:

▶ **Establish Clear Ownership:**
Regardless of who owns contingent labor, companies at an optimized level have established ownership expertise in managing this workforce and optimizing spend and performance. Companies shifting to HR should work with procurement or individual business leaders to understand challenges and opportunities moving forward.

▶ **Create More Visibility:**
One of the greatest challenges with contingent workforce management is the lack of visibility into the effectiveness and spend. Without the insights they need to make better decisions, companies will continue to question if they should be doing things differently. Companies should consider providers that offer better visibility and establish clear metrics for success.

▶ **Measure and Manage Spend:**
Companies at an optimized level are better able to manage vendor spend and measure results. They have greater visibility, can forecast their budget and can standardize costs.

▶ **Invest in Next-Generation Solutions**:
Companies should think beyond the traditional VMS for their contingent labor and look at more innovative and effective solutions that can source, engage, and pay workers in one platform.

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NEW TALENT ERA, NEW STRATEGIES: THE POWER OF A TAILORED OFFER
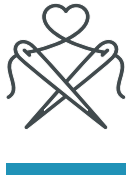
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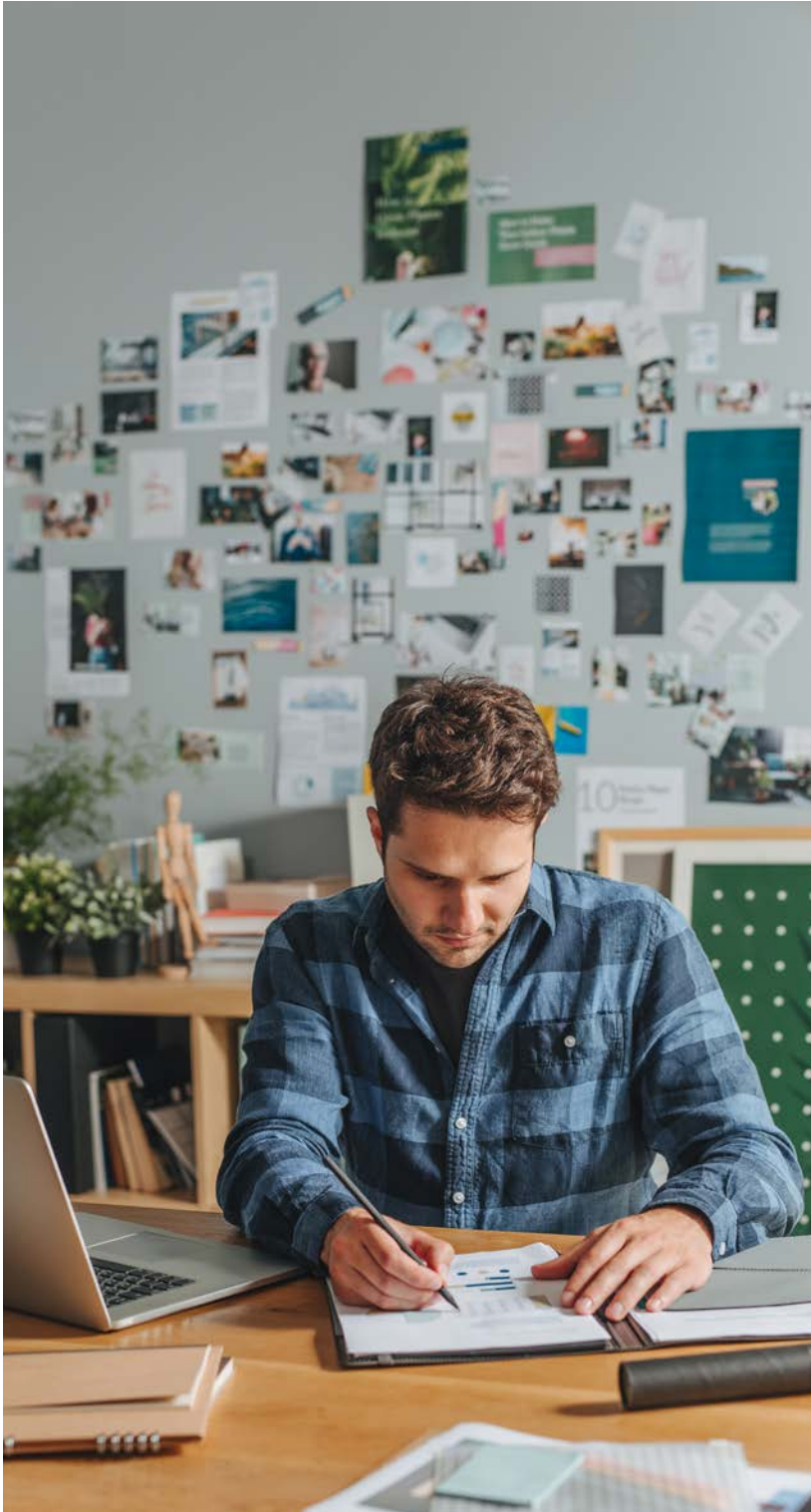
Even a cursory glance reveals just how competitive the talent market is, even in light of world events that have impacted the economy.

