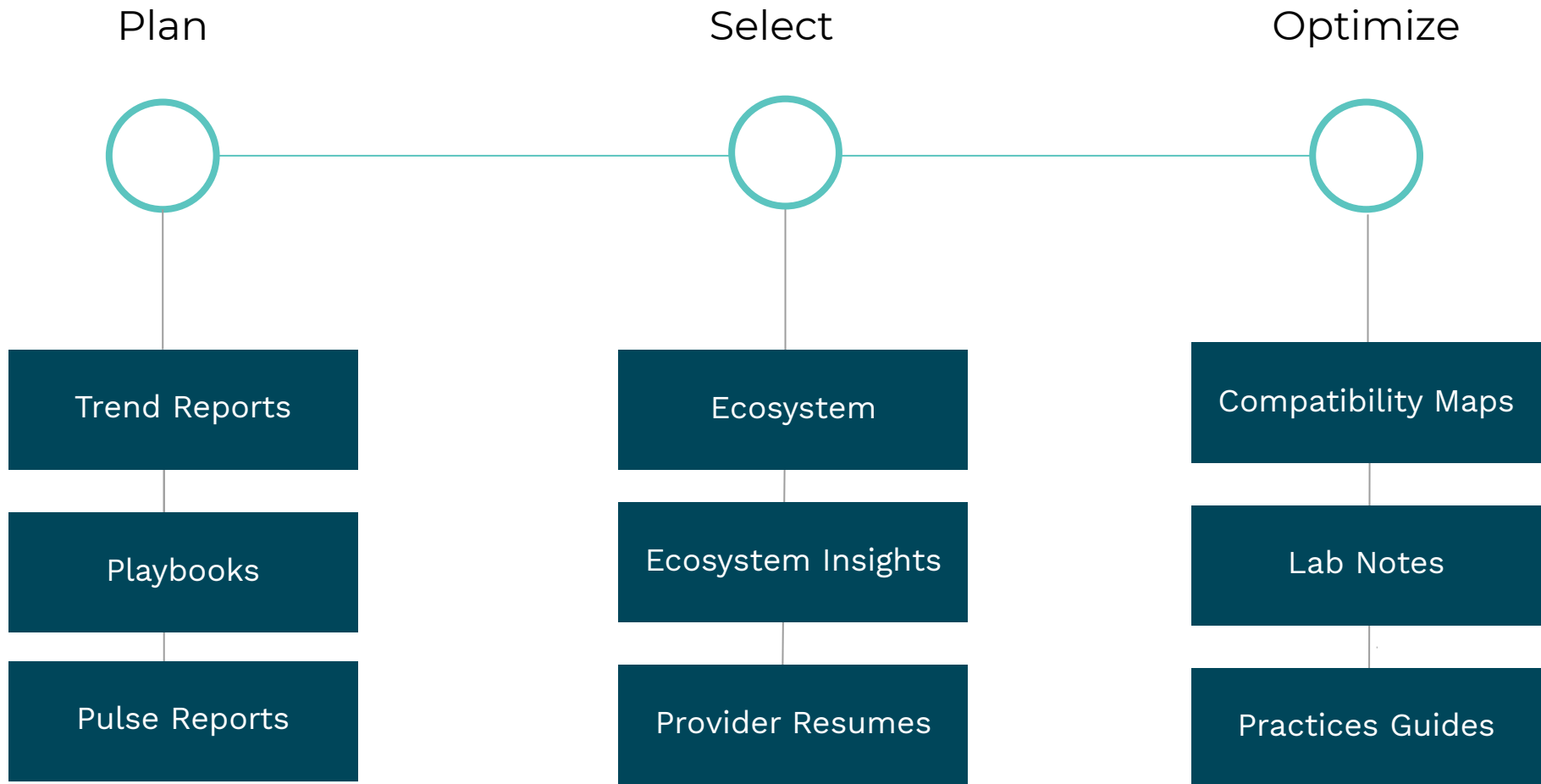TALENT TECH LABS

PLAYBOOK:

How to Hire Remotely:
Maintaining Continuity in a Remote Working Model

RESEARCH LINES BY ADOPTION STAGE

Plan

Select

Optimize

Plan	Select	Optimize
Trend Reports	Ecosystem	Compatibility Maps
Playbooks	Ecosystem Insights	Lab Notes
Pulse Reports	Provider Resumes	Practices Guides

HOW TO USE THIS REPORT

Playbooks

The Talent Tech Labs Playbooks Series™ of reports was created to help firms navigate technology solutions in terms of the specific business problems that companies are trying to solve. These reports are results- and case-study oriented, with a focus not just on technology, but also the business processes that need to be in place to support success. Stakeholders can use these reports as a literal "playbook" to help make strategic and tactical decisions to drive real business outcomes in their own organizations.

TABLE OF CONTENTS

⚠️ = symbol indicating particularly relevant information related to COVID-19

INTRODUCTION

The purpose of this report is to investigate ways employers can use technology to improve and solve business problems in remote hiring. **While hiring remote 'virtual' workers who do not report to a physical office is one aspect of this subject, the report is focused on the practice of how Talent Acquisition (TA) and recruiting functions hire when they have to operate in a distributed manner.** *Within this context, we examine key drivers behind adoption and discuss striking the balance between technical and personal connections. The bulk of the report is a deep dive into specific technology verticals, their position in the TA landscape, vendor examples, best practices, and considerations for success. The intent of this playbook is not to provide all the answers, but rather serve as a guide for TA leaders focused on solutions that improve remote hiring with special attention to the COVID-19 pandemic response.*

Background: As the these practices permeate throughout the organization, the TA function must rethink how work gets done in the context of recruitment. Technologies continue to affect the way organizations engage prospective candidates, but what happens when your recruiting team goes completely remote? The topic is of particular relevance when you consider about two thirds of the economy is working remotely right now because of the COVID-19 pandemic. Whether by choice or because of social distancing practices, this unprecedented event necessitates a new operating paradigm for TA organizations. Outside of the pandemic, investigating remote hiring matters as TA functions look to drive greater productivity and, naturally, greater diversity in the workforce.

An important aspect of 'next-gen' remote hiring is creating new sources of data and pools of knowledge on passive (and even sometimes active) candidates. In addition to understanding candidates better, new rules in remote hiring mandate employers put digital brand at the center of their marketing strategies and encourage greater collaboration among hiring managers. Such models have led to the advent of discussion platforms and interview collaboration technologies, which seek to promote objectivity.

As companies adapt to the new rulebook for successful remote hiring, it's crucial they not overestimate technology's ability to fix every little business problem. Technology is not perfect - cultural fit, for instance, remains challenging to assess in a virtual environment. From an organizational standpoint, technology comes with increased risk of distraction for recruiters and a need to integrate it into existing tools and business processes. Over the years, we've seen technology commoditize certains aspects of recruiting, but the nature of personal touch is still necessary and, in some ways, ever more pertinent in a fully virtual world.

⚠️ COVID-19: Reinventing the hiring process

THE WALL STREET JOURNAL.
Amazon to Hire 100,000 Warehouse and Delivery Workers Amid Coronavirus Shutdowns
Company will raise pay by $2 an hour for warehouse and delivery employees through April

🔵 USA TODAY.
CVS to hire 50,000 workers, gives bonuses to employees amid coronavirus pandemic

FORTUNE
Walmart has already hired 25,000 workers in first week of hiring surge, thanks to streamlined process

---

Commercial markets are feeling immediate effects from the COVID-19 crisis. Extreme measures have been taken to cut off the movement of people and all face-to-face business processes remain disrupted for the foreseeable future. Traditional business models that worked yesterday have been upended seemingly overnight, demanding a rapid top-to-bottom risk assessment of the business and change response[1]. With the crisis, however, new opportunities for innovation arise, and we've seen an acute spike in short-term demand in specific industries playing an essential role in this disaster. Yet, this poses a number of remote hiring challenges:

- How do you shorten a 2 week hiring process to 24 hours?
- How do you digitize touch points that have always required human contact?
- How do you increase engagement? (Especially when the risk level of certain jobs just skyrocketed?)
- How do you reposition your brand and get people to want to help tackle issues caused by the crisis?
- How do you onboard employees, both culturally and administratively, to a completely remote team?

These questions and the challenges discussed in this report are particularly relevant for companies in the following sectors (to the right) who are experiencing intense pressure to acquire substantial labor in a very short time frame.

- Essential Retail
  - Retail Pharmacy
  - Convenience stores
  - Grocery stores
  - Home improvement
- Food Delivery
- Shipping / Logistics / Distribution / Transportation
- Healthcare
- Light Industrial / Warehouse
- Finance
- Call Center
- Janitorial / Cleaners
- Security
- Online Education
- Government

1. Corporate COVID-19 Workgroup Recap includes findings from a Talent Tech Labs working group webinar attended by the leadership of a number of large, corporate companies. Attendees were prompted to discuss trends in hiring and their businesses related to the COVID-19 pandemic

USING TECHNOLOGY TO HIRE REMOTELY

The following section highlights specific business problems and corresponding technologies that can be used to improve hiring in a remote environment. We will examine the business problems sequentially and include vendor examples as well as best practices for each technology category discussed.

NOTE: The inclusion of example vendors in the following pages is exactly that: examples. It should not be interpreted as a recommendation or endorsement of a particular vendor, nor used to perform a competitive analysis. The purpose is to provide readers with a sense of the capabilities in the market, allowing the reader to prioritize areas of focus warranting further investigation. Once ready for a deeper competitive analysis, we encourage you to read our Ecosystem Insights™ line of reports and Provider Resumes™, both of which provide a much more granular level of detail at the vendor level.

