

HR.com's Future of AI, Automation and Recruitment Technologies 2023-24



Prepare for what
could be radical
changes

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Executive Summary

Technology and talent acquisition have long been inexorably intertwined, to the point where no job seeker today could conceivably look for a job without relying on some form of dedicated recruiting platform or point solution. And, even if they were to find one, they'd also find it pretty much impossible to apply for that role without touching enterprise talent technology.

The bottom line is that talent acquisition (TA) processes and policies are largely subservient to the features and functionalities of whatever existing tech stack an employer happens to have. Recruitment tech influences and informs every element of the hiring process from application to onboarding. Even how we manage and measure the recruiting function is largely driven by whatever software and SaaS-based solutions we've implemented.

It's been said that job search success has long been determined not by what you know but by who you know. But today's proprietary algorithms for sourcing, screening, and selection trump personal networks in a lot of cases.

More Tech, For Better and For Worse

Our reliance on tools and technology within talent acquisition is the result of decades of increased investment by employers to transform talent acquisition from an intuitive art into an empirical science. Employers are pumping tens of billions of dollars every year into their TA tech stack – even if the ensuing recruiting results remain mixed.

Employers [spent an estimated](#) \$31.5B on talent technology last year, a number that's expected to balloon to \$53.3B by 2028. This works out to over \$9 for every one of the [estimated](#) 3.4 billion members of the global workforce. So, when we talk about talent acquisition technology, we're not talking about some arcane niche or esoteric industry – we're talking about a huge business.

About the Survey

"HR.com's Future of AI, Automation and Recruitment Technologies 2023" survey ran from August to October of 2023. We gathered 222 complete and partial responses from HR professionals in virtually every industry. Respondents were located around the world, but predominately from North America.

The participants represented a broad cross-section of employees by workforce size, ranging from 100 to over 20,000 employees. Over two-thirds of responding organizations are, however, either small or mid-sized.

So, how much bang are recruiters getting for their buck? Are we better at addressing even relatively niche issues such as accurately measuring the quality and cost of hire – or even correctly attributing the source of hire, for that matter? Those are some of the questions we’ve tried to answer in this year’s *Future of AI, Automation and Recruitment Technologies*.

The bad news is that only a minority (39%) of organizations feel as if their TA technology stacks are good or excellent at improving overall recruitment and hiring capabilities in their organizations. But the good news is that those who report more effective TA tech stacks are considerably more likely to report successfully measuring things like time to fill, quality of hire, and candidate experience.

So, TA technology is more likely to pay some dividends for organizations that excel in this area, but not that many organizations *do* excel despite today’s more advanced technologies. The TA function still has a long way to go. The question is whether technology alone can close these gaps or whether it is, at best, only part of the answer.

Are Radical New Technologies on the Horizon?

Virtually no one in the recruitment profession can have escaped all of the discussion of—and some would say hype about—the role that generative AI may wind up playing in the sphere of TA technologies. It’s too soon to know whether these newer AI technologies will ultimately result in radical changes and improvements.

However, we did ask our survey participants about these generative and other types of artificial intelligence. Our findings are far from conclusive, but we do provide a snapshot of the perceived promise as well as perils associated with these newer TA technologies. We can’t yet know whether large and impactful changes are on the TA technology horizon, but it’s not too soon to begin tracking what could turn out to be major new features and capabilities.

Our Major Research Findings

Major Finding 1

Only a minority of organizations say their current TA technology stack does a good job of improving their recruiting capabilities.

- Only about 4 in 10 respondents report their existing TA technology stack as being “good” or “excellent,” with the majority reporting that their current capabilities are no more than average (or worse).
- Only a slight majority of employers have adopted mobile-based capabilities as part of their hiring process. That means that just about 1 out of every 2 job applications still cannot be completed on a mobile device.
- Rumors of the applicant tracking system “black hole” are greatly exaggerated, with only 11% of respondents reporting missing out on quality candidates due to the limitations of their ATS. On the other hand, only 15% feel that their ATS helps them attract or find higher quality candidates who would they’d have otherwise missed.
- While applicant tracking systems are often derided by candidates and recruiters alike, our research suggests that they are still seen as the most effective talent acquisition technology.

Major Finding 2

Organizations continue to struggle with successfully measuring talent acquisition, though some feel they excel in this area.

- There are two areas where recruitment professionals feel as if they are doing the best job in measurement: retention of new employees and time to fill. About two-fifths (39%) say they are “above average” or “excellent” at successfully measuring these two areas, though this still means that a majority view themselves as only average or worse in these areas.
- Respondents are marginally less successful in the areas of quality of hire, hiring manager satisfaction, and candidate experience.

- The area where recruiters feel least successful is in the area of cost per hire, where a mere 18% say they are above average or excellent. We think that the inability to calculate the cost in what's essentially one of the larger cost centers in business should be the cause of some concern, particularly when it comes to measuring TA-related ROI or P&L impact.
- Organizations that report more effective TA technologies (that is, recruitment technology leaders, as defined below) are also more likely to feel they excel at TA metrics. In fact, in five of the six metrics we asked about, a majority of such organizations say they are above average or excellent, and they are 3 times more likely to say they are above average or excellent at cost per hire.

Major Finding 3

Job boards aren't dead but they're diversifying.

- While general job boards like Monster or CareerBuilder might have lost both market share and brand equity in the past decade or so, recruitment advertising remains one of the most significant sources of talent-acquisition-related spending, with the typical employer leveraging at least four (4!) different methods for advertising the average open requisition.
- While programmatic advertising and behavioral targeting have emerged as among the hottest categories of TA technology, more traditional methods still dominate the overall recruitment advertising market, with career sites, external job boards, internal job postings, and social media ranking as the four most common methods for job advertising.
- The way employers fill jobs might have undergone some seismic shifts in the past few years, but the way they advertise them remains effectively stuck in the status quo. Employers have been slow to adopt programmatic advertising, with only 18% reporting that they currently advertise jobs using one or more programmatic platforms, choosing instead to "post and pray," even if those prayers are rarely answered in today's tight talent market.

Major Finding 4

Most organizations take at least 61 days to fill open positions and many of them take 90 days or more.

- The average time to fill currently sits at around 30 days for entry-level hires and about twice that for mid-level jobs (manager and below), with the range topping out at around 60 days.
- A majority say senior-level positions take 61 to 90 days to fill (37%) or 91 days or more (20%). This suggests a clear and present danger to both business continuity and recruiting ROI.

Major Finding 5

AI remains the exception rather than the rule in TA, and many recruiters see risks, but organizations with more effective TA technologies are also more likely to use AI.

- Despite its ubiquity in both recruiting conversations and content marketing collateral, the actual prevalence of AI in talent acquisition remains rare; surprisingly, 73% of respondents to our survey reported that their company doesn't currently use any AI tools or technologies as part of their hiring process.
- The slow adoption of AI in recruitment suggests there's considerable hype linked to this emerging category, seemingly created by product providers and external vendors rather than by demand from practitioners and TA leaders themselves.
- TA practitioners that use AI expect several benefits such as greater personalization, analytics, automation, and augmentation, but TA practitioners in general have a variety of concerns about AI, such as depersonalization, low trust in AI-based decisions, and vulnerability to bias
- For AI, the good news is that among recruitment technology leaders, 45% use AI for TA to some extent, which is still high compared to just 11% of recruitment technology laggards.

Definitions of recruitment technology leaders and laggards

Recruitment tech leaders are those organizations that answered the question "Please rate your talent acquisition technology stack in terms of its ability to improve the overall recruitment and hiring capabilities of your organization" as "excellent" or "good."

Recruitment tech laggards are organizations that answered "below average" or "poor" to the same question.

Major Finding 6

A majority expect recruitment technologies to become more useful over the next two years, but some remain skeptical of such optimism.

- Many have great expectations for the future
 - ▶ 60% say recruitment tech will become more useful
 - ▶ 49% say AI in recruitment will increase
 - ▶ 39% say hiring will involve more data-based decisions
 - ▶ 39% say hiring will be more automated
- On the other hand, some remain skeptical that TA technology will have much of an impact, pointing to all the problems with regrettable hires and poor metrics even though fully 92% of respondents leverage some form of TA technology

Major Finding 7

Compared to their laggard counterparts, the recruitment technology leader organizations:

- use more than twice as many technologies
- are over three times more likely to rate their average success with recruitment metrics as above average or excellent
- are over three times more likely to post jobs to talent communities
- are close to three times more likely to use programmatic advertising to post jobs
- are over two times more likely to agree or strongly agree that their job application process is optimized for mobile devices or is device agnostic

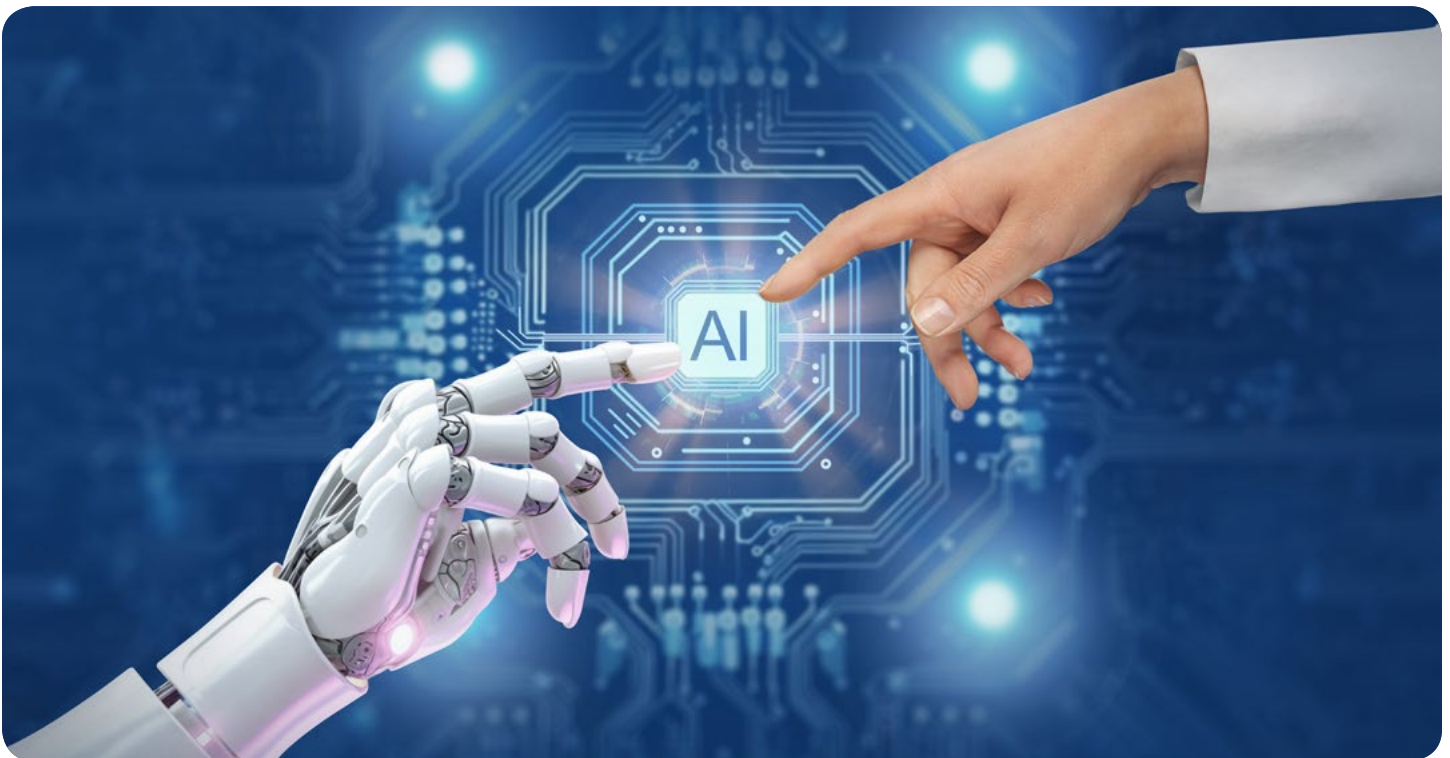
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The Use of Talent Acquisition Technologies

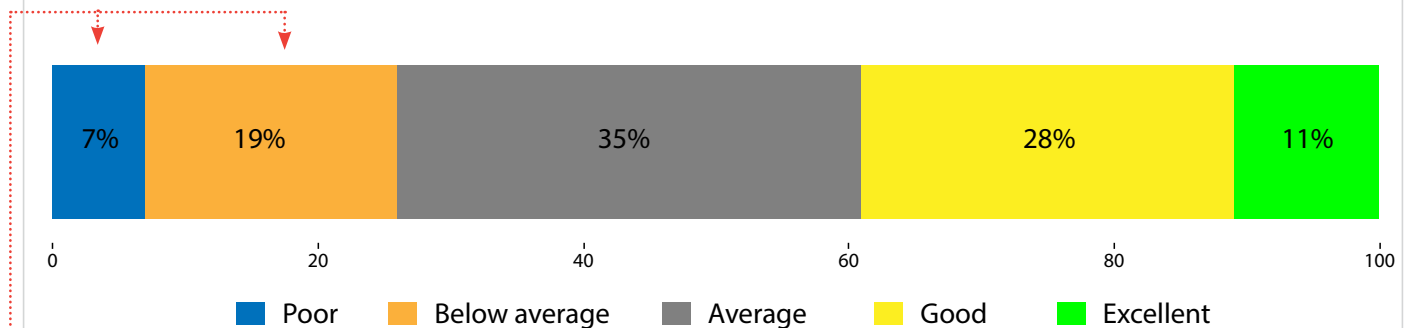


Finding: Only 39% of respondents say their talent acquisition technology stack is good or excellent

The core components of a talent acquisition technology stack are mature technologies. Since they are the backbone of recruiting, one might expect them to do a good job of improving the overall recruitment and hiring capabilities of an organization. But for most organizations, this is not the case. Only 39% of respondents say their talent acquisition technology stack is good or excellent. The rest of the respondents rate the capability of their talent acquisition technology stack as average at best, and a quarter say it is poor or below average.