At the time of this writing, the U.S. unemployment rate has soared to over 13% (and perhaps closer to 16-20% if you calculate in the number of furloughed workers), after having held steady at 4 percent or lower from March 2018-February 2020.[1] This scenario is always in flux but in most industries, companies are opening back up as pandemic restrictions ease; requiring speedy hiring to bring their operations back to top performance. As such, most candidates you target are likely being wooed by other recruiters, too.

SPEED
MATTERS

In spite of the high unemployment rate, the best candidates are still off the market quickly (pre-pandemic, ERE stated 10 days as the marker[2]) so the longer it takes you to make an offer, the more time other employers have to win the candidate over. To compensate for this and social distancing guidelines, many recruiters and employers are heavily investing in AI, automation, and other technologies that streamline the hiring process.

But speed is only part of the equation. If another employer's offer is better, you'll get bumped — even if you were first.

The real key to winning this battle for talent is a little bit more old-school than artificial intelligence and machine learning: It's personalization. And there's one powerful opportunity for personalization that often goes overlooked: *the offer itself.*

CANDIDATE EXPECTATIONS

Recruiters already know the value of personalization in outreach and interviews, but job offers often arrive as generic form letters, with a few details tweaked. This makes the end of an engaging recruiting process rather anticlimactic. Is it any wonder that candidates don't hesitate to drop one offer for another?

With a more tailored offer, recruiters and employers can turn the moment of hiring into a real event. It keeps the candidate engaged, and it speaks to their real concerns. By using the job offer to reinforce why the candidate is right for you — and what you'll do for the candidate — you drive home the point that this is a great match for all.

Cheryl Hyatt, partner at Hyatt-Fennell Executive Search, stresses that today's candidates — especially higher-level professionals — are looking for holistic fits.

"For senior-level positions, the reason a candidate will say 'yes' to an offer can be based on many factors," Hyatt explains. "Their reasoning isn't always about salary, although that is important. It is also about the entire package that must be a 'fit' in order to accept the offer and be successful in the position."

Personalizing a job offer is like personalizing anything else: You can only tailor it if you first understand what your candidate wants. As Hyatt notes, "The importance of the determining factors [in a candidate's decision to accept a job offer] are highly personal, but often include: position title, total compensation package, cultural fit within the organization, and location."
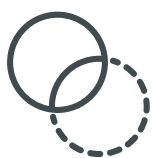
"Transparency and authenticity, on behalf of the company and the candidate, are foundational to getting a job offer acceptance," says Laureen Kautt, managing director and principal coach at Volitionary Movement, LLC. "Understand the market and make sure your offer is in alignment with market expectations. What are your competitors offering? How about the other companies hiring in your area?"

WHEN RESEARCHING, PAY PARTICULAR ATTENTION TO:

SALARY

What does someone in this position at this kind of organization in this geographical location typically make? Your offer will need to be at least in line with that, if not higher. Keep in mind that, on average, a candidate will expect to receive a 10-20 percent raise when switching jobs.[3] Yes, even during events like COVID-19, top candidates know their worth. In addition, in this unique market you are competing against higher unemployment benefits that might look more attractive to the candidate. Be prepared to revise your salary offer upward if your top prospect is already earning market rate — and remember that great talent is worth the price tag.