HOW THIS REPORT IS STRUCTURED

This section discusses a number of business challenges related to remote work, and how companies can leverage specific technologies to alleviate those problems. We've organized the report around business problems as those are often the pain points that leaders are looking to solve (e.g. an executive might say "We need to figure out how to manage all the events for hiring interns we used to do in person, virtually", but they likely wouldn't say "We need to look into Employer Branding software and the events module of our CRM provider". The overall format we use for each business problem is as follows:

BUSINESS PROBLEM OVERVIEW: Introduces a specific business problem related to hiring remotely.

RECOMMENDED TECHNOLOGY: Introduces and overviews the specific technology sub-verticals that can be used to address the business problem. In some cases, we also include specific vendor examples organized in alphabetical order. Note that these are exactly that, examples, and are not meant as recommendations or as a comprehensive list.

TTL RECOMMENDATIONS AND ANALYSIS: Discussion of the various ways companies might leverage the recommended technologies in order to solve their business problem. We also include real life examples of technology in action.

IMPORTANT CONSIDERATIONS: Highlights general best practices and tips for effective use.

We think organizing the report in this manner will make finding solutions easier for business leaders, and help focus attention on areas that are most pressing for your specific organization and situation.
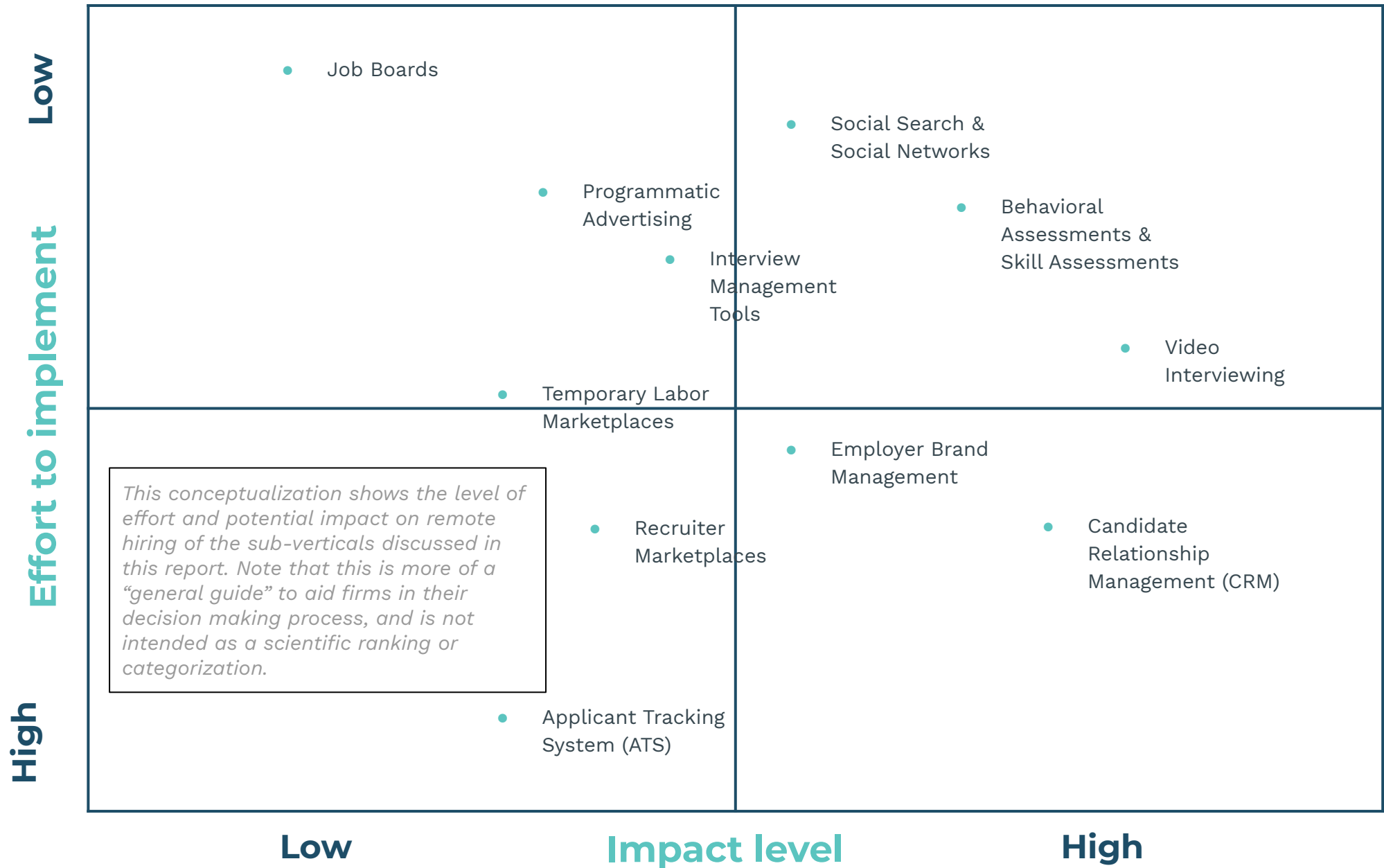
BUSINESS PROBLEMS OVERVIEW

The chart below illustrates the business problems in remote hiring that we address in this report and corresponding technologies we recommend to address such challenges. While some solutions were specifically designed to expand remote hiring, others arose out of different needs. For example, job boards can be tied back to the internet boom where the world saw a sharp increase in web traffic and online presence. Additionally, the advent of the Applicant Tracking System (ATS) sought to replace the Excel spreadsheet as large organizations looked to centralize and tighten up compliance protocols as part of their digital transformation journey. Regardless of original purpose, these technologies can be used to affect the facets of remote hiring. As noted previously, there is no holy grail blueprint, and thus our goal is to provide practitioners with a variety of ideas they can use to craft solutions for their organizations.

Stage	Business Problem	Sub-Vertical(s)
Sourcing	How do you attract talent and build your pipeline in a virtual environment?	Job Boards & Job Aggregators
		Social Networks & Social Search
		Programmatic Advertising
	How do you tap into workers that prefer to work remotely?	Temporary Labor Marketplaces
	How do you scale up/enable distributed recruiting efforts without adding fixed cost?	Recruiter Marketplaces
Engage	How do you do events and engage candidates in a virtual environment?	Employer Brand Management
	How do you measure and improve TA performance when everyone goes remote?	Candidate Relationship Management (CRM)
Select	How do you automate the interview process in a virtual environment so nothing gets lost?	Interview Management Tools & Bots
	How do you interview people in a virtual environment?	Video Interviewing
	How do you assess cultural fit and skills in a remote environment?	Behavioral Assessments & Skill Assessments
Hire	How do you maintain the security of your business assets when everyone goes remote?	Applicant Tracking System (ATS)

REMOTE HIRING TECH IMPACT

Effort to implement (vertical axis: Low at top, High at bottom)

Impact level (horizontal axis: Low on left, High on right)

- Job Boards
- Social Search & Social Networks
- Programmatic Advertising
- Behavioral Assessments & Skill Assessments
- Interview Management Tools
- Video Interviewing
- Temporary Labor Marketplaces
- Employer Brand Management
- Recruiter Marketplaces
- Candidate Relationship Management (CRM)
- Applicant Tracking System (ATS)

This conceptualization shows the level of effort and potential impact on remote hiring of the sub-verticals discussed in this report. Note that this is more of a "general guide" to aid firms in their decision making process, and is not intended as a scientific ranking or categorization.

How do you attract talent and build your pipeline in a virtual environment?

BUSINESS PROBLEM OVERVIEW: Companies normally have access to face-to-face interactions with talent, but this is simply not an option in today's environment. Just because recruiters are physically separated from talent, it does not mean they can't create high-touch hiring experiences and maintain candidate pipeline growth.

RECOMMENDED TECHNOLOGY: Generally speaking, you have three top-of-the-funnel options of sub-verticals that are best equipped to address this business problem: Job Boards & Job Aggregators, Social Networks & Social Search, and Programmatic Advertising. On the following pages, we define these technologies and then discuss strategies for using them to source talent in a virtual environment.

- **Job Boards & Job Aggregators**: Job Boards fall under the Job Advertising vertical, which is one of the largest in TA technology accounting for about $14B in spend. Specifically, Job Boards can be described as employment sites where companies post job opening requirements to be filled by candidates. Of the thousands of boards that have spun up over the last 20 years, some are generalist in nature and cover a variety of industries and skill sets while some are niche and focused on a specific candidate populations or geographies. From the perspective of the job seekers, they navigate job boards through search engine tools that help them narrow down and apply to the right job postings. Important to note are Job Aggregators (e.g. Indeed), which collect postings from multiple job boards and index them into one web page according to its own search engine rules. This is useful for the job seeker in that it reduces time spent searching through the underlying job boards and helps them find the most appropriate opening.