Survey Statement: Please rate your talent acquisition technology stack in terms of its ability to improve the overall recruitment and hiring capabilities of your organization.



Over one-quarter of respondents say their talent acquisition technology stack is poor or below average



In order to understand what differentiates organizations that are satisfied with the efficacy of recruitment technology used in their organizations from other organizations, we analyzed responses and segmented the data into two cohorts:

- **Recruitment tech leaders:** These represent respondents who answered the question "Please rate your talent acquisition technology stack in terms of its ability to improve the overall recruitment and hiring capabilities of your organization" as "excellent" or "good."
- **Recruitment tech laggards:** Those who answered "below average" or "poor" to the same question.

Correlation does not necessarily indicate causation, of course, but these relationships can provide clues about possible best practices related to employee retention. In various parts of this report, we report on the differences between leaders and laggards in terms of recruitment technologies, practices and approaches.

Definitions of Small, Mid-sized and Large Organizations

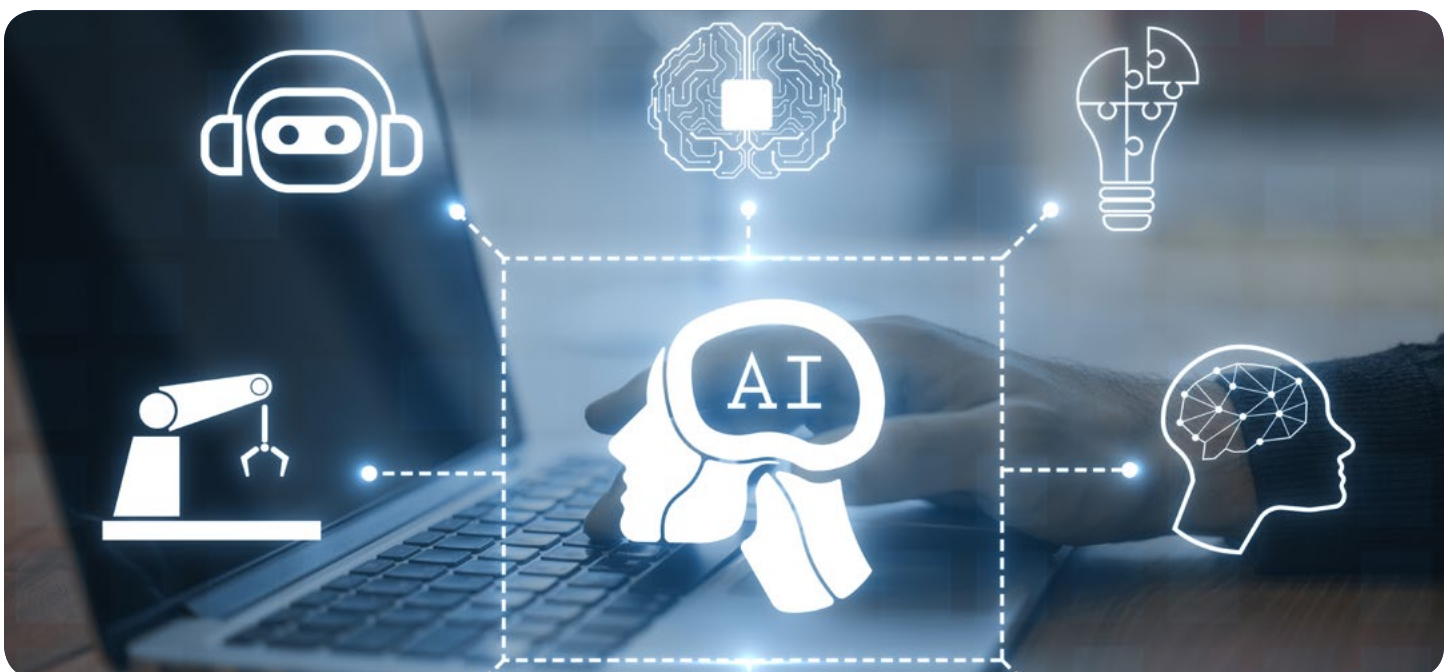
For the purpose of this report, large organizations have 1,000 or more employees, mid-sized organizations have 100 to 999 employees, and small organizations have 99 or fewer

Finding: Three talent-acquisition-related technologies are used by more than half of the respondents

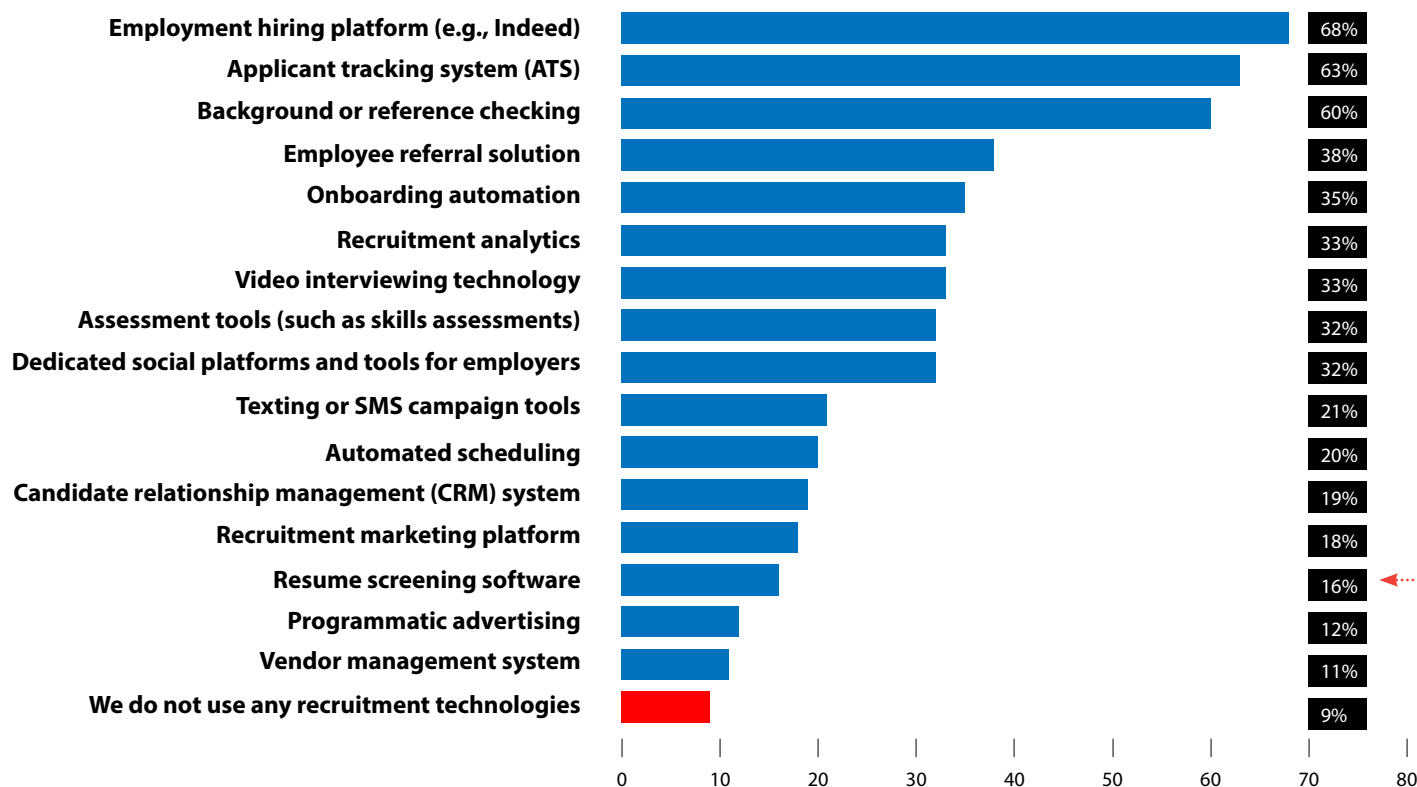
There are many different talent-acquisition-related technologies but only three are used by more than half of the respondents:

- employment hiring platforms
- applicant tracking systems (ATS)
- background or reference checking

Most recruiting functions would probably find the features offered by the other technologies attractive but they may face other hindrances such as a lack of budget. Recruiters should keep an eye on the wide range of solutions that are available and every year or two evaluate whether it makes sense to add some new technologies. It's likely that with the rise of generative AI and related technologies, there will be rapid changes in various TA technology systems over the next two years.



Survey Question: Which of the following talent-acquisition-related technologies does your organization currently use?
(select all that apply)



Less than a fifth of respondents use resume screening software

Differences by Organization Size

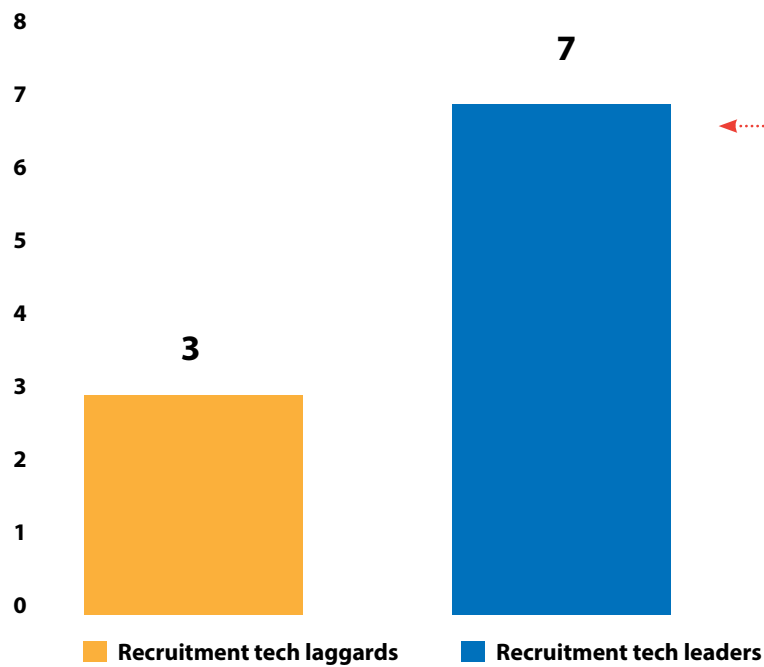
Among large organizations, 71% use an ATS, compared to just 63% of mid-sized companies and 51% of small organizations. Large organizations were less likely, however, to use employment hiring platforms (just 57%) compared with mid-size (72%) and small (68%) organizations. Meanwhile, small organizations are over twice as likely (at 15%) as other organizations to say they do not use any recruitment technologies.



Finding: Recruitment tech leaders use more than twice as many technologies as laggards

Recruitment tech leaders are those whose technology acquisition stack gives excellent results. One reason for this success appears to be the number of different technologies they use. Recruitment tech leaders use on average about seven different talent acquisition technologies. That's more than twice as many as recruitment tech laggards.