BENEFITS & PERKS

If there's no room in the budget for an above-market-rate salary, you can make up for it by doubling down on perks and benefits. Like salaries, benefits and perks are heavily dependent on industry and role. For example, a salesperson is likely to expect a robust bonus structure, while a graphic designer may be looking for more flexibility and autonomy in their work arrangements.

There's also a demographic element. Millennial and Gen. Z employees are drawn to perks like volunteering opportunities (look to see when these open back up in your area) and corporate social responsibility programs — things that give them the chance to make an impact. Meanwhile, more senior-level baby boomers and Gen. X-ers may be more interested in 401(k)s and other financial planning perks.

You can start by researching typical benefits packages in your industry. Looking at the kinds of perks and benefits your ideal candidate profile would be interested in is key.

POPULAR BENEFITS

1. Bonuses (both personal- and company-performance based)

2. Stock options

3. **Healthcare/insurance***

4. **Wellness*** (subsidized gym memberships, healthy food options in the office, wellness apps, etc.)

5. **Training and development*** (tuition reimbursement, online courses, subsidized conference trips, mentorship programs, etc.)

6. **Flexible scheduling/remote work opportunities***

7. Community volunteering opportunities and corporate social responsibility programs

8. Parental leave

9. Unlimited or generous PTO

10. Subsidized public transit/commuter benefits

11. Relocation assistance (if applicable)

* *These benefits are especially valuable during this time of COVID-19*

Your company may have a fairly standardized set of benefits it offers every employee.
In that case, tailoring your offer will be less about offering specific benefits and more about highlighting the benefits that most align with what your candidate wants.

COMPANY CULTURE

When evaluating job opportunities, candidates aren't just looking for roles that match their skill sets — they want companies with cultures where they can thrive. In fact, 35 percent of workers would turn down a perfect-fit role if the culture wasn't aligned with their preferences.[4]

Company culture is especially important to younger workers. Almost 90 percent of millennials would even take a pay cut in exchange for a better company culture.[5]

During the hiring process, it's important to show candidates how your particular culture aligns with their cultural preferences. This is a highly individualized process; different people will look for different things. Take some time to understand exactly what your culture is. This will allow you to paint an accurate picture of your culture while emphasizing the specific elements that might appeal to a candidate.

ACCORDING TO THE MIT SLOAN MANAGEMENT REVIEW, COMPANY CULTURES ARE TYPICALLY A MIX OF NINE CORE VALUES:

- **Agility:** Is your company quick to adjust to new technologies, business strategies, and market trends?
- **Collaboration:** Does your company emphasize teamwork?
- **Customer:** Does your company strongly prioritize customer service?
- **Diversity:** Does your company actively cultivate a diverse and inclusive work environment?
- **Execution:** Does your company value process, procedure, and disciplined strategy?
- **Innovation:** Does your company promote creativity and outside-the-box thinking?
- **Integrity:** Are ethics and proper conduct central to your company's identity?
- **Performance:** Does your company incentivize results above all else?
- **Respect:** Are courtesy and dignity core values for your company?

Take a look at your company's culture: Which of these values are its most prominent? These will be the values you emphasize to job seekers. Even if your company is currently doing most business over virtual conferencing, your culture can shine through.
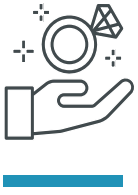
MAKING
THE OFFER

The research phase lays the groundwork for an offer that's more likely to be accepted, but how you actually extend the offer also matters. Here are a few tips to keep in mind:

MOVE QUICKLY

Speed isn't everything, but it can give you an edge over your competitors.

"Do your research up front while opening the new position," Kautt says. "Stop doing the compensation dance. Neither the candidate nor the company wants to engage in a long process only to find out compensation expectations weren't aligned from the beginning."

Starting early in the recruiting process, you should be planning to have discussions with the candidate about key matters that will inform your offer. Gathering this information throughout the process — rather than waiting until you've made a decision — allows you to quickly write up a compelling offer as soon as you're ready.