Vendor Examples	Description	Why Did It Make It Here?
Dice	Recruitment engine for tech and engineering professionals	Job Board for tech jobs
Handshake	Career network and recruiting platform for college students and young alumni	Job Board in academia
USAJobs.gov	is the United States' official website for jobs, gathering job listings from over 500 federal agencies	Job Aggregator for bureaucratic jobs

- **Social Networks & Social Search**: Social Networks include the giants such as LinkedIn and Facebook, as well as niche players that are catered towards industry-specific networks. Social Search tools cater more towards the recruitment business function and are defined as advanced web search tools that scrape publicly available information on candidates so they can build out searchable talent databases for employers. Given candidate information became commoditized over time and table stakes for TA functions, these next level companies have evolved to not only discover and 'know about candidates', but also to use algorithms and machine-learning techniques from social graph data to predict behaviors such as how likely it is for a candidate to leave his current job.

Vendor Examples	Description	Why Did It Make It Here?
Entelo	Recruiting automation platform with social search functionality	Candidate search database
LinkedIn	Professional networking website	Includes functionality to let employers post jobs and job seekers post resumes
ZapInfo	Information gathering tool on people	Candidate search database

- **Programmatic Advertising**: With progression in Job Boards and distribution technologies comes **Programmatic Advertising** to help companies optimize how they advertise open roles to candidates and show which job boards are most effective by benchmarking results over time. Different from Job Boards, the revenue model is based on actions taken against a job post such as clicks or complete applications versus an upfront spend commitment. Historically, Programmatic Advertising has been used to market products to consumers and businesses for decades, and its use in employment marketing and recruiting is a more recent development.

| Vendor Examples	Description	Why Did It Make It Here?
Appcast	Recruitment media optimization and programmatic targeting platform	Job advertising technology
ClickIQ	Niche international player offering pay-per-click recruitment media tech and campaign management	Job advertising technology
Joveo	Programmatic recruitment advertising technology ⚠️	Offering free services to essential workers and businesses as part of a global COVID-19 pandemic response[1]
Recruitics	Recruitment and programmatic advertising with employer branding consulting services	Job advertising technology
Wonderkind	Niche international player offering recruitment job advertising	Job advertising technology

1. Joveo March Press Release

TTL RECOMMENDATIONS AND ANALYSIS:

Job board use is almost ubiquitous across employers, and so recommending it as a tech solution for remote hiring might seem underwhelming. That said, there are elements of job advertising technology (including Job Boards) that can contribute to a remote hiring strategy, as well as help solve some of the issues that have arisen due to the pandemic.

1. <u>Use matching technology to filter through high volumes of applications</u>: Job Boards are low hanging fruit for recruiting departments. One challenge is that with the United States unemployment rate hitting potentially upwards of 20% due to COVID-19, job boards will likely become inundated with applicants. A higher volume of applicants exacerbates the former core issue with Job Boards, which is that they may increase supplies of talent, but do not necessarily improve candidate quality. We recommend exploring the use of matching technology (e.g. Ideal, Hiredscore, or scoring via your ATS/CRM) or combine with an assessment tool or resume parser to automate the filtering of top-of-the-funnel candidates and improve the likelihood of finding a good fit[1].

2. <u>Evaluate if your current vendors meet your needs</u>: On page 6, we call out certain industries that have changed overnight due to changing market dynamics associated with COVID-19. With sudden changes in skill demand and shifting business models, companies must reevaluate the Job Boards from which they source talent and understand if they're meeting current needs.

3. <u>Incorporate Social Search</u>: Most recruiting functions use professional networking sites such as LinkedIn to prospect for talent. This is a sound strategy as 49% all professionals are following companies on social media with intent to stay aware of their jobs[2]. While these tools offer repositories of candidate information and can aid in remote hiring, Social Search tools differ in that they're specifically designed for recruitment and provide deeper visibility into candidate behavior.

The screenshot to the right is from Entelo, an established Social Search tool, and specifically from their Insights product. You'll notice the richness of Jay's profile including predictive analytics on how likely he is to move jobs and a fit score, which is calculated specifically for the user's company.

1. *According to one analysis, these technologies account for rejecting as much as 75% of resumes before they reach a hiring manager.* **Source**: [75% of resumes are never read by a human](#)
2. [LinkedIn Talent Solution Global Survey](#)
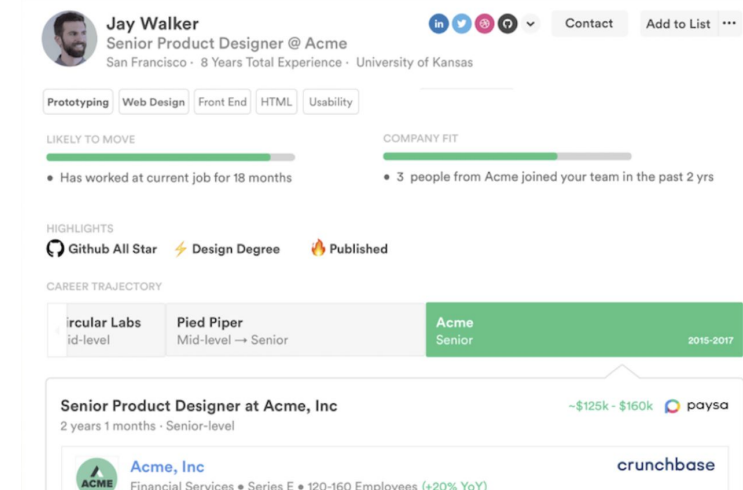
4.   <u>Tailor your outreach</u>: To successfully use Social Network, Social Search, and Job Board databases requires that you tailor your message to candidates. This is especially important given the influx of millions of new resumes out there in the labor market. One recommendation for employers is to study up and employ effective Boolean search in their recruiting efforts. Boolean search enables users to narrow down on relevant candidates by combining words and phrases with operating terms such as AND or OR. Here are is a good resource by TalentLyft for further exploration[1]. Alternatively, more modern tools (e.g. Hiretual, Hiring Solved, etc.) use natural language processing and machine learning to "understand" human search terms, and such tools can be effective in finding excellent candidates that may have fallen through even a 'ninja' boolean search. Other recommendations include the following:

   <u>Find your audience</u>: While previously mentioned vendors serve as examples of places employers can go to find talent, note there are thousands of options. Make sure you perform a deep analysis of the business need so you can find the most optimal talent sources.

   <u>Target qualified candidates</u>: If you're hiring for an IT job that requires a technical certification that the candidate does not have, consider that time wasted. Take note of the non-negotiable requirements you're looking for in a candidate and apply it to your search.

   <u>Tailoring your message to the seeker</u>: Job Boards is just one channel where job seekers are bombarded by recruiters so it's critical employers hit them with a relevant message. To do this successfully requires that you take the time to review the candidate's digital profile and resume if available.

   <u>Be transparent about the opportunity</u>: Making it easy for the candidate to say yes to your invitation requires transparency. Not only does this refer to explaining the role and getting ahead of commonly asked questions, but also revealing the pay and commission structure if there is one.

   <u>Professionalism</u>: Whether you're a recruiter or not, an employee's digital footprint is a representation of the employer brand to which they associate. We recommend users show their corporate email because it builds credibility and trust with job seekers.

1. <u>What is Boolean Search in Recruitment?</u>

5. <u>Optimize your spend via programmatic advertising</u>: One recommendation that may be particularly impactful given the current environment and rapidly changing demand dynamics for certain roles is to adopt a programmatic job advertising strategy, especially if you're not using Social Search tools. Unlike direct job board contracts (which typically entail purchasing a certain amount of ad space up front), with Programmatic Advertising you're not locked into a certain spend for any particular job board (pricing is based on utilization/performance), which can enable firms to pull back on spending. This is even more true today, as right now there will likely be more applicants at every level of spend, driving down the average cost per applicant. Programmatic Advertising helps optimize to whom the job or "ad unit" is exposed across multiple job sites and measures performance at the individual, job family, or company level, enabling more flexibility. Additionally, campaign results can reveal useful intelligence about a talent segment's behavior and preferences on different job sites, eliminating a lot of the guesswork that often comes with deciding where to spend the job ad budget.

The screenshot to the right is from Appcast, a recruitment media optimization and programmatic targeting platform.

The custom fields represent some of the rule based success metrics, targeted demographics, and real-time bidding and budget tracking that job advertising technologies enable.

1. What is Boolean Search in Recruitment?

How do you tap into workers that prefer to work remotely?

BUSINESS PROBLEM OVERVIEW: Alternative work models are not a new phenomenon. For decades, some industries such as language translation or IT tech services (among many others) have relied on flexible work models as a backbone to how they operate. In addition to shifting worker preferences, companies also recognize increased productivity and access to talent, but are challenged with maintaining compliance and visibility, and operationalizing the workflow process with temporary labor.

RECOMMENDED TECHNOLOGY: Temporary Labor Marketplaces connect the buyers and sellers of labor and enable the transaction of work agreements. These platforms are designed to allow clients to post projects and select an applicant to complete it in a one-to-one relationship. While the vast majority of work executed on these platforms is virtual in nature, some support on premise work, too. These platforms are another source of digital talent that can be tapped on a virtual basis. They also supply the infrastructure to support remote work engagements in their entirety.