Number of different talent acquisition technologies used (on average)



Recruitment tech leaders use on average about 7 different talent acquisition technologies

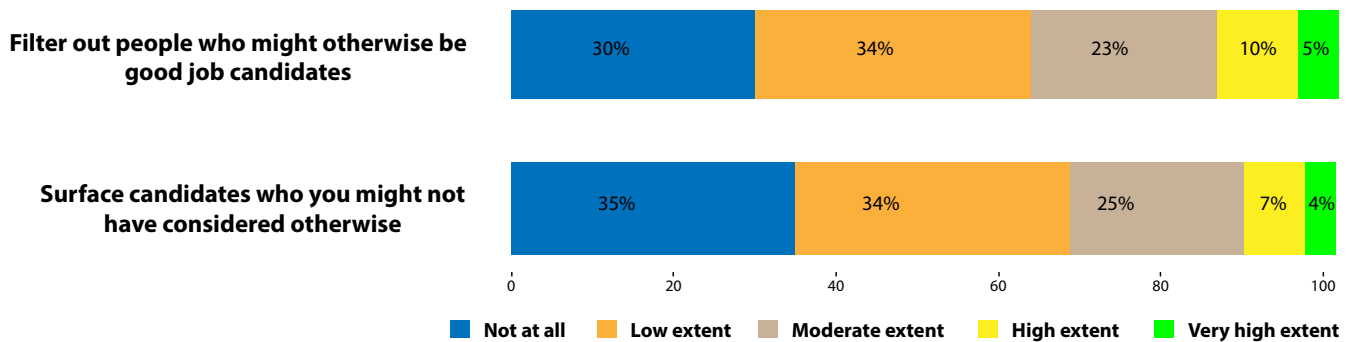


Finding: Only 11% of respondents say their ATS surfaces candidates whom they might not have considered otherwise to a high or very high extent

One of the main features of an ATS is filtering out poor candidates. The risk is that the ATS is so aggressive at this task that it filters out people who might otherwise be good job candidates. However, among organizations with applicant tracking systems, only 11% say they have this problem to a high or very high extent.

Another feature recruiters hope for is that the ATS will surface candidates whom they might not have considered otherwise. However, it's rare for ATSs to excel at this, with only 15% of respondents saying their ATS surfaces candidates whom they might not have considered otherwise to a high or very high extent.

Survey Statement: To what degree does your ATS do the following:



Editor's note: respondents who answered don't know were removed from the data set. These respondents accounted for 10% of those who responded to "Surface candidates who you might not have considered otherwise" and 9% for "Filter out people who might otherwise be good job candidates".

The Use of Recruitment Metrics



Finding: Only one-fifth say their ability to measure cost of hire is above average or excellent

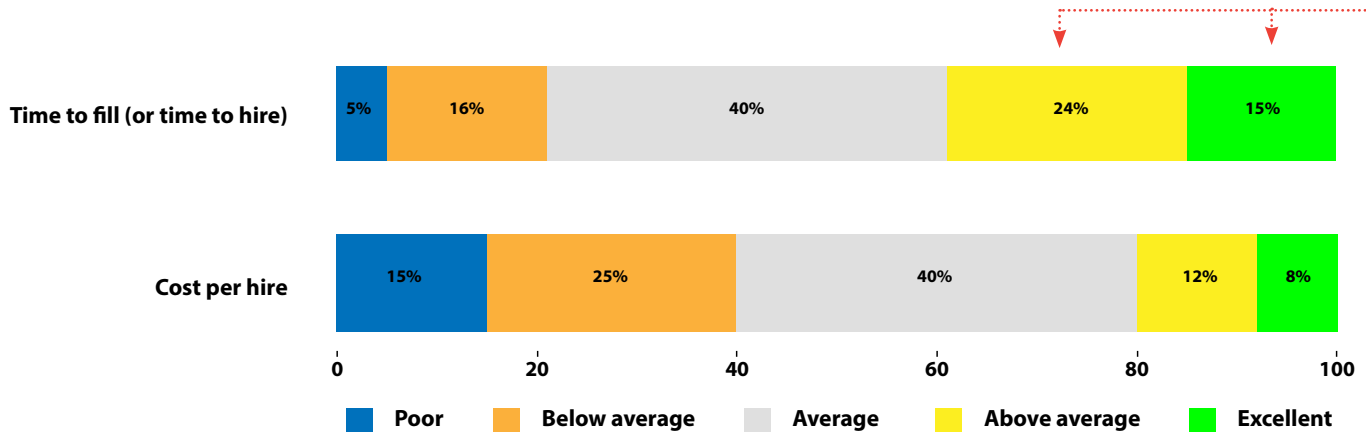
Two of the basic recruitment metrics that leaders will ask for are the operational ones of “time to fill” and “cost per hire”. Respondents had a relatively positive view of their success in measuring time to fill, with 39% saying they are above average or excellent and only 21% saying they are below average or poor.

The results flip when it comes to cost per hire, where only 21% say they are above average or excellent and 40% say they are below average or poor. We think this finding should be of concern to HR because the CFO in particular will focus on this one metric, and it is important to be able to present it with confidence.

That’s not to say that accurately establishing cost per hire is easy. There are many hard-to-pin-down variables. For example, determining cost per hire involves deciding how to account for soft costs such as the time managers need to spend interviewing. Still, HR should be ready to provide their best estimate of these soft costs as well as the easier-to-measure hard costs from, for example, using recruitment agencies.



Survey Statement: Please rate your organization in terms of its ability to successfully measure the following. (Operational metrics)



Editor's note: respondents who answered don't know were removed from the data set. These respondents accounted for 4% of those who responded to "Time to fill" and 9% for "Cost per hire."



Nearly two-fifths say their ability to measure time to fill is above average or excellent



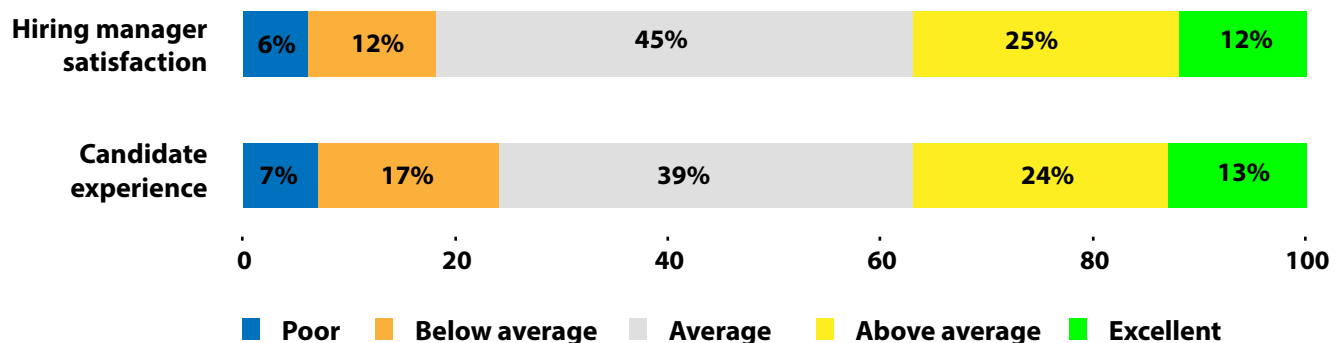


Finding: Organizations are more likely to be poor at measuring candidate experience than at hiring manager satisfaction

Two satisfaction metrics are frequently captured in recruitment: hiring manager satisfaction and candidate experience. Both are important, but hiring manager satisfaction will be more on the radar of HR leaders since they will hear about this right away. Poor candidate experience can erode the reputation of the organization and impede its ability to hire talent, but this may not be visible for some time. What will be visible with candidate experience, and could get HR into trouble, is if candidates post negative reviews on sites like Glassdoor and these come to the attention of the CEO.

A large majority of respondents say they are at least average on both these satisfaction metrics. Over 80% say they are average or above in measuring hiring manager satisfaction, and 76% say they are average or above in measuring the candidate experience.

Survey Statement: Please rate your organization in terms of its ability to successfully measure the following.



Editor's note: respondents who answered don't know were removed from the data set. These respondents accounted for 5% of those who responded to "Hiring manager satisfaction" and 6% for "Candidate experience."



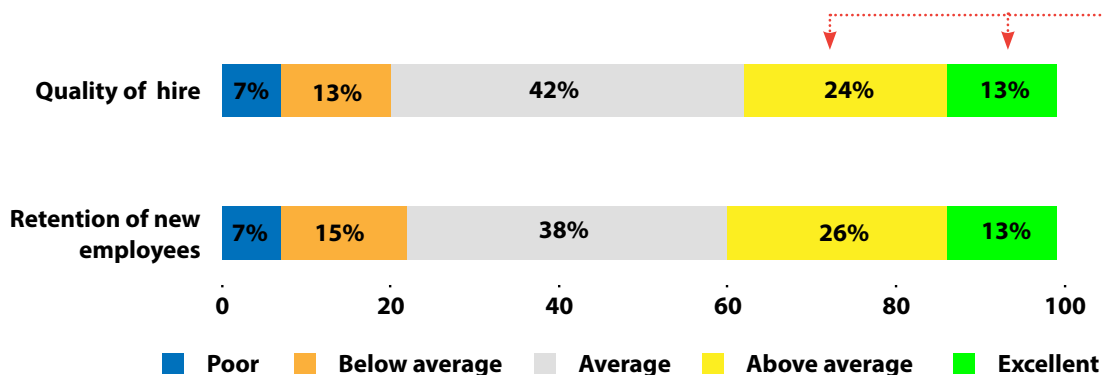
Finding: One-fifth say they are poor or below average in measuring quality of hire

We believe that the most important recruitment metric is quality of hire. One in five respondents say they are poor or below average in measuring the quality of hire. It is easy to understand why an organization might say this. After all, measuring the quality of hire is difficult.

Given its importance, however, any measure of the quality is worth gathering, and over a third of respondents are confident enough in the metrics that they report being above average or excellent in measuring the quality of hire. This means that the large majority of organizations say they are either average or above in terms of their ability to measure the quality of hire.

One possible way of measuring the quality of hire is by measuring employee retention rates. Therefore, it makes sense that about the same percentage (39%) measures employee retention.

Survey Statement: Please rate your organization in terms of its ability to successfully measure the following. (Outcome metrics)



Editor's note: respondents who answered don't know were removed from the data set. These respondents accounted for 4% of those who responded to "Quality of hire" and "Retention of new employees."



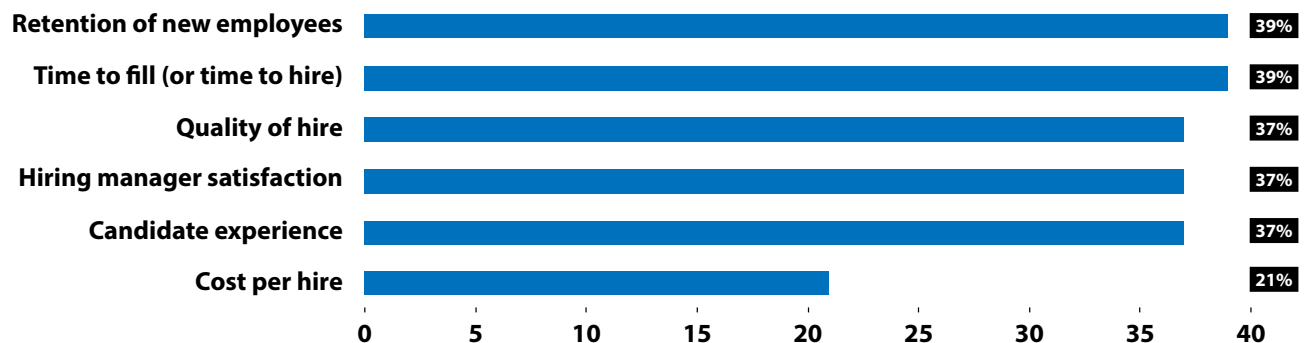
Over a third of respondents are confident that their quality of hire metrics are above average or excellent



Finding: Respondents have the least confidence in their cost-of-hire metrics

Among the six recruitment metrics we listed, we find that respondents have the least confidence in measuring their cost of hire. Only 21% of respondents say their ability to measure the cost of hire is above average or excellent. The intriguing fact is that among the remaining metrics, two (candidate experience and manager satisfaction) are perceptual and intangible metrics and the organizations are still more confident in measuring them compared to the cost of hire.

Survey Statement: Please rate your organization in terms of its ability to successfully measure the following (percentage responding "above average or excellent")



Editor's note: respondents who answered don't know were removed from the data set.