Recruiters should also be discussing these same matters with the employer throughout the process to ensure that the candidate and the company are on the same page.

"[Recruiters should] work with the candidate so we know what their expectations will be if [the job is] offered, and [recruiters should] work closely with our clients to know what their total package will consist of and how to match that with the expectations of the candidate," Hyatt says. "Each of the finalists may have different needs, and we [need to be] aware of those as the search is concluding."

With both candidates and the company, be sure to discuss:

- Expected salary range
- Desired perks and benefits
- Timeline and ideal start date
- Company culture priorities

Ideally, the eventual offer should reflect your candidate's preferences on these matters as closely as possible. While negotiation is always a possibility, the closer your first offer is to the candidate's aims, the more likely you are to get a yes.

Extending the offer on the same day as the final interview is preferred, though if not possible, try not to take longer than 1-2 days.

Calling to deliver the offer verbally first is suggested. That way, you don't necessarily have to wait for an official letter to be written up. Calling also allows you to keep the candidate engaged by expressing your excitement and highlighting how this job personally fits them. A call can also give the candidate a chance to share concerns, questions, or feedback, which can inform the official letter.

After the initial conversation, follow-up with an email delivery of the official offer letter as soon as possible.

TAILOR
THE LETTER

It's beneficial to open the letter by reinforcing the personal fit between candidate and position, highlight how their specific skills and strengths will be leveraged. This drives home the point that the candidate will be an integral part of your team, making them feel empowered and confident about their decision to join your company.

Then, get into the details. Outline:

- **Company policies and culture:** Remember to shape this around the aspects of your culture that most speak to the candidate's preferences.

- **Responsibilities:** Again, highlight how the candidate's unique skills will allow them to fulfill their obligations.

- **Reporting structure:** Give the candidate a sense of their particular position in your company. They should feel like they're joining a team, not becoming another cog in the machine.

- **Compensation and benefits package:** Emphasize the benefits your candidate is most looking forward to.

Finally, be sure to clearly communicate a deadline for when the offer will expire. This gently nudges the candidate to make a decision sooner rather than later.
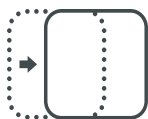
WHAT TO DO ABOUT A COUNTEROFFER

Most employers won't take a top employee's resignation lying down. Be prepared for the possibility of a counteroffer.

"These unprecedented times have caused a shift in the candidate mindset from job hopping to certainty and security," Kautt says. "Train your recruitment team on how to follow up and overcome objections in the offer process."

Draw on your previous conversations with the candidate. When you asked them why they were looking for a new position, what did they say? Use this information to inform your response. Highlight how your company is offering the things that are missing at their current or previous job.

You should also be prepared to make a counteroffer of your own. Can you match the salary raise? Throw in any extra perks? Even if you have a great pitch, it never hurts to sweeten the pot.

DON'T JUST OFFER A JOB —
OFFER THE RIGHT JOB

You may have done a lot of digging to find your perfect candidate. You may think you're the only company chasing this skilled professional. Unfortunately, you're not.

You will face competition for every candidate you engage as the economy begins to recover. The key to winning that contest is to offer your candidate not simply a job, but the right job for them.
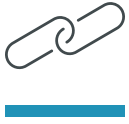
That's why personalized offers matter. They transform a purely transactional job offer into something engaging and exciting. This is your chance to really underline that your candidate and your role are a perfect match for one another.

You can do that by following a few key best practices:

1. Ensure the salary is competitive for your candidate's industry, role, and location

2. Emphasize the perks and benefits that speak to your candidate's needs

3. Underscore how your company culture will allow the candidate to be their best self

4. Move quickly — keeping your candidate waiting can be an easy way to stamp out their enthusiasm

5. Trade form letters for personalized offer letters

6. Be prepared for a counteroffer

When candidates can see themselves thriving in a company, they'll be less motivated to entertain the offers of other employers. The job offer is more than a mere formality — it's one of the best tools in your recruiting toolbox. Use it wisely.

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