Vendor Examples	Description	Why Did It Make It Here?
Fiverr	Online marketplace for freelance services	Strong representation of creative talent
Catalant Technologies	Tech-enabled temp labor marketplace for professional services	~40% adoption by the Fortune 1000
The Mom Project	Temp labor marketplace for mothers returning to the workforce	Mission driven, remote work platform focused on women
Toptal	Global marketplace of high-end software developers	Good example of remote work model
Upwork	Largest temp labor marketplace in the world with ~$2+ billion in freelancer earnings per annum	Largest company in the category for freelance talent

SPOTLIGHT: *The Mom Project is one vendor in particular that caught our eye. They are a digital marketplace committed to helping women remain active in the workforce by connecting them with opportunities. The work is mostly flexible in nature, though the team is advocating for employers to post more full time work over time. The Mom Project is an example of an untapped pool of talent for employers, that is, mothers looking to return to work in a remote way. An added plus is that this may align with a company's diversity and inclusion initiative.*

TTL RECOMMENDATIONS AND ANALYSIS: Temporary Labor Marketplaces are already built for remote work. With a volatile economy and quickly fluctuating demand requirements, we recommend companies prioritize a flexible labor strategy, especially considering trends in the space: the graph below reflects activity levels on Fiverr, one of the largest online freelance marketplaces mentioned on the previous page, compared to the S&P 500 closing values and United States COVID-19 infection rates[1]. Declining closing values after February 19th, 2020 indicate a period of economic downturn, yet freelance business activity remains steady, even slightly increasing, before dropping down in mid March. At this time, with the sharp increase in infection rates, comes, in parallel, a surge in freelance activity, supporting a few possible theories: 1.) companies adapting their strategy to use more freelancers and lower cost 2.) the introduction of new customer segments in response to the needs of the pandemic and 3.) more net new people freelancing and/or freelancers doing it more.

Total US activity levels on Fiverr, as compared to the S&P 500 and US infection levels
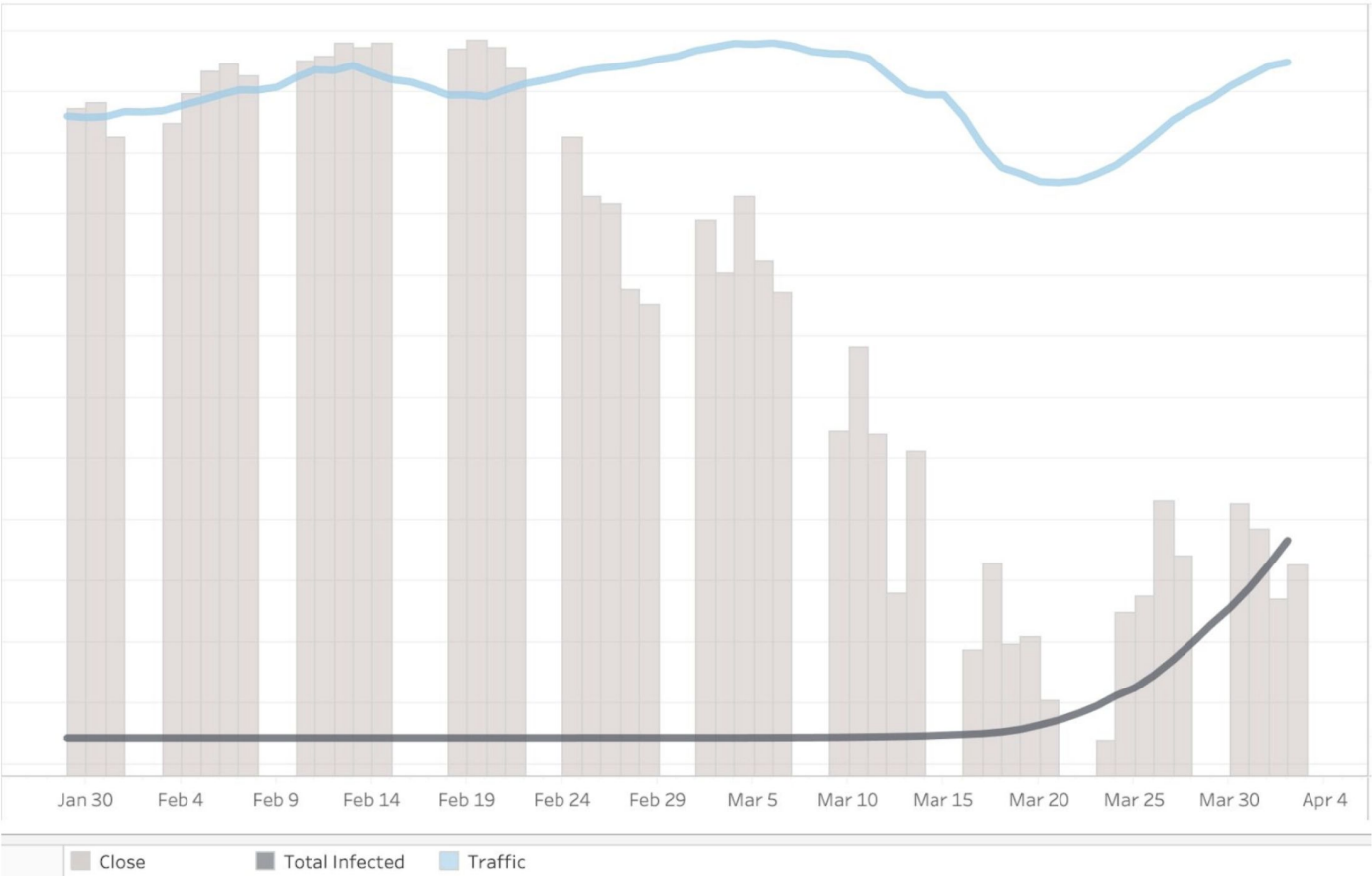
Additional evidence to support such claims is found in CEO of Fiverr Micha Kaufman's shareholder letter from April 8th where he states, "We are also seeing increased activity on desktop versus mobile which reflects the stay-at-home requirements put in place around the world." [2]

In this briefing, data from mid March through early April also showed a sharp spike in the number of new sellers on the platform (freelancers), which correlates with a sharp increase in platform traffic. This likely means there's a net new supply of freelancers seeking to address new market demands as a product of the crisis.

1. The Four Stages of Pandemic Response - A White Paper By On Amir, PhD (pg. 2)
2. Fiverr shareholder letter, April 8th, 2020

IMPORTANT CONSIDERATIONS: Recruiters (and HR more broadly) do not typically interact with Temporary Labor Marketplaces. This is because these platforms typically support bespoke work assignments, which are usually handled by the business (not TA). However, we think there are underappreciated opportunities when it comes to strengthening the dynamic between TA and the business as well as these technologies' affect on remote hiring:

Operational relief: In the current state, most Temporary Labor Marketplaces are used by select lines of business in a siloed way to get work done that is generally short-term in nature. While most TA executives believe using these platforms is outside the scope of their responsibility, we see it as a key opportunity for the TA function to increase ownership within the organization and influence business success. If TA can act as a middle service layer to the business, own the vetting of these workers for business demand, and centralize access to a ready-to-go talent pool, they will alleviate much of the operational pain around efficiently using these platforms and reporting on audit trails.

Discovering a new hiring channel: We see a bidirectional feedback loop with the business as a key advantage in remote hiring. Just because TA takes on the vetting of temporary labor, it does not have to stop there. With access to the performance and work data captured in these digital marketplaces, TA could begin analyzing profiles and assessing potential new hires. Work samples is one of the strongest predictive inputs of employee success so why not seriously consider these workers for full time positions. While recruiters may identify good fit candidates, that's half the battle. Many workers present on Temporary Labor Marketplaces prefer an alternative work lifestyle.

External perception to candidate market: Important to prospective employees, particularly in the younger demographic, is employer brand. Whether TA plays a hand in Temporary Labor Marketplaces or not, promoting the use of them positions the employer as forward thinking and tech enabled. It shows the employer recognizes workers expect different pathways to engage companies and that they are willing to meet candidates where they are and recommend alternative routes to full time employment.

How to get started: The easiest way to start using one of these platforms is to first identify a bespoke need for talent in the business (e.g. software development, data processing, accounting/bookkeepers, etc.), shortlist a handful of platforms that specialize in those labor categories, and give the business units with the hiring need a budget to use flexible labor at their disposal.

Temporary Labor Marketplaces really removes location out of the hiring equation and allows recruiters to access new skilled labor in undiscovered communities. Since talent marketplaces usually do not fall in TA's camp, make sure you practice change management around adoption by recruiters and how this will affect success metrics in the role.

How do you scale up/enable distributed recruiting efforts without adding fixed cost?

BUSINESS PROBLEM OVERVIEW: With layoffs and hiring freezes, companies are pressured to continue maintaining business continuity in recruiting with the same or fewer headcount. In industries with acute demand, this is especially difficult without adding fixed labor cost. Further, now more than ever, companies need to find ways to drive cost savings.

RECOMMENDED TECHNOLOGY: Within the realm of online staffing sits Recruiter Marketplaces. These technologies pool together thousands of independent recruiters and agencies to fill jobs - think Temporary Labor Marketplaces or Uber, but for recruitment talent.

Vendor Examples	Description	Why Did It Make It Here?
Bounty Jobs	Legacy web platform to help employers find and engage direct-hire agencies	Founded it 2006, Bounty Jobs was one of the first players in the category
Reflik	Crowdsourced recruitment	Recruitment marketplace with social referral aspect
Scout	Recruitment marketplace, which has evolved to become a 'perm VMS' for temporary recruiting staff	Leader in the category; added matchmaking functionality

ADVANCEMENTS TO HELP RECRUITERS: Many Recruiter Marketplaces send requirements to multiple recruiters to improve success rates, which has the unintended consequence of reducing the probability of individual recruiter success (and thus, incentives to actively work on your open roles). Instead of forcing outcome-based success, some vendors offer the option to engage with recruiters on a project or time-basis. This is helpful to the recruiters that work through these platforms in that it emulates a longer term contract, however, they still get the benefit of working from home and on their own schedule.