Except for cost of hire, over a third of organizations feel their success with recruitment metrics is above average or excellent

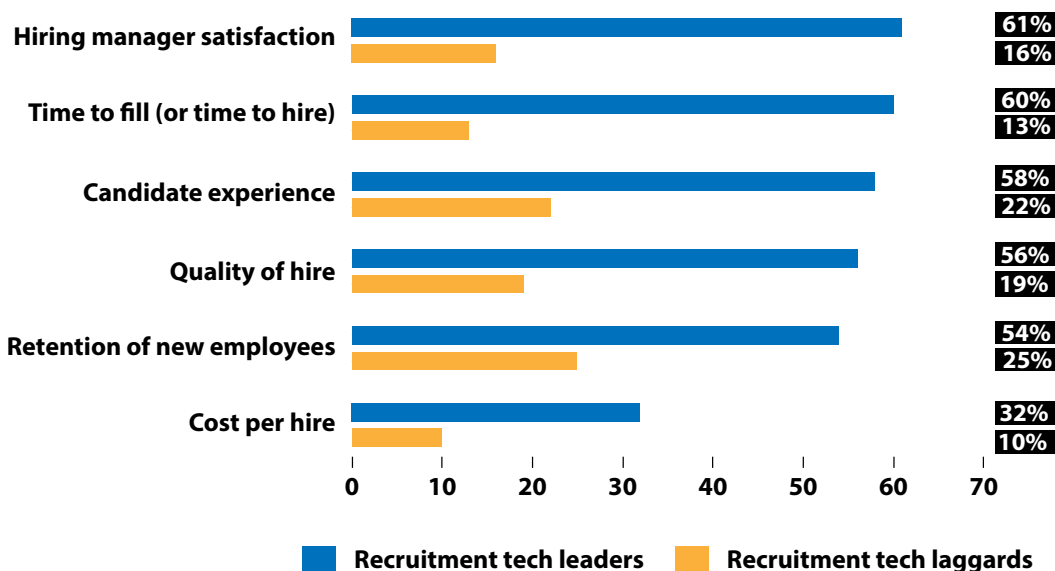


Finding: Recruitment tech leaders are more than three times as likely as laggards to rate their success with most recruitment metrics as above average or excellent

Looking across all six recruitment metrics (cost per hire, time to fill, candidate experience, hiring manager satisfaction, retention of new employees, and quality of hire) recruitment tech leaders are at least twice as likely as laggards to rate their success as above average or excellent.

In essence, this indicates a strong correlation between a high-quality TA technology stack and the ability to measure recruitment outcomes well. This suggests these technologies not only lead to greater effectiveness but also a better ability to gauge that effectiveness.

Survey Statement: Please rate your organization in terms of its ability to successfully measure the following: (percentage responding "above average or excellent")



Editor's note: respondents who answered don't know were removed from the data set.



Only 19% of recruitment tech laggards are above average or excellent at measuring quality of hire

Job Advertising Methods and Technologies



Finding: Organizations typically use at least four methods for advertising job postings

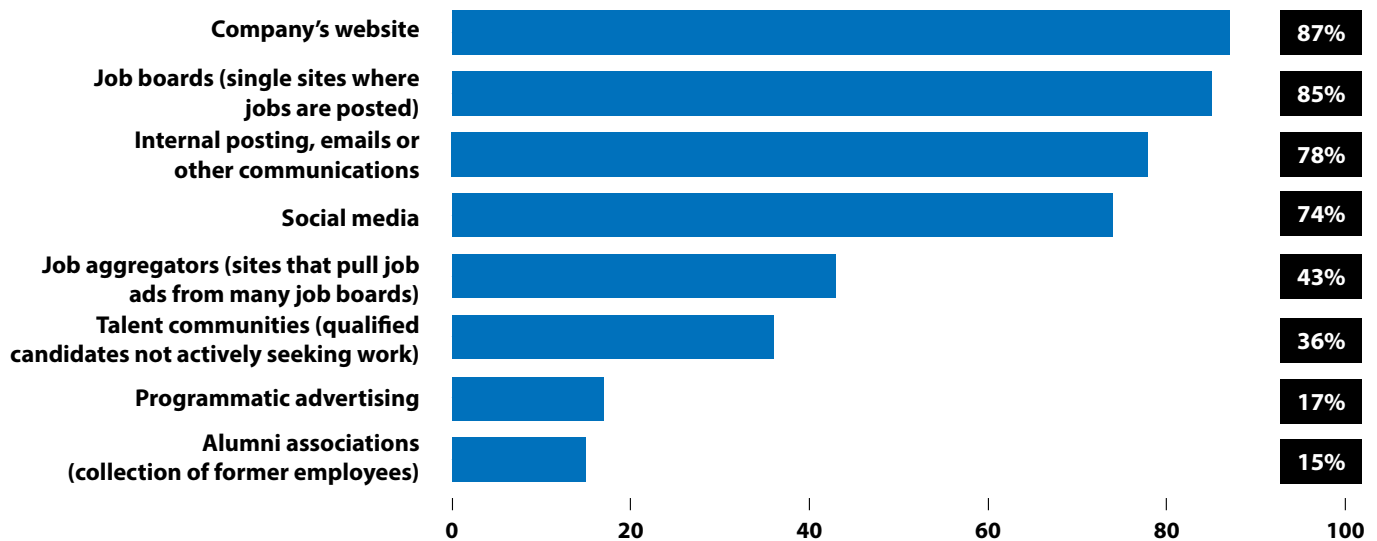
Organizations like to cast a wide net in sourcing talent, and they typically use at least four methods for advertising job postings. The most popular ones, each used by around three-quarters of respondents, are:

- company website
- job boards
- internal postings
- social media

It makes sense that these are the top four given how long these technologies have now been around, but we find it surprising to see how slow recruitment professionals have been to adopt programmatic advertising. Only 17% do so. Programmatic advertising is, of course, the use of technology to automate and optimize the online distribution of job ads across various platforms based on data and algorithms that match the ads with the most relevant candidates and websites.

Given the reported benefits of programmatic products—such as greater efficiency, reach, and cost-effectiveness than other forms of paid advertising—we expected a fast uptick in its usage, but perhaps organizations are A) using it but not recognizing that they are doing so, B) preferring to rely on “free” advertising on company websites, internal posting boards, and social media, or C) simply not finding it to be very effective.

Survey Question: Which of the following ways does your organization advertise job postings? (select all that apply)



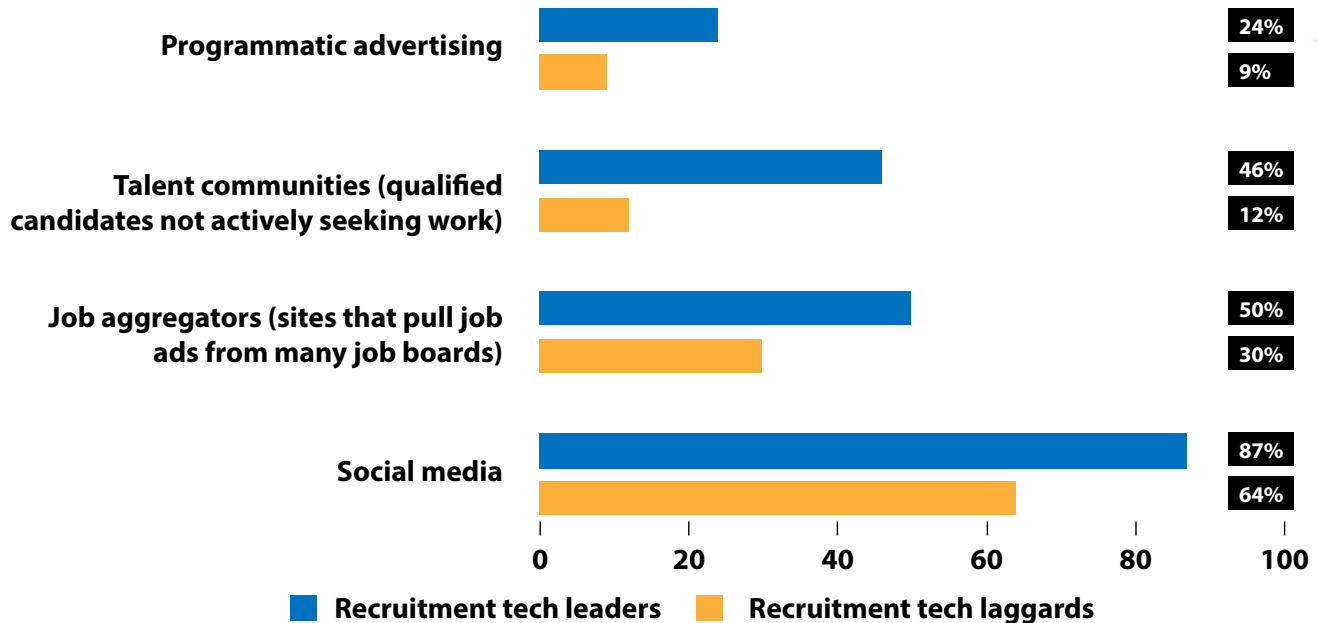
Less than one-fifth use programmatic advertising for job postings



Finding: Recruitment tech leaders are close to four times more likely than laggards to post jobs in talent communities

Recruitment tech leaders use more methods of posting jobs than laggards do. They are much more likely to use social media and job aggregators. However, the most dramatic differences are in the use of less common posting techniques. Nearly half of recruitment tech leaders (46%) use posting to talent communities versus 12% of laggards. And nearly one-quarter of recruitment tech leaders (24%) use programmatic advertising versus 9% of laggards.

Survey Question: Which of the following ways does your organization advertise job postings? (select all that apply)



Recruitment tech leaders are almost three times as likely as laggards to use programmatic advertising to post jobs



HRRI Strategic Recommendation

When it comes to advertising jobs, we have a few suggestions based on our research.

- 
 Employ a variety of means for advertising job postings. Technology can make it easier to use more posting methods and provide a competitive advantage.
- 
 Determine the cost effectiveness and efficiency of various types of job advertising, perhaps correlating methods with recruitment success metrics.
- 
 Investigate the use of talent communities. They can be great places to attract star performers who will stay longer.



Finding: Just over half of the respondents say job boards are among the most effective means of advertising job postings

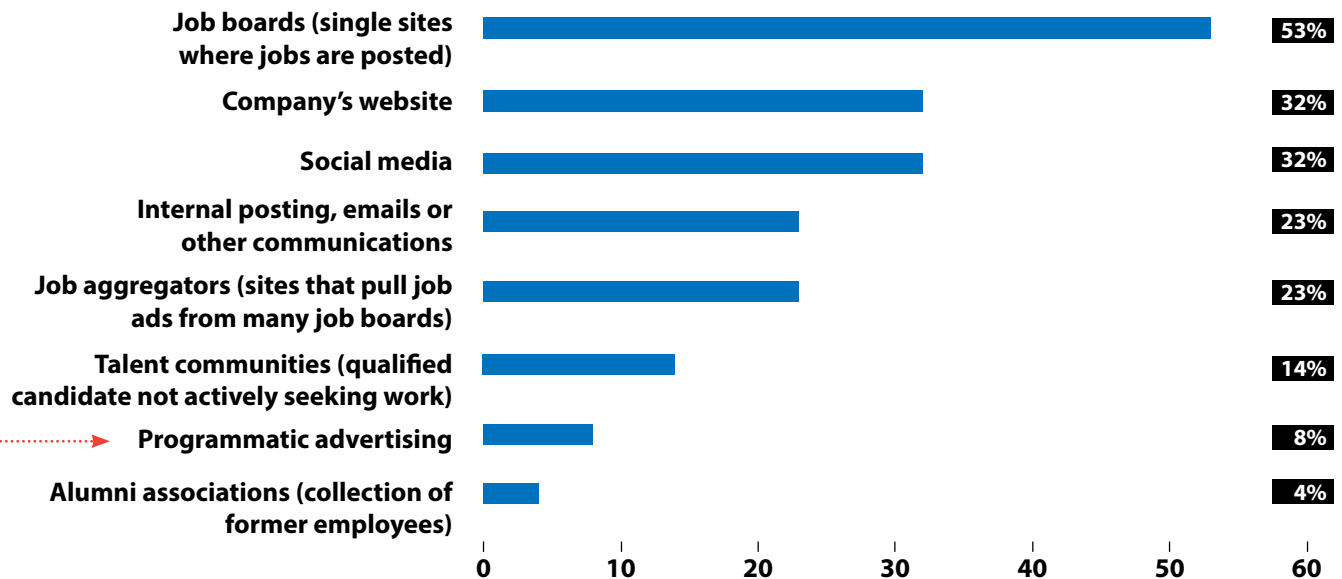
Once respondents chose the job advertisement methods, we asked them a follow-up question about which ones they viewed as most effective.