TTL RECOMMENDATIONS AND ANALYSIS:

1. <u>If you're constrained hiring internal resources, Recruiter Marketplaces might be a great fit</u>: Built on a network of third party recruitment professionals, Recruiter Marketplaces provide scalability to the candidate sourcing process without adding internal headcount.
2. <u>They can save money on placement costs, too</u>: Crowdsourced recruiting engages a large pool of independent recruiters to source candidates for a flexible, cost effective fee (typically in the neighborhood of 10%-15%) that is split among the workers assigned to the job request. This counters the traditional recruitment process where employers hire expensive recruitment services such as staffing agencies.
3. <u>Recruiter networks are fully distributed</u>: Recruiter Marketplaces bear no cost commitment unless a successful outcome is achieved. Companies also benefit from having access to a centralized platform to efficiently engage recruiters, all of whom operate under the same contract, which provides transparency and predictability.

IMPORTANT CONSIDERATIONS: The concept of using crowds to tackle tough challenges in humanity and business is not a new phenomenon. Here are some areas to address when thinking about how to integrate crowdsourced recruitment approaches into existing business models:

<u>Workforce planning</u>: In the same way you think through what skills are needed when leveraging a Temporary Labor Marketplace, we encourage employers to practice the same exercise for Recruiter Marketplaces. Workforce planning should help organizations better understand and assess current and future staffing requirements and identify the critical skills they have in house to complete them versus those that could be allocated to third-party services. If you document these strategies going forward, then your organization will begin to develop a practices guide on which projects fall into business-as-usual versus those that would be a good fit for Recruiter Marketplaces.

<u>Talent quality</u>: An important question to consider is if the goal is to obtain the best candidates for a job or as many resumes as possible. Of course, there will be a tradeoff when using a digital platform like a Recruiter Marketplace versus a traditional white glove recruitment service so be sure to analyze the job requirements and ensure internal parties and 'the crowd' understand the project well. Additionally, we recommend thinking through whether you want the task to be completed by one entity or if you prefer collaboration among partners.

Internal talent engagement: Research shows that crowdsourcing generally improves internal talent engagement and retention in that it enables teams to be better problem solvers[1]. Extrapolating that finding and applying it to the TA function, Recruiter Marketplaces empower recruiters to get their job done and achieve their key performance indicators. By virtue of having that tool in the bag, we argue recruiters may be feel more capable, which can impact performance and culture. At the same time, recruiters must be aware 'throwing it off to the crowd' is not always the answer. Teams need to think through the deployment of these strategies in order to recognize the benefits.

In summary, Recruiter Marketplaces are useful for businesses when deployed properly. Be wary that traditionally, these technologies do not offer great feedback mechanisms for recruiters to prevent offline transactions. Additionally, recruiters are sometimes reluctant to share their best candidates because they do not want to split the fee with others. Developments in perm staffing and advancements in feature sets and commercial models are addressing these issues.

1. The three billion Enterprise crowdsourcing and the growing fragmentation of work

How do you do events and engage candidates in a virtual environment?

BUSINESS PROBLEM OVERVIEW: Many recruiting systems were designed for personal one-on-one interactions, but with trade shows, school classes, sporting events, business meetings, and social gatherings canceled, it raises the question of how TA functions can manage events and engage prospective talent when they can't host or attend them in person. In general, common challenges with events are that they're fixed, limited to local audiences, and require travel coordination and the printing and moving of signage and other materials.

RECOMMENDED TECHNOLOGY: Employer branding refers to company messaging and new mediums and channels that make up a company's online footprint. Employer Brand Management is a subset of tools among other services such as specialists and employer brand agencies that serve to create and strengthen a company's brand. These tools are focused on managing a company's online reputation separately from its corporate career site and enables prospective candidates to engage with its brand in a branded third party environment. With strong Employer Brand Management, companies allow candidates to find employers and not just the other way around.

| Vendor Examples	Description		Why Did It Make It Here?
Brazen	Software for online events		Virtual career fair core offering
Jobcase	Job board aggregator for hourly employees; marketplace comprises 100M+ members	⚠️	Rolled out virtual event capabilities in April 2020 in response to COVID-19[2]
PathMotion	Software for online events		Branded discussion platform core offering
The Muse	Third party career site to help candidates understand fit pre-application		Services for behind-the-scenes videos of employer offices, team culture, and interviews with employees

1. Jobcase Launches Virtual Hiring Events to Aid Hiring During COVID-19

TTL RECOMMENDATIONS AND ANALYSIS: Companies are looking at employer brand as a complete strategy that touches all possible candidate pools and channels as they understand how critical brand is in attracting talent in a digital environment. A study by the Corporate Responsibility magazine in conjunction with Allegis polled 1,000 American employed and unemployed people and found 75% would not take a job with a company that had a bad reputation[1]. In contrast, the vast majority, 87 percent, would consider leaving their current jobs if offered another role with a company that had an excellent corporate reputation.

Leverage Discussion Platforms: One example of a remote hiring strategy is the use of branded discussion platforms where employees can share their career experiences and answer questions from job seekers via virtual chat rooms, teleconferencing, webcasts, webinars and email exchanges. This format allows for the extension of a company's recruiting function using their own employees as an asset coupled with technology to facilitate communication. Adopting one of these programs is relatively low in cost and the reward includes greater candidate reach, convenience, awareness, and higher interest levels.

The image to the right is taken from Eightfold's (known as a Matching System) virtual event planning center.

We recommend your solution supports functionality to create, launch, and track recruiting campaigns as well as invitations and registrations from the same dashboard for maximum visibility.
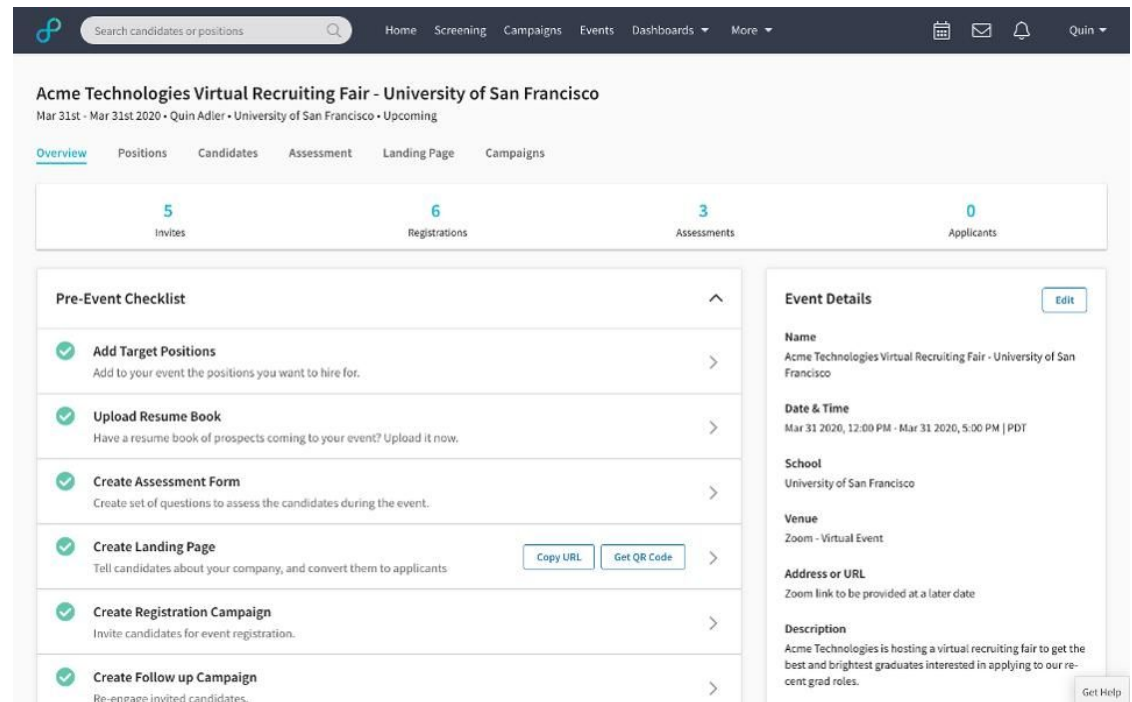
1. Survey by Corporate Responsibility magazine

IMPORTANT CONSIDERATIONS: The following are three driving principles behind how recruitment discussion platforms improve candidate experience, and consequently, remote hiring conversion:

The content gap: Corporate career sites generally lack information and answers to candidate questions about the company and to a greater extent, the specific role of interest. Virtual recruiting events give prospective employees a medium through which to find information not available on the career site.

The credibility gap: While research is good and will get a candidate some percentage of the way there in understanding a job, it still lacks practical advice. Employees fill this gap and serve as a trusted information source to the candidate. They act as 'product' reviewers to the sellers (the recruiters) by validating the job opportunity through their personal experiences.

Increased candidate conversion: Virtual recruiting discussion platforms empower employees to be in the driver's seat and share an inside description of what it's like to work there. Exchanges from employees to candidates are commonly articulated through the use of storytelling, which is shown to be one of the most persuasive techniques. This coupled with emerging features around video submissions, which can integrate into career site job descriptions, help increase awareness and engagement. This is supported by findings in one study where 51% of respondents were more attracted to a company that had job postings with visual elements (images or videos) compared to a company that did not[1].

⚠️ In order to support their top tier clients such as Microsoft, IBM, and Cisco, outsourced inside sales firm N3 is shifting to offer virtual hiring events twice daily. CEO Jeff Laue states, *"Through these uncertain times, N3 continues to support our clients. Many of their needs have expanded, due to a variety of COVID-related reasons, and N3 is well-prepared to help them. This unique situation requires innovative and creative thinking. We're hosting online events to not only help us fill open roles, but also to maintain a sense of community and personal connection as we navigate this situation."* [2] *Managing virtual hiring events and discussion platforms is useful, particularly during a time when you can't do events.*

~ Jeff Laue, CEO at N3

1. Software Advice
2. N3 Holding Virtual Hiring Events to Support Growing Workforce and Changing Landscape Amid COVID-19

How do you measure and improve TA performance when everyone goes remote?

BUSINESS PROBLEM OVERVIEW: It's not just TA functions - the coronavirus pandemic has forced millions of employees to work from home and adjust to new ways of working. With this time of uncertainty and inability to engage with counterparts in person, talent management leaders are naturally concerned about maintaining performance and visibility into their teams.

RECOMMENDED TECHNOLOGY: Candidate Relationship Management (CRM) is a top-of-the-funnel recruitment marketing software to help organizations market out to passive candidates and convert them to applicants through multi-mode personal communication (similar process to marketing out to and selling prospective clients). Typical features built on top of these candidate databases include the ability to create customized career landing pages, communicate with candidates and run automated recruitment campaigns, and organize talent pools based on various search filters.

Vendor Examples	Description	Why Did It Make It Here?
Avature	Global CRM solution with ATS capabilities and large customizable feature set	Good single suite solution for the large enterprise
Phenom People	Recruiting CRM	Strong feature set for career site personalization and candidate campaigns
Beamery	Fast growing recruiting CRM	Young player with Workday partnership
Smashfly	Large, well-established CRM	Large player with years in the business

TTL RECOMMENDATIONS AND ANALYSIS: The goal of using CRM technology is to increase the overall talent pool of people who may be interested in working for your company in the future by enabling direct candidate communication and engagement. While productivity is important, through the lens of remote hiring, we emphasis CRMs as a transparency tool and data-driven means through which TA leaders can appropriately coach recruiters virtually. In a completely remote environment, we recommend you use CRMs to:

1. <u>Accurately measure recruiter performance</u>: Since CRMs track all source-to-hire efforts, they can reveal a great deal about individual recruiter performance and tell TA executives who is or is not producing and what activities are driving such results. Useful metrics include:

- Source of hire - from where are the best candidates coming?
- Email open, click, and reply rates - how effectively are recruiters connecting with candidates?
- Meetings and calls - how many logged meetings and calls lead to the most number of candidates who apply?
- Surveys and feedback - what do candidates think of the recruiting process?
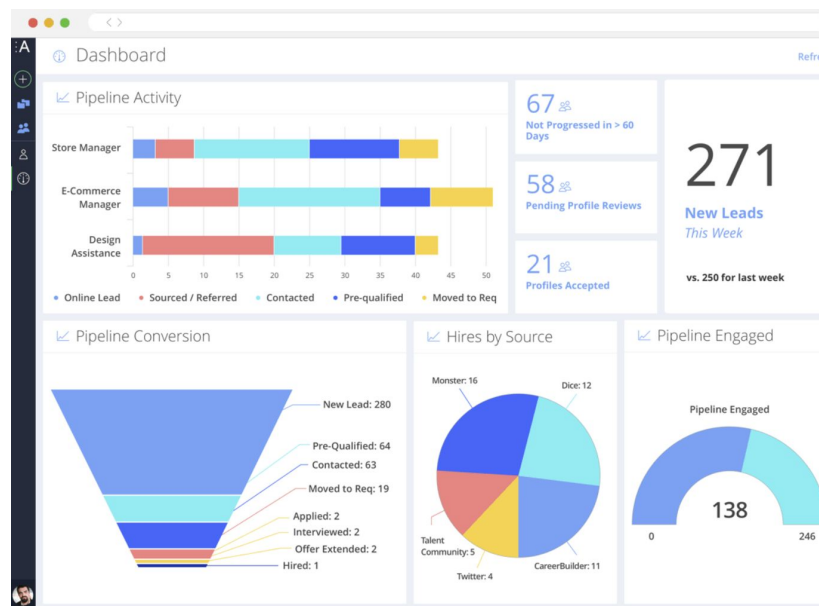
The image to the left is a screenshot of one of Avature's reporting dashboards (CRM vendor mentioned on previous page).

This example shows how CRM tracking data can be aggregated across the function, analyzed, and used to optimize overall recruitment function performance.

2. <u>Increasing recruiter collaboration</u>: Sticky notes, email tasks, spreadsheets - none of these are an ideal method to manage candidate data, even if times permitted working together in the office. CRMs centralize candidate data in one hub and make it accessible to each member of a team so they know the status of every relationship and who may have spoken with a candidate in the past. When recruiters have access to the same data, they can begin sharing notes and developing and nurturing leads collaboratively. The benefit of having a centralized talent database extends beyond the recruitment function and to candidate experience, too. CRMs track texts, emails, and other modes of outreach to prevent overlap in communication and ensure contact with candidates is meaningful.

How do you automate the interview process in a virtual environment so nothing gets lost?

BUSINESS PROBLEM OVERVIEW: Companies in certain industries, for instance, healthcare and retail warehousing, are challenged with making high volume hires in short time frames. This puts pressure on TA functions to make sure they 1.) effectively educate the market about opportunities and 2.) have the tools and processes to support demand. Primary pain points in the pre-employment include the sourcing of talent, data capturing/screening process, and keeping candidates informed of where they are in the process.

RECOMMENDED TECHNOLOGY: Bot providers are focused on candidate communication through web pop-up chats, voice, or video through basic form logic or advanced 'conversational' AI. Some collect candidate information and interact with backend systems, updating records automatically. The sub-vertical Interview Management Tools describes technologies that help companies design and plan an interview process. They enable efficiencies around interview initiation and scheduling between hiring teams and candidates, and help execute fair interviews with feedback that dictates how candidates progress and are measured throughout the hiring stages.

Vendor Examples	Description	Why Did It Make It Here?
AllyO	Recruiting and HR AI communications bot and platform	Recruiting automation bots for application, screening, and interview scheduling
Applied	Software to hide candidate identity, analyze job descriptions for bias, and coordinate multi-team member reviews	Younger diversity hiring player with focus on work sample testing
Mya	Hyper focused recruiting assistant conversational bot	Captures data in an applicant screening and coordinates interview scheduling
SmartRecruiters	ATS to hire talent	Includes interview process management functionality such as multi-participant scheduling
TalVista	Enables anonymous resume review and structured interviews	Focus on diversity hiring

TTL RECOMMENDATIONS AND ANALYSIS: The use of candidate engagement tools such as texting and bots provide immediate communication. Data shows candidates who were interviewed and then received a follow up by end of that same day were 52 percent more likely to increase their relationship with the employer[1]. Over time, the lines between candidate engagement tools have become blurred, cutting across many TA tech verticals.

If you have a Candidate Relationship Management system (CRM) or Applicant Tracking System (ATS) that facilitates interviews, great. If not, there is bespoke category of solutions called Bots, which supports this functionality. Bot technology is still developing with vendors offering different levels of sophistication in conversational AI. During this time, businesses need to free up recruiter capacity and automate as much of the hiring process as they can. We recommend deploying Bots for the following use cases:

Use proactive sourcing: In addition to integrating into sourcing channels such as career sites and job boards, Bots can also be integrated into the ATS and be programmed to make outreach to existing pools of talent for redeployment. From there, Bots can address candidate queries, helping filter out good fits and eliminating the need for recruiters to pick up the phone and call.

Leverage shortlisting capabilities: When a job seeker applies to a job, Bots initiate a conversation and can be configured to collect answers to a number of questions including work experience, preferences, skills, availability to start, and more. Some Bots analyze these data points against the applicant's resume, job requirements, and business need to determine a fit level, and then ranks them against each other accordingly. We encourage TA functions to leverage this functionality for upcoming tight timeline projects.