In this way, we found that there is no consensus here. Just over half (53%) say job boards are among the most effective means of advertising job postings (though this means that nearly half of those who use boards do not view them as highly effective). The next most commonly cited effective methods are the company website and social media but, in each case, slightly under a third felt these were most effective.

The data on effective methods provides one possible answer as to why programmatic advertising has not penetrated recruitment marketing the same way it has penetrated consumer marketing. Only 8% of those who use programmatic advertising rank it among the most effective methods. Note that they must feel it is at least somewhat effective or they wouldn't use it but their enthusiasm for the method is underwhelming.

The generally low numbers on which methods are most effective suggest a degree of frustration with all the advertising methods. In the current market, finding talent can be difficult. Maybe this helps explain why recruiters use many methods to get their postings in front of potential candidates.

Survey Question: Of the following ways that your organization advertises job postings, which do you believe are most effective?



Less than one-tenth rate programmatic advertising as effective



Time to Fill Jobs

Definitions

Exempt: An individual who is exempt from the overtime provisions of the Fair Labor Standards Act (FLSA) because they are classified as an executive, professional, administrative, or outside sales employee

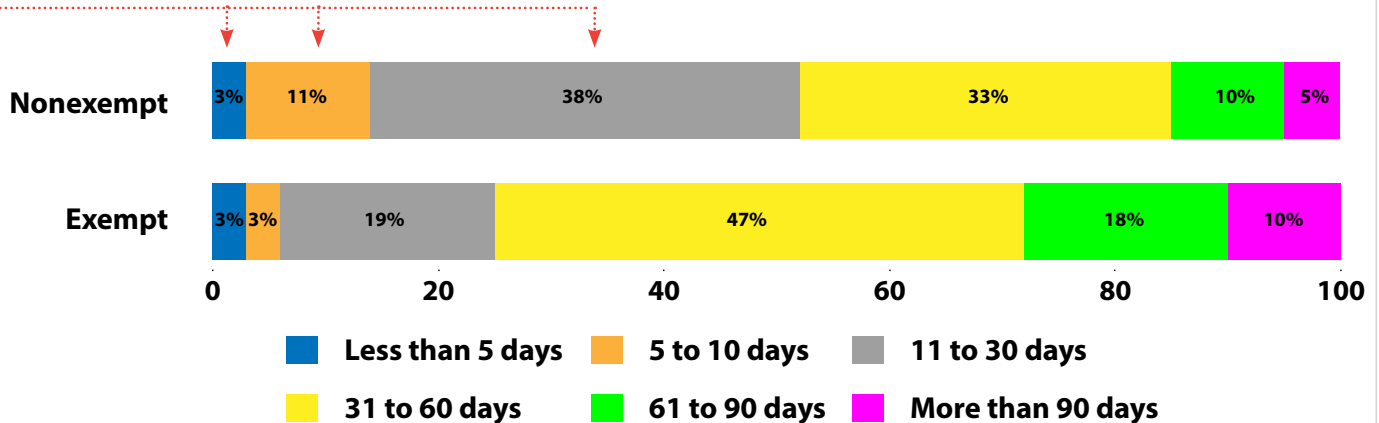
Non-exempt: An individual who is not exempt from the overtime provisions of the Fair Labor Standards Act (FLSA) and may be paid on a salary, hourly, or other basis.

Finding: Typically, it takes much longer to fill exempt roles than non-exempt positions

Taking a long time to fill vacancies can be a serious problem for organizations. Not only does it leave work undone, but it also typically leads to an extra burden on the existing employees, and that can lead to burnout and higher turnover. The worst problems occur in exempt positions where 10% say that, on average, it takes more than 90 days to fill a role and a further 18% say it takes 61 to 90 days.

It is generally easier to fill non-exempt roles, and most respondents (52%) say on average it takes 30 days or less to fill these vacancies. Of these, 14% have an impressive record of filling non-exempt vacancies in 10 days or less. Of course, the question is whether they also prove to be quality hires in the long run.

Survey Question: What is the average amount of time it takes for your organization to fill the following types of positions? (please provide your best estimate)



Over half say that on average they can fill non-exempt roles in 30 days or less.



Differences based on organizational size

Smaller organizations can typically fill senior roles faster than can mid-sized and large ones. The most common time to fill for senior jobs is 31-60 days for small organizations versus 61-90 for mid-sized and large organizations. Of course, the larger the organization, the greater the spans of control those jobs will require.

Finding: The more senior the role, the longer it takes to fill

As we would expect, it takes significantly more time to fill senior roles than more junior ones. More than half of the respondents (57%) say it takes more than 60 days to fill senior roles, but only 16% say it takes this long to fill mid-level positions, and even fewer (8%) say it takes that long to fill entry-level positions.

The most common answer on time-to-fill mid-level positions is 31-60 days (selected by 49% of respondents).

The most common answer on time-to-fill entry-level positions is 11-30 days (selected by 39% of respondents).

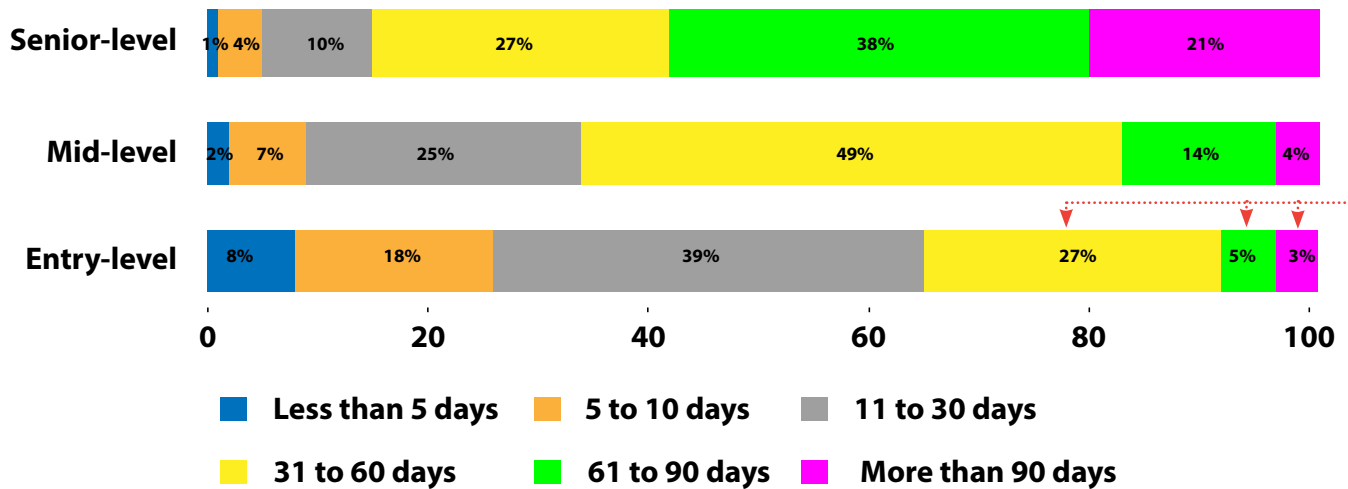
Definitions

Entry-level: An entry-level position refers to a job role that typically requires minimal or no prior work experience and is suitable for recent graduates or individuals new to the job market

Mid-level: A mid-level position refers to a job role that requires a moderate level of experience, skills, and responsibilities. Mid-level status generally entails answering to an individual of greater seniority while also holding administrative authority over less senior staff

Senior-level: A senior-level position refers to a job role that demands extensive experience, advanced skills, and significant responsibilities, often involving managerial or leadership duties within an organization

Survey Question: What is the average amount of time it takes for your organization to fill the following types of positions?
(please provide your best estimate)



More than a third of respondents say that even entry-level roles take, on average, more than 30 days to fill



Optimizing Recruitment for Mobile Devices

Differences based on organizational size

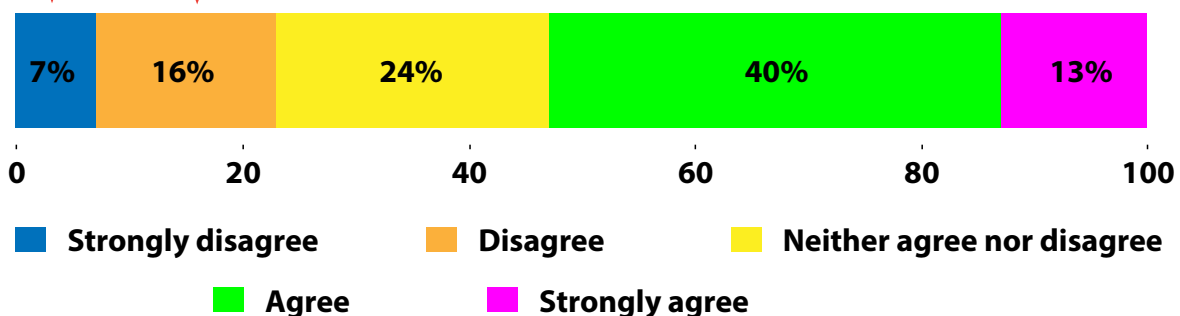
Small organizations are less likely to agree or strongly agree that the job application process is optimized for mobile. For small organizations, 41% are optimized whereas 57% of mid-sized and large organizations are optimized for mobile.

Finding: Just over half of respondents agree or strongly agree that their job application process is optimized for mobile devices or is device-agnostic

The idea of mobile-friendly HR applications is not new, but the use of this technology is still far from universal. Just over half of respondents agree or strongly agree that their job application process is optimized for mobile devices or is device agnostic. This leaves 47% strongly disagreeing, disagreeing, or neither agreeing nor disagreeing that their job application process is optimized for mobile.

This result shows that it can take a long time for new technologies to be implemented in organizations.

Survey Statement: The job application process in your organization is optimized for mobile devices or is device agnostic



About one-quarter of respondents disagree or strongly disagree that their job application process is optimized for mobile devices or is device-agnostic

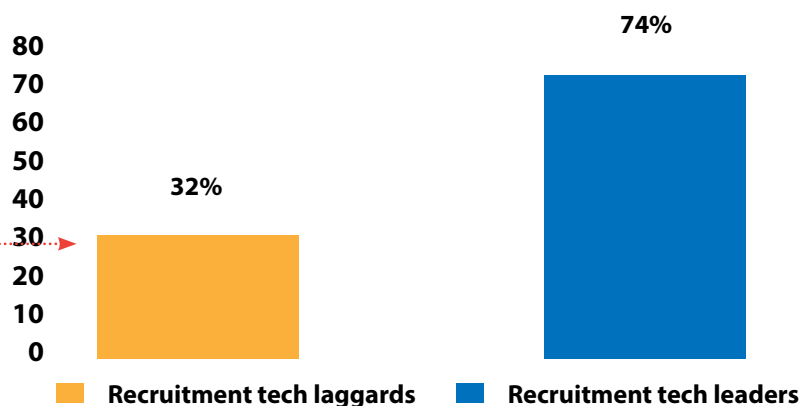




Finding: Recruitment tech leaders are more than twice as likely as laggards to agree or strongly agree that their job application process is optimized for mobile devices or is device-agnostic

Recruitment tech leaders are mostly mobile-ready, whereas most recruitment tech laggards are not. Nearly three-quarters of recruitment tech leaders agree or strongly agree that their job application process is optimized for mobile devices or is device agnostic versus just 34% of laggards.

Survey Question: The job application process in your organization is optimized for mobile devices or is device agnostic. (percent responding agree or strongly agree)



Only close to a third of laggards have their job application process optimized for mobile devices

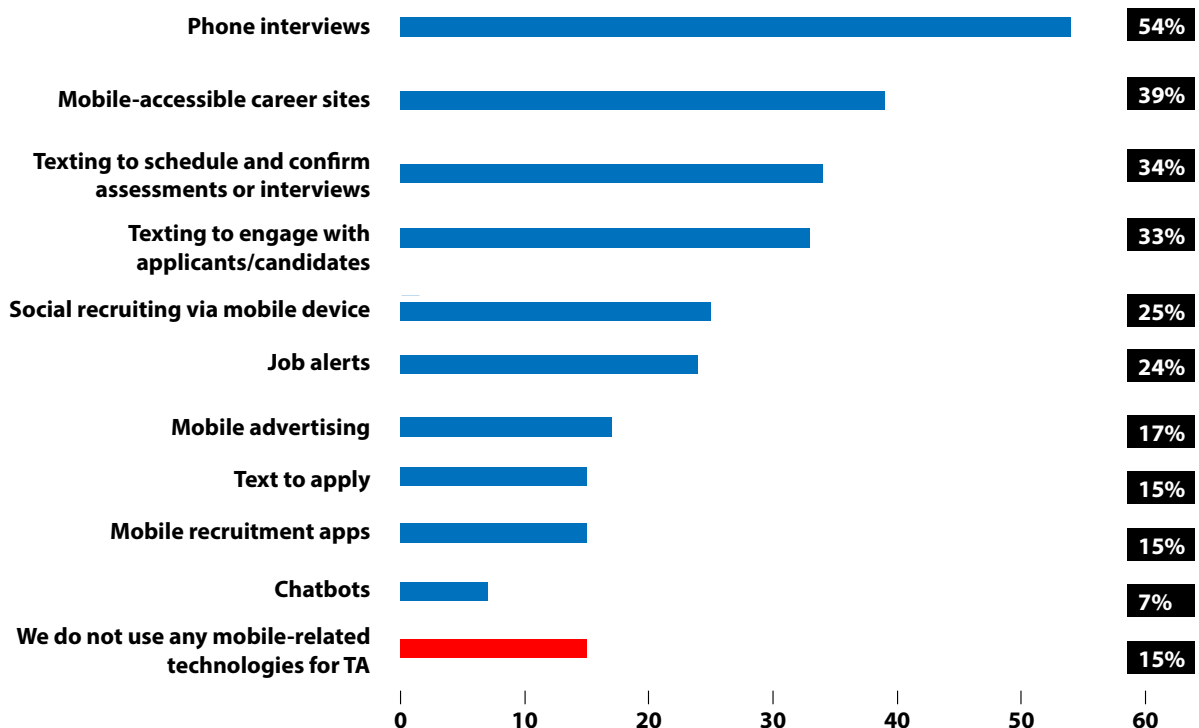




Finding: Less than two-fifths say they have mobile-accessible career sites

The only mobile-related technology used by more than half of respondents is phone interviews. However, this application is not what normally comes to mind when thinking about mobile-friendly recruitment. Applications that are more normally associated are mobile-accessible career sites and using text messaging for various purposes. These applications are used by less than two-fifths of respondents. We can expect these numbers to increase as organizations upgrade their recruitment technology to more modern systems.

Survey Question: Which mobile-related technologies does your organization use for talent acquisition? (select all that apply)



Less than one-fifth of respondents are using mobile advertising to attract candidates

Recruitment Outcomes



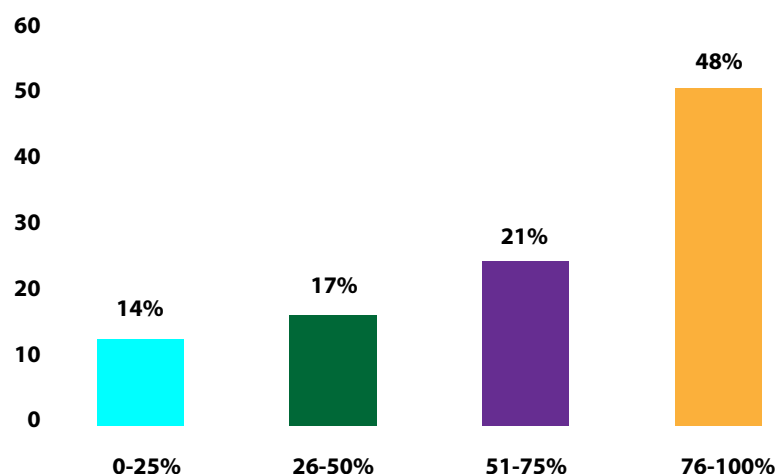
Finding: Close to half say that given the chance, they would rehire 76% or more of the group hired in the past 12 months

One of the most straightforward measures of the quality of hire is simply the question of whether, given the chance to re-do it, would you rehire that person. Anytime the answer is no, it represents a serious failure in the organization's quest to hire good employees.

Some organizations do reasonably well on this metric, with close to half (48%) of respondents saying that given the chance, they would rehire more than 76% of hires from the past 12 months. However, a disturbingly large number of respondents (31%) say that, given the chance, they would rehire only half or fewer of those they hired in the past 12 months.

While HR and hiring managers may be hesitant to discuss the number of bad hires, it is such an important factor for the organization that it behooves the CHRO to raise the issue.

Survey Question: Out of the employees you or your group hired in the past 12 months, approximately what percentage would you rehire if you had the chance to do it over again?



The Use of AI-Powered Recruitment



Finding: Over a quarter use AI for TA to some extent

What Is AI?

Before we delve into our findings, we want to briefly explore the question of what AI actually is. In truth, this is a very broad category that covers a wide variety of techniques such as:

- machine learning
- neural networks and deep learning
- data mining, knowledge discovery, and advanced analytics
- rule-based modeling and decision-making
- expert system modeling
- case-based reasons
- natural language process
- visual analytics and pattern recognition

In some cases, HR professionals may use may be using software that was developed using one or more of these techniques and not fully realize it.

AI Promise and Perils

One of the factors hindering the greater usage of AI in talent acquisition is the peril of bias. Machine learning tools that screen applicants, which was one of the early potential uses of AI in talent acquisition, risked being biased and this may have impeded adoption.

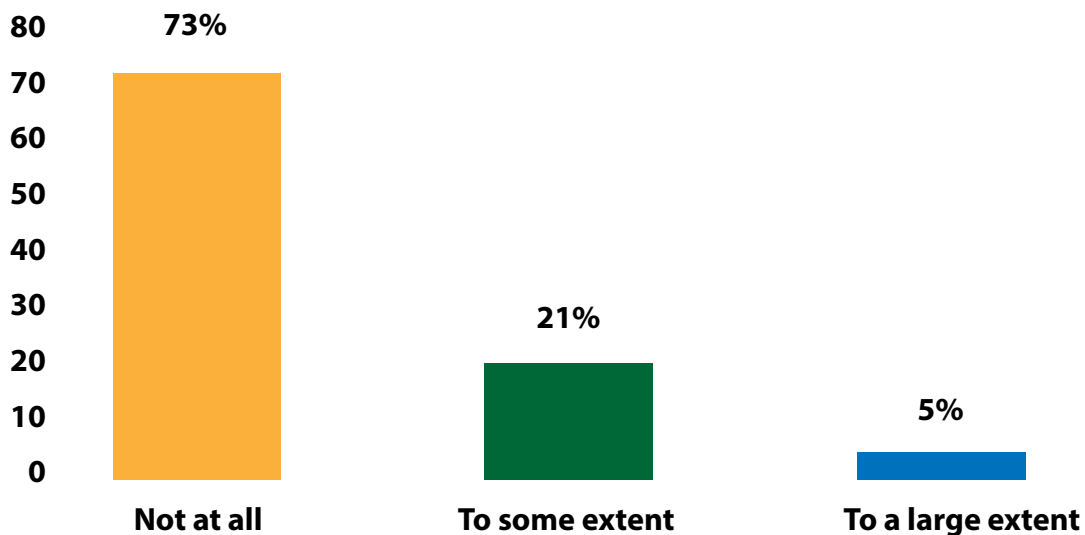
Today's generative AI neural networks, which include Large Language Models (LLMs) like ChatGPT, have some of the same drawbacks, and they are also prone to prediction errors (sometimes called hallucinations) and inaccurate data.

Still, these generative AIs such as LLMs are compelling and easy to use, providing at least a simulation of human-level intelligence. As a result, they are increasingly being used by some talent acquisition professionals and incorporated (along with other AI techniques) into new platforms and software.

AI Usage in the TA Function

So, it makes sense that over a quarter of our respondents say that their organizations use AI for talent acquisition to at least some extent, though just 5% use it to a large extent. These numbers may be less-than-impressive. However, as we see below, organizations that already excel in the area of recruitment technology are far more likely to have already adopted AI.

Survey Question: To what extent does your organization use artificial intelligence (AI) for the purposes of enhancing talent acquisition?



Just 5% use AI in talent acquisition to a large extent



Finding: Recruitment tech leaders are nearly four times as likely as laggards to use AI in talent acquisition

Recruitment tech leaders are far ahead of laggards in the use of AI. Over 10% of recruitment tech leader organizations are using AI to a large extent and a further 33% use it to some extent. The number of recruitment tech laggards using AI is much lower: only 11% use AI to some extent and none use it to a large extent.

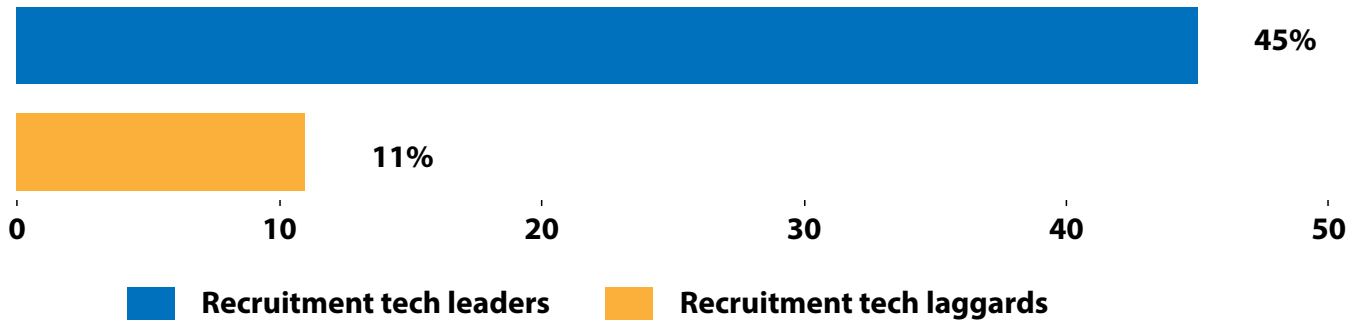
This could mark the beginnings of radical change in terms of HR technology. If organizations that excel at recruitment technology are the early adopters of the latest forms of artificial intelligence, then it's likely other firms will be forced to follow over time. In the next several years AI enhancements could be incorporated into many types of recruitment technologies.

AI in Today's Recruitment Environment

In a sign of the times, LinkedIn, the employment-focused social media platform, reported in October 2023, "To help our customers unlock greater productivity and prioritize the most impactful work, we announced new AI-powered tools across our recruiting and marketing products today." The firm is launching AI-related applications that will reportedly help hirers find qualified candidates more quickly as well as help organizations to create end-to-end marketing campaigns.

It's too early to know what the impact of these kinds of applications will be, but it's clear that providers in this space will be trying out various new offerings in the coming year in order to discern what's effective and what catches the imagination of talent acquisition specialists.

Survey Question: To what extent does your organization use artificial intelligence (AI) for the purposes of enhancing talent acquisition?
(percentage responding "to some or large extent")





Finding: Just over half of respondents see personalization of the recruitment process as an important benefit of AI

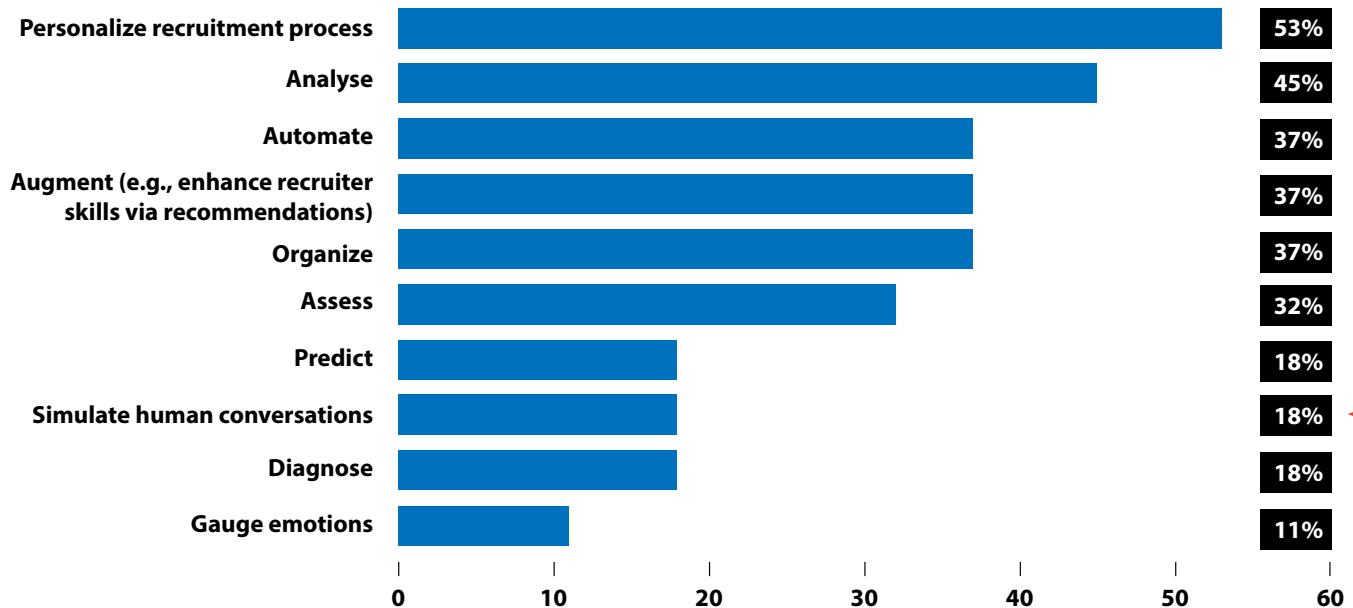
It is still early days for AI in recruitment and it remains to be seen which capabilities will be most important. Among respondents whose organizations use AI for TA, only one capability was chosen by half or more of the respondents as being an important capability: that is, personalization of the recruitment process. This shouldn't be taken to imply that other capabilities are not important, but there's no consensus about which ones are most critical.