Automate interview scheduling: Bots can be deployed within a company's core recruiting tool such as the ATS where they can access the calendar of recruiters and check for availability. Accordingly, they can then schedule an interview date and time with candidates.
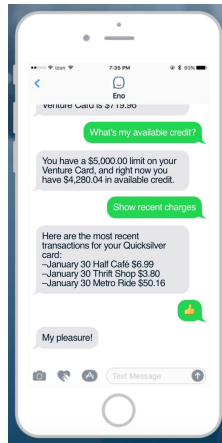
1. North American Candidate Experience Benchmark Research Report 2018
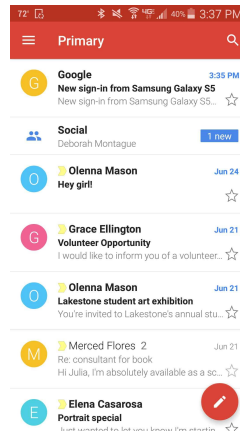
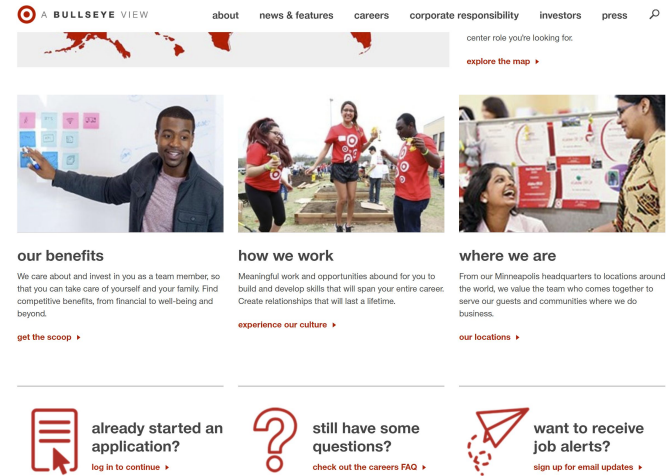# RECOMMENDED SOURCING CHANNEL INTEGRATION POINTS:

Messaging Channels
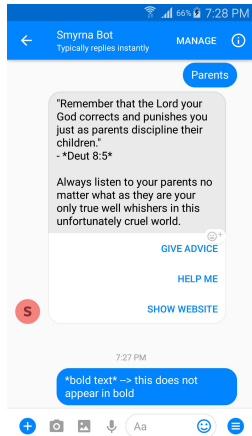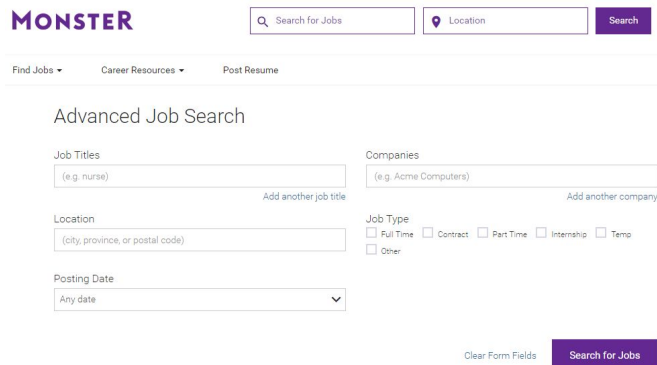

Facebook Messenger

SMS

Email

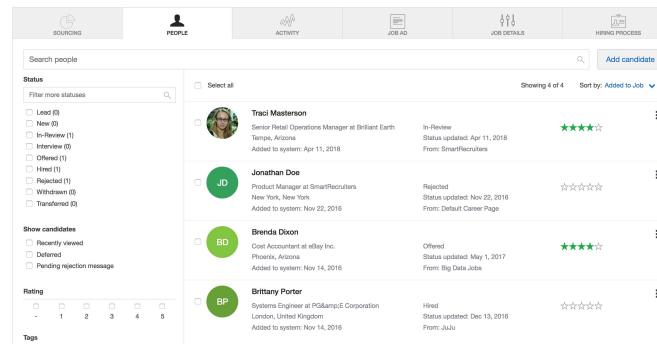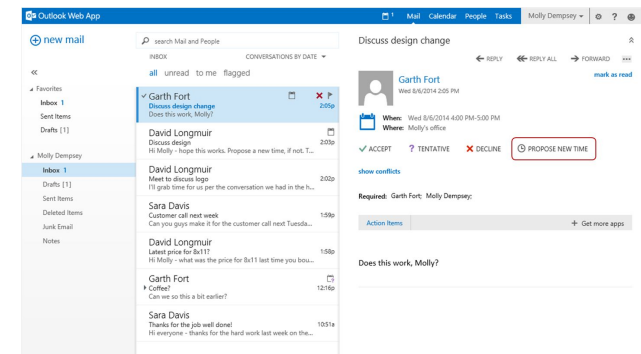**Career Site widget / web chat interface**

Job Boards

CRM & ATS

Calendar Systems

COVID-19: Bot conversation activity

ANALYSIS: The graph below shows the daily number of candidate conversations in February and March gathered across a client of one of the more prominent bot vendors. You'll notice a sharp spike in user activity towards the latter half of March, which is likely attributed to the acute spikes in short term demand from specific industries mentioned on page 6. This makes sense as Bots are typically applied to higher volume/low complexity roles, which aligns with headlines from top retailers and others on their hiring needs as a result of the COVID-19 crisis. We expect similar trends in data from other bot players in the ecosystem.

February — March

Total Daily Conversations:
Growth Due to COVID - 19

February daily values: 7,798; 3,061; 2,448; 2,522; 4,343; 6,967; 7,340; 6,924; 3,579; 2,590; 2,198; 4,333; 10,847; 3,962; 3,210; 1,914; 1,190

March daily values: 2,424; 3,947; 6,737; 4,958; 5,860; 3,370; 2,343; 2,231; 7,656; 16,899; 11,641; 7,809; 6,836; 4,479; 4,484; 9,080; 6,115; 6,515; 6,502; 44,299; 40,917; 7,634; 100,386; 64,461; 29,351; 17,802; 3,767
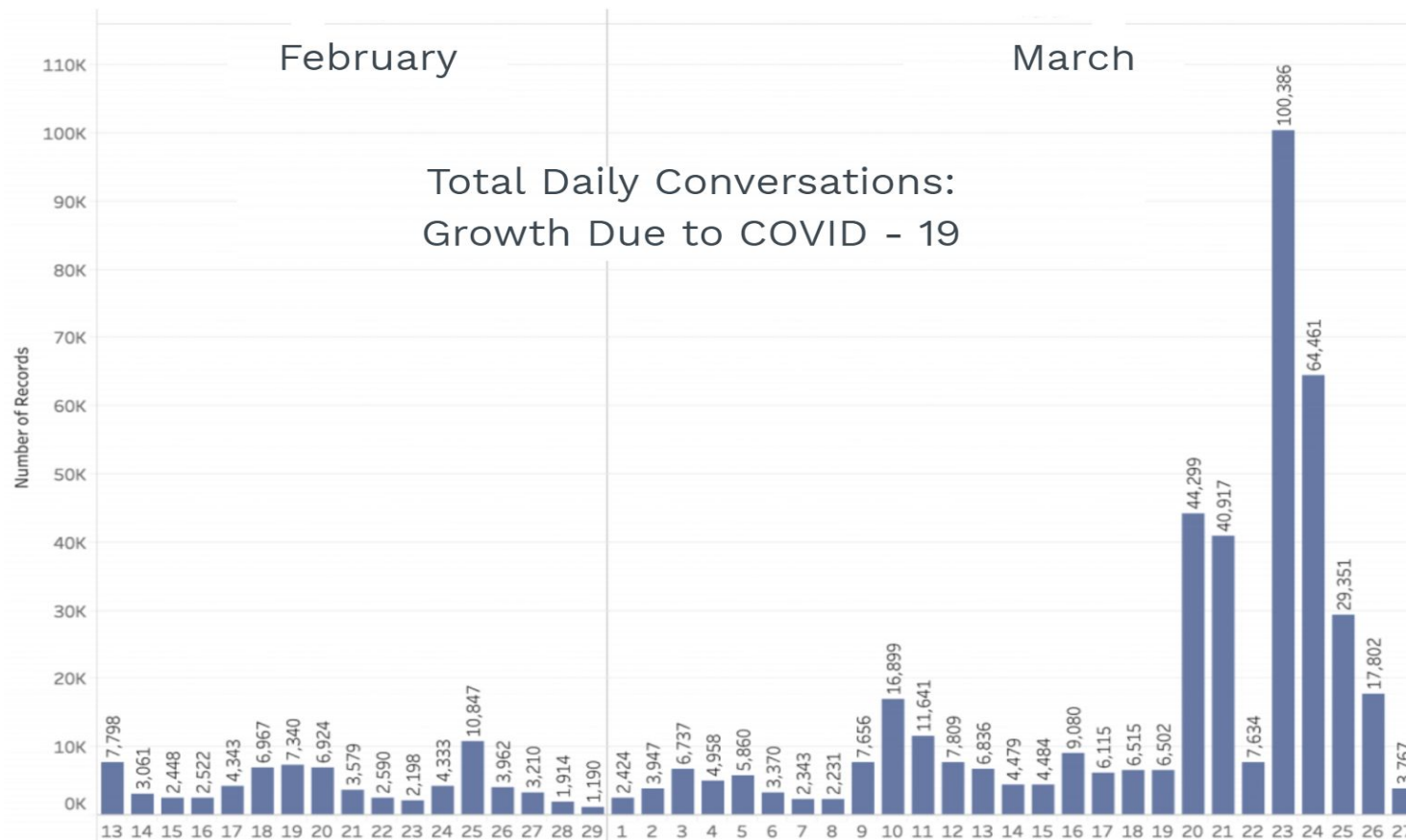
How do you interview people in a virtual environment?

BUSINESS PROBLEM OVERVIEW: With stay-at-home orders in effect across the United States, recruiters need to adapt to the remote work landscape and continue making essential hires. Virtual interactions have become a necessary step in lieu of inviting a candidate to an in-person job interview. Though, this creates ramifications around technology and candidate communication.

RECOMMENDED TECHNOLOGY: Video Interviewing technologies have been in the market for about 15 years. The value proposition to TA functions is that Video Interviewing helps save time and reduces travel expenses associated with flying out candidates for in-person interviews. With advancements in AI, companies are finding they can find better fit candidates, too, though the adoption of this functionality is still relatively low. Some vendors, in an effort to capture more market share, are developing features that cut across employer branding, scheduling, and bulk email communication.