Still, we think that the top five most widely chosen capabilities are good guesses about how AI will help the TA function over the next several years:

- personalization
- analysis
- automation
- augmentation
- organization



Survey Question: From the list below, select the five most important capabilities of your AI-powered talent acquisition application. (select up to five)



Almost one in five respondents think AI's ability to simulate human conversations will be important in recruitment



Finding: The most commonly cited benefit of AI in recruitment is improved candidate experience

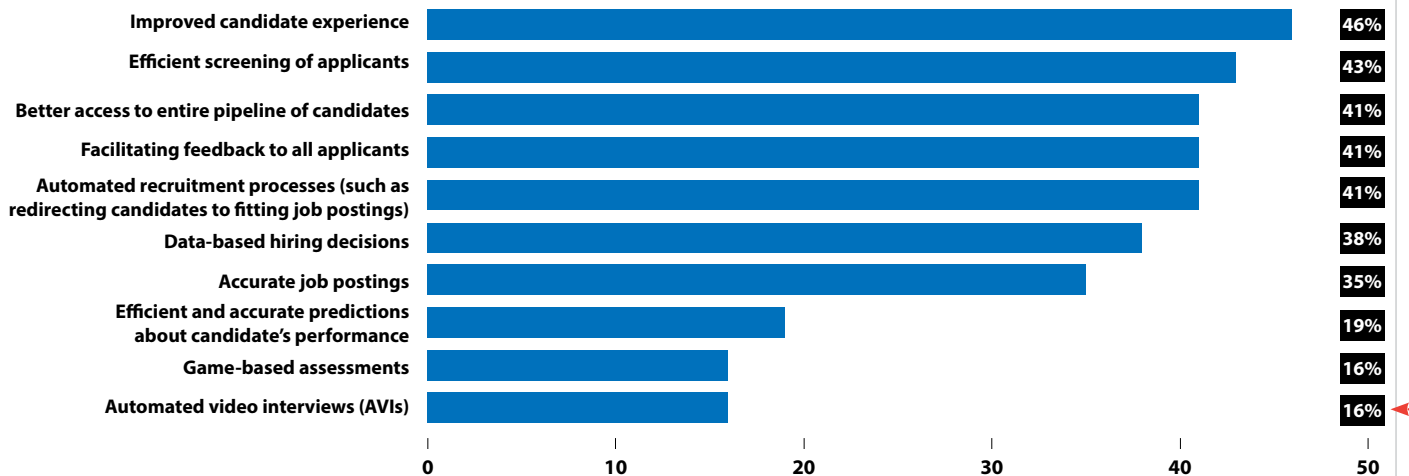
The five most commonly cited benefits of AI in recruitment are:

- improved candidate experience
- efficient screening of applicants
- automated recruitment processes
- facilitating feedback to all applicants
- better access to the entire pipeline of candidates

The fourth most commonly cited benefit is an interesting one: facilitating feedback to all candidates. One of the most common complaints of candidates is that when they apply for a job, it feels as if their resume has fallen into a black hole and they never hear back from the employer. If AI can help address this problem, then it might be a major improvement to the candidate experience.



Survey Question: Which are the top five benefits of using AI in recruitment in your organization? (select up to five)



Only 16% of respondents cited automated video interviews as one of the most important benefits of AI



Finding: The most commonly cited concern about AI is depersonalization of the recruitment process

The five top concerns cited about the use of AI in recruitment are:

- depersonalization,
- low trust in AI-based decisions
- vulnerability to bias
- liability due to unintentional discrimination
- lack of understanding of the decision-making process

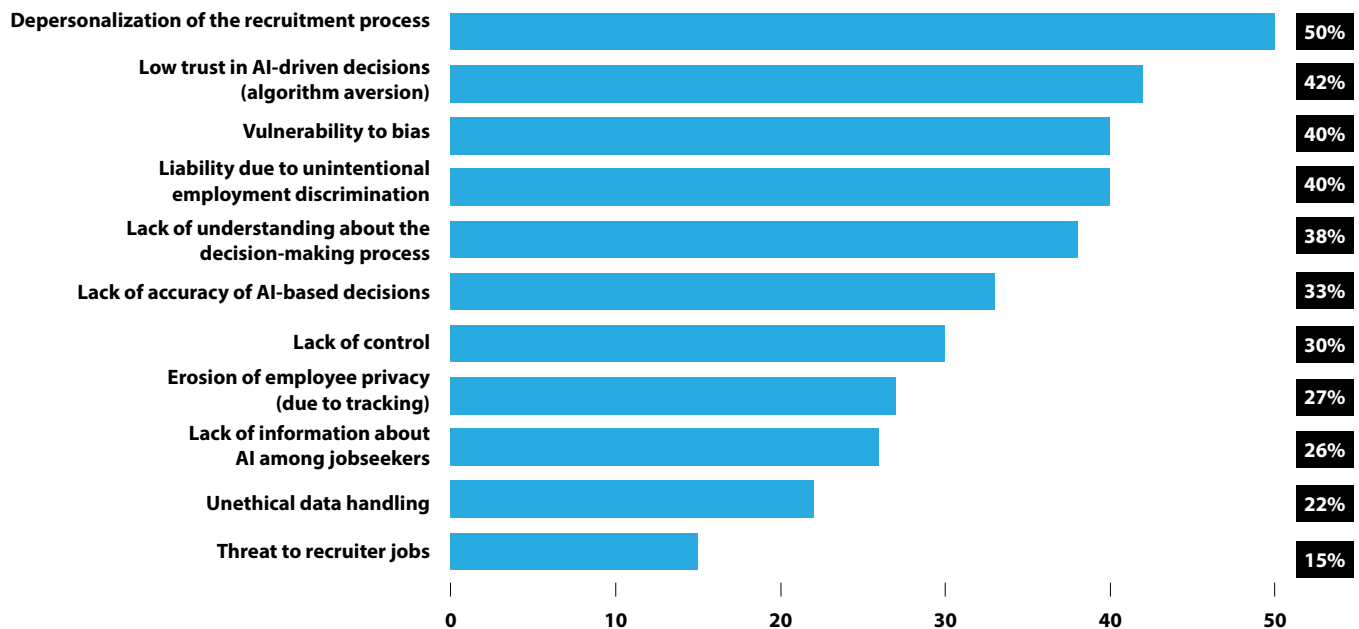
We see a paradox here. On one hand, as we saw above, the most widely cited AI capability among our respondents is the personalization of the recruitment process. On the other hand, the most widely cited concern about using AI for recruitment is the depersonalization of the recruitment process.

Why the apparent contradiction? Because today's LLMs can do an amazing job at simulating human language, text, and even speech. They can potentially at least give the impression of personalization and may, to the degree that they can accurately answer questions, provide actual personalization based on the candidate's needs.

On the other hand, this takes actual people out of the loop for the sake of greater efficiency. It is personalization without the person. And, respondents are aware that this could create a true problem if the AI only frustrates or even offends job candidates.

One concern that is not widely cited is the threat of AI taking recruiter jobs. Only 15% cite this as among the top five concerns.

Survey Question: What are the top five concerns with regard to the increase in usage of AI for recruitment in your organization? (select up to five)



Less than one-fifth are concerned that AI is a threat to recruiter jobs





Finding: A majority cite two strategies for the successful use of AI in recruitment

There are various strategies intended to ensure the successful use of AI, but there are only two cited by a slim majority of our respondents:

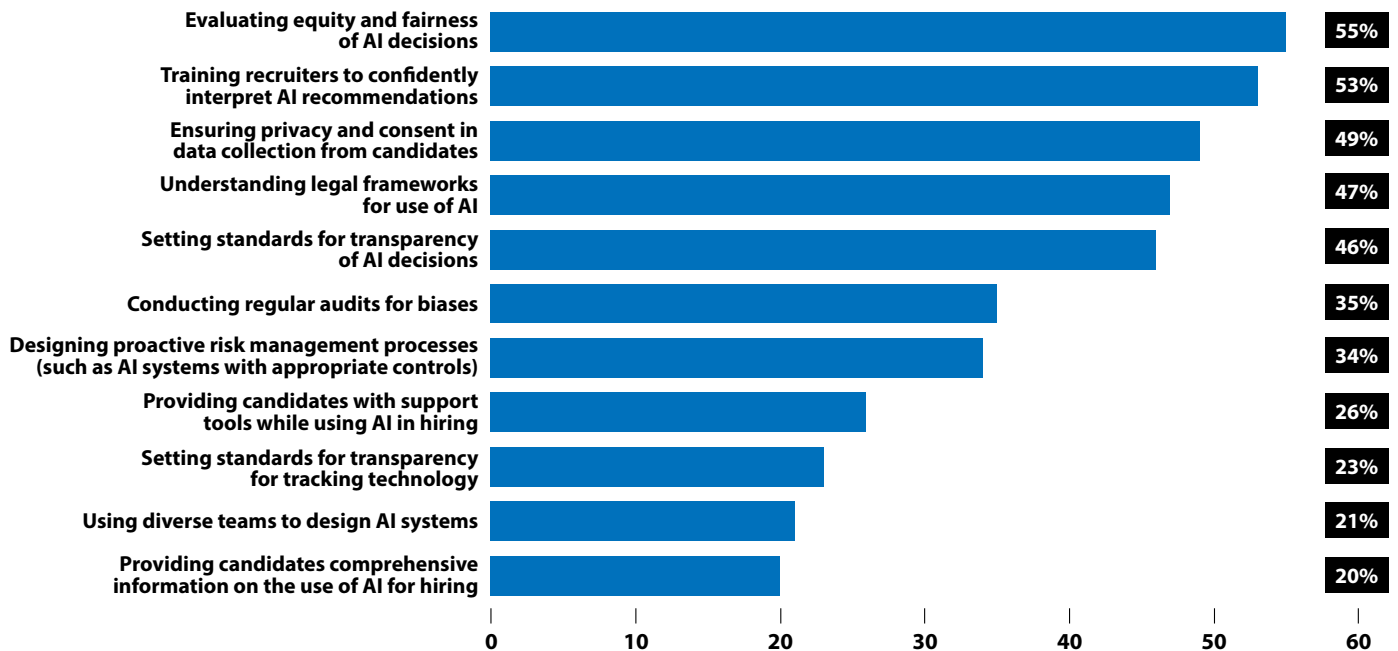
- evaluating equity and fairness of AI decisions
- training recruiters to confidently interpret AI recommendations

In a sense, both of these strategies are focused on quality assurance in an attempt to circumvent problems and shore up the potential weakness of AI systems. That is, a talent acquisition professional can oversee an AI to make sure that its evaluations do not unintentionally lead to discrimination.

Similarly, if an organization can properly train recruiters to interpret AI recommendations, it can also help ensure that every recommendation is vetted by a human being so that poor recommendations are identified and eliminated.



Survey Question: Which are the top five strategies most important to the successful use of AI in recruitment in your organization? (select up to five)



About one in five respondents felt providing candidates with comprehensive information on the use of AI for hiring is one of the most important strategies



HRRI Strategic Recommendation

In light of the research, we offer the following suggestions to TA practitioners:

- ✓ TA professionals should keep a close eye on developments in the world of recruitment technologies over the next year or so. Generative AI applications—which will often be integrated with other technologies such as social network analysis, machine learning and more—will be incorporated into various TA applications. The question is whether these changes will represent substantial improvements over current technologies. If they do, then TA professionals should consider adopting those new tools.

- ✓ When considering new tools, think about where they are most likely to reap benefits. Consider both the advantages and areas of concern. Some possible advantages include greater personalization, better analytics, improved automation and recruiter skills augmentation. Some possible areas of concern include depersonalization, vulnerability to bias, and the concern that some recruiters will “fall asleep at the wheel” as they over rely on the output of artificial intelligence.

- ✓ If more AI-based applications are adopted, consider adopting a variety of approaches such as:
 - ▶ regularly evaluate the equity and fairness of AI decisions
 - ▶ train recruiters so that they can confidently interpret AI recommendations, knowing when and when not to adopt them
 - ▶ learn about the legal frameworks for AI usage
 - ▶ safeguard privacy and ensure consent in data collection from candidates

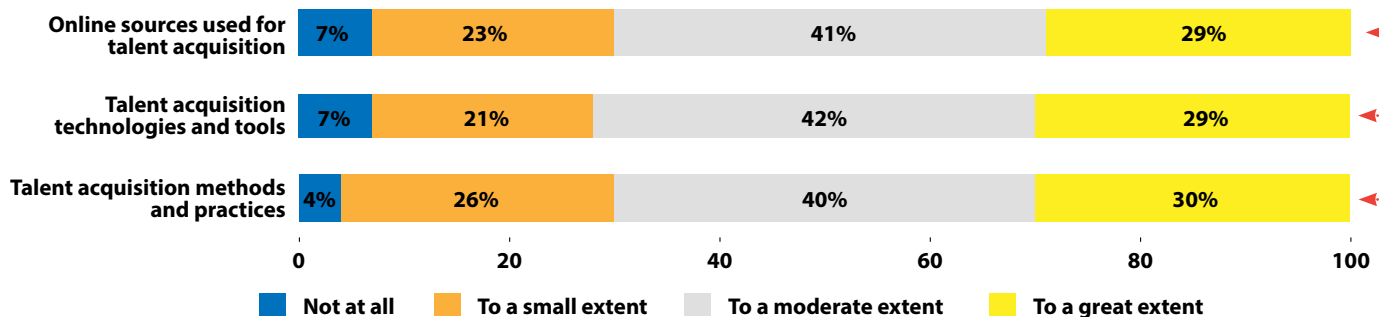
Looking Ahead to the Next Two Years



Finding: A majority of organizations are planning to increase resources/focus on three broad areas of talent acquisition over the next two years

Looking two years into the future, most organizations plan to increase resources/focus on three broad areas of talent acquisition: technologies, online sources, and methods. All three areas will receive similar emphasis. In each area, roughly seven in ten organizations are planning to increase resources or focus to a moderate or great extent. Of these, nearly a third say they plan to increase resources or focus to a great extent.

Survey Question: To what extent are you planning on increasing resources or focus in the following areas over the next two years?



Editor's note: those responding don't know were removed from the data. They represented 13% of the data for "Online sources used for talent acquisition", 14% for "Talent acquisition technologies and tools" and 11% for "Talent acquisition methods and practices"



Close to a third of organizations are planning to increase resources or focus to a great extent in three areas of recruitment

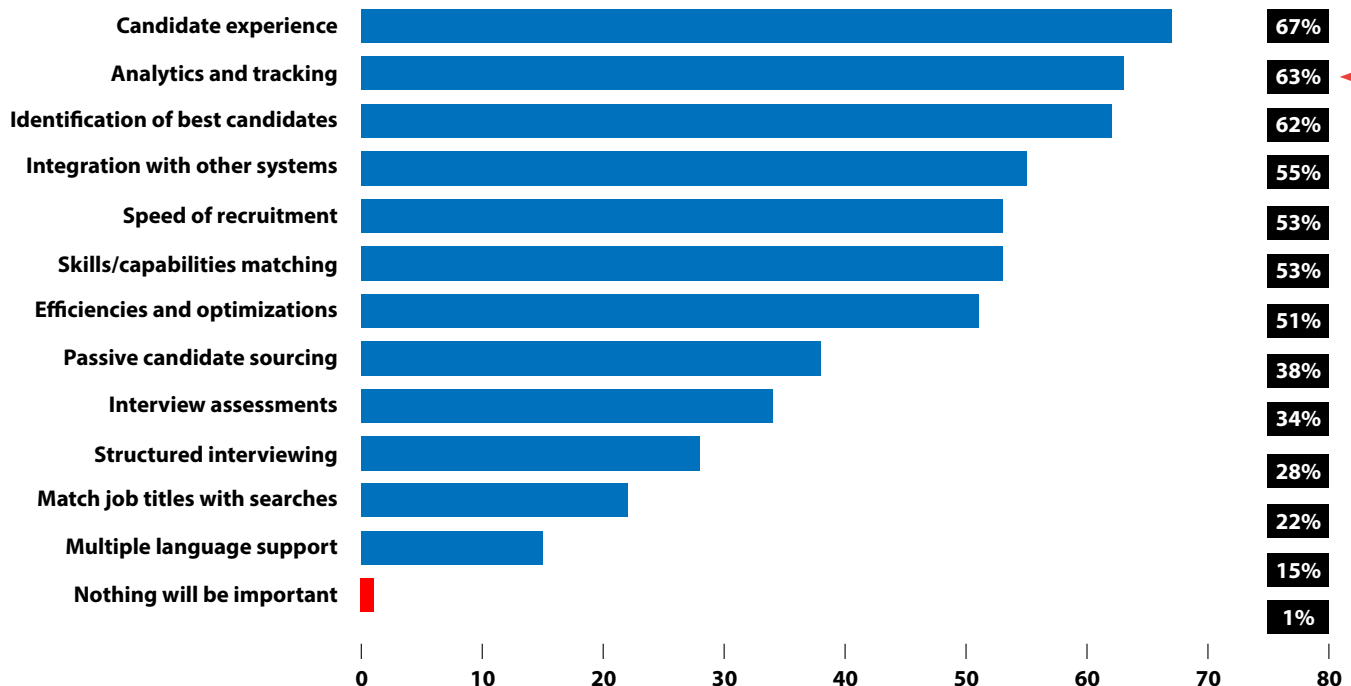


Finding: The capability that is most likely to be important to organizations will be the candidate's experience

Seven capabilities are cited as being important by more than half of the respondents when selecting TA technologies or tools. Of these, the top three are candidate experience, analytics and tracking, and identification of the best candidate.

For vendors of TA technologies, the message is that there are a lot of boxes they will need to tick to get the attention of HR leaders. For HR leaders, the number of factors that are important signals the need for a thorough vetting process before selecting any new technology.

Survey Question: Which of the following capabilities will be most important to your organization when selecting TA technologies or tools over the next two years? (select all that apply)



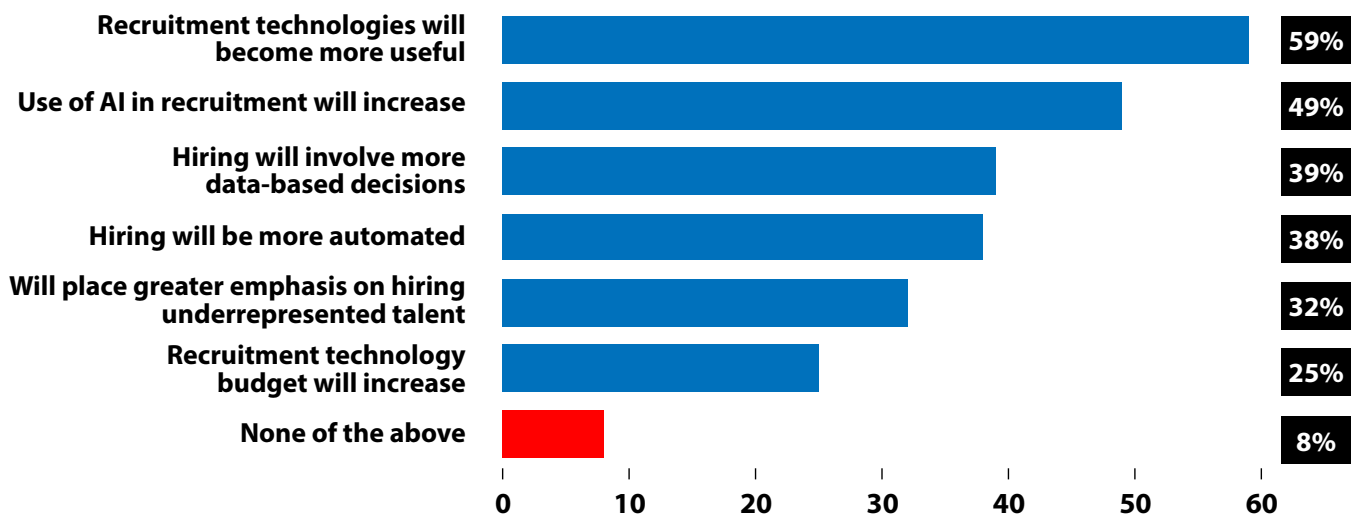
Nearly two-thirds of respondents say analytics and tracking will be among the most important capabilities when selecting TA technology



Finding: Most respondents believe that recruitment technologies will become more useful in the next two years

There are a large number of vendors producing recruitment technologies, so it is reasonable to be optimistic about the future of these tools. Most (59%) respondents expect that recruitment technologies will become more useful in the next two years. Nearly half of respondents say the use of AI in recruitment will increase. Only a quarter expect their recruitment technology budget to increase, allowing them to take advantage of the improved technology that is expected to arrive.

Survey Question: Which of the following do you expect to be true in your organization over the next two years? (select all that apply)



Nearly half of respondents say the use of AI in recruitment will increase



Key Takeaways

Key Takeaway 1

Use good metrics well. Our research shows a correlation between using metrics and successful usage of recruitment technologies. There are a variety of metrics to use, such as time to fill and/or time to hire, cost per hire, hiring manager satisfaction, candidate experience, retention of new employees, and quality of hire. In every case, metrics need to be well thought out and properly integrated both with existing processes and current technologies. Their usage will depend on the organization's priorities. For example, an organization that primarily depends on less skilled employees may emphasize time to hire while one that depends on primarily on highly skilled employees may focus more on retention and quality of hire. Whatever metrics are prioritized, they should provide HR with insights as to which parts of the recruiting process are effective and which are not. From there, TA professionals can continuously improve the processes.

Key Takeaway 2

Pin down what you mean by quality of hire. There are various ways to assess the quality of hire. Among others, the metrics that can help HR assess the quality of hire include feedback from hiring managers, the number of employees who stay a given number of months, performance ratings, whether the new employee has the skills listed on the job posting, and an answer to the crucial question "Given the chance to re-do the process, would you hire this person again?" Some will depend on subjective elements and others will be more objective in nature. Look for the right combination that can shed light on the quality of hire in your particular organization.

Key Takeaway 3

Set ambitious time-to-fill targets. While one should not skimp on the quality of hire, our data shows that some organizations (13%) can fill their non-exempt roles in 10 days or less. While this may be too ambitious for other organizations, reducing time-to-fill could be a big win in terms of cost savings and greater productivity. Assess current processes to find out what can be effectively streamlined, and reach out to peers to find out what they do to achieve a faster time-to-fill.

Key Takeaway 4

Adopt best practices when it comes to choosing and implementing TA technologies. Before making a purchase, find out from all the relevant stakeholders the problems they'd like to solve and what they'd most like to get back from a new TA technology. Also, work with stakeholders during the implementation process so as to maximize utility and ease of use while maintaining privacy and security.

Key Takeaway 5

Explore fast-evolving AI applications. HR and TA professionals not only need to understand the potential capabilities of new technologies but their potential risks as well. However, we believe that risks should be managed well rather than serve as an excuse for doing nothing. The companies that do a great job of adopting the latest technologies may well get a leg up on the competition in terms of talent recruitment, so most organizations should at the very least stay informed about this fast-changing landscape.

Key Takeaway 6

Make recruitment mobile-friendly. It's been fifteen years since the iPhone was launched and since that time many people have adopted smartphones as their main means of interacting with the internet. If your job application process does not include mobile-friendly technology, you may well be missing out on good talent.

Key Takeaway 7

Be open to various job advertising methods. One of the findings of this study is that most organizations need to use several different means of advertising jobs to find candidates. We found, for example, that TA technology leaders are considerably more likely to leverage social media, job aggregators, talent communities, and programmatic advertising.

Key Takeaway 8

Consider using a variety of TA technologies rather than relying on just one. We found that TA technology leaders use a greater variety of tools rather than relying solely on one. Although ATS is indeed most widely cited as an effective recruitment technology, identify which tools best help your organization achieve specific goals. Then make strategic decisions based on those analyses.

Key Takeaway 9

But don't rely entirely on technology. Recruitment is a very people-oriented function. Technologies can help but they can't replace skilled recruitment specialists who are capable of finding and attracting the best job candidates. Organizations need skilled recruitment professionals in order to make the best of use TA technologies.



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