Video Interviewing tools fall into two categories: 1.) on-demand asynchronous video interviews, which let candidates record themselves answering question prompts at any time and location, which can be reviewed by recruiters on demand, and 2.) live interviews, which employs video technology to replicate a traditional structured interview and real-time two way conversation. Most Video Interviewing providers offer both formats in the same system.

Vendor Examples	Description	Why Did It Make It Here?
HireVue	Leading premium software for Video Interviewing in the large enterprise	Strong solution and in active acquisition mode acquiring skill and behavioral assessment solutions
Modern Hire	Software platform for Video Interviewing and on-the-job style simulations	Strongly recognized Video Interviewing solutions with predictive job performance capabilities
Sonru	Software for Video Interviewing with less secondary features	Straightforward focus on Video Interviewing
Talview	Holistic platform that solves several recruitment challenges: interview scheduling, subject specific assessments, and candidate communication	Leverages AI across pointed solutions (further analysis needed)

TTL RECOMMENDATIONS AND ANALYSIS: The concept of Video Interviewing in remote hiring is not a difficult concept to grasp. In the current state, especially for executive hires and shortlisted candidates, recruiters need to coordinate onsite visits, dedicate internal resources to each candidate, and in some cases, cover expenses. With Video Interviewing, communication between both parties is automated and recruiters are able to filter out candidates they see fit to move on through the interview process based on short video samples. In a remote working environment, it's important the tech integrates into the hiring process as both the intelligence captured on candidates and recruiter feedback needs to push back to the ATS.

An added layer important to remote hiring is advancements in artificial intelligence (AI) and associated candidate ratings as a data point for hiring functions. If your business is experiencing a slowdown, we recommend activating these features and using this time as a testing ground to learn if AI can improve quality of hire.

Here's a current look at how AI is displayed in the current state of Video Interviewing: many vendors in the ecosystem support natural language processing (NLP), which is a branch of artificial intelligence that refers to the ability of computers to analyze, understand and generate human language, including speech. These solutions use NLP technology to automatically transcribe candidates' verbal responses from asynchronous video to be reviewed by recruiters. Some Video Interviewing solutions take this a step further and actually analyze non-verbal cues such as emotions, language competency, and soft skills including communication, interpersonal skills, time management, and adaptability. Based on large data sets and hiring patterns of a company, machine learning models can be built that look for ideal traits in candidates for specific roles and rate them accordingly. Thus, this becomes a mechanism for companies to narrow down on candidates that display similar qualities to that of their most successful employees.

IMPORTANT CONSIDERATIONS: Practices in AI and data modeling have been met with contention and criticism. Some leaders feel incorporating AI into video puts recruiters at risk of relying too heavily on something artificial and unreliable. For example, tests were conducted that show factors such as room lighting and even the color of a candidate's lipstick can change the results of an AI analyzed video[1]. There may be external factors beyond the candidate's control, too. For example, one may have gone through a recent surgical procedure and be experiencing discomfort during the time of recording. In a face to face scenario, the candidate could call this out, but not in a video interview session. Moreover, from a candidate perspective, some feel uncomfortable by the idea of a computer algorithm analyzing their facial expressions. Facial-recognition experts say people who are aware their expressions are being analyzed tend to display self-consciousness. This creates a distressing candidate experience.

1. Current issues in AI and Machine Learning

Increased scrutiny on Video Interviewing caught the attention of governing bodies and has resulted in new legislation intended to protect the rights of job applicants. Most recently on January 1st, 2020, Illinois put into effect the Artificial Intelligence Video Interview Act (AIVIA), which mandates employers who use AI to analyze job candidate video interviews now comply with law, which imposes duties of transparency, consent and data destruction[1]. We expect other states to follow Illinois and implement legislation that regulates AI in Video Interviewing.

Despite acceleration in regulatory measures, we feel AI will continue to grow, touching candidates along every aspect of the recruiting process (data scraping, selection filtering, screening assessment, decision etc.). TA executives need to sit down with their legal counsel, determine where they want to be on the innovation versus risk continuum and then document those rules. Call out and make accountable where AI is in the hiring process and make candidates aware of when it's being used during the hiring process. Some companies enable an opt out feature for candidates. At the end of the day, to play it safe, you can always turn off AI capabilities as the default or select a Video Interviewing vendor without AI capabilities and save cost.

1. Illinois General Assembly, Bill Status of HB2557, Artificial Intelligence Video Interview Act (AIVIA)

COVID-19: Video conferencing web traffic

The graph below compares the diurnal cycle of global daily web traffic during the month of March across three established video conferencing vendors: WebEx, Skype, and Zoom[1]. This data echoes a similar sentiment in video interviewing for recruiting. In the same way we expect an uptick in onsite interviews going virtual due to social distancing, we see that business activity, education, and social relationships have shifted to these formats as well. Below, you'll notice an overall gradual increase in video conferencing web traffic throughout the month of March. A closer inspection reveals two fascinating insights:

1. Weekend web traffic increased, peaking in the last weekend of March on the 28th and 29th
2. Streaming traffic seems to start earlier in the day and there are no late afternoon lags. This can likely be attributed to employees not having to commute from the workplace to the home.

March Video Conferencing Global Daily Web Traffic
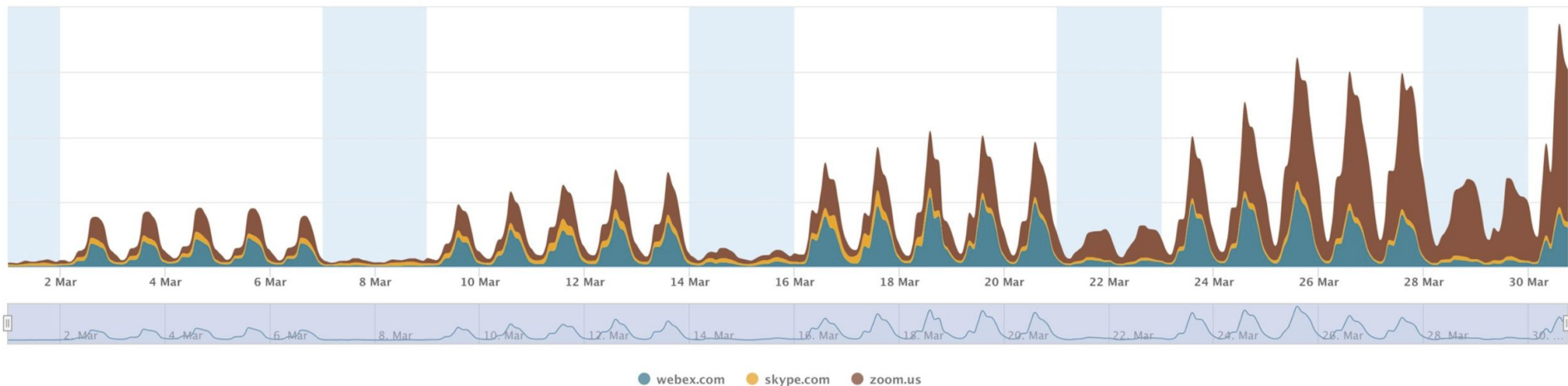

1. Network traffic insights in the time of COVID-19: March 23-29 update

How do you assess cultural fit and skills in a remote environment?

BUSINESS PROBLEM OVERVIEW: Companies may be limited if they hire on experience alone. If they do include assessments in the hiring process, they may only offer paper-based methods and require that candidates complete them at the employer or in a testing facility. The inability to interview candidates in-person puts added pressure on recruiters to make sure their virtual hiring process is thorough. Bad hires means lost dollars and missed good hires means lost revenue potential.

RECOMMENDED TECHNOLOGY: Assessment tools fall into two sub verticals: behavioral and skill based. Behavioral Assessments take the form of traditional online or gamified formats and measure general personality, cognition, behaviors, motivation, and cultural fit to help "paint a picture" of an applicant. Outputs of these assessments have been found to be correlated with job performance. Skill assessment solutions measure aptitudes and domain expertise in specific areas to help companies make better-informed hiring decisions. Three common categories include technical assessment and coding platforms, assessment banks, and work simulations with many other vendors falling into specific vertical and occupational categories.
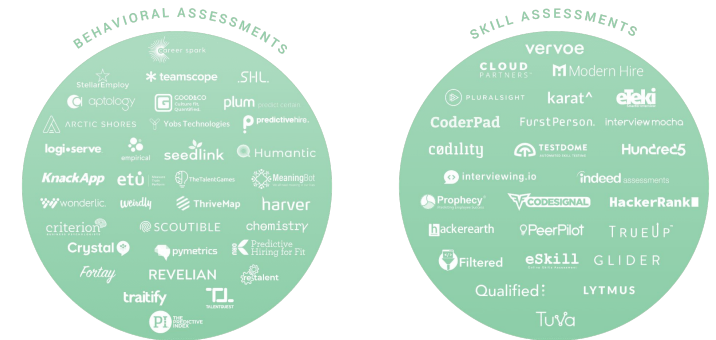
Vendor Examples	Description	Why Did It Make It Here?
Arctic Shores	Software for game-based assessments	Psychometric gamified assessments
Glider AI	Software for coding assessments	Skill testing adapted for coding
SHL	Legacy assessment provider	Traditional behavioral, personality, cognitive ability, and job-focused assessments
Vervoe	Software for hard and soft skill testing in a variety of formats	Skill testing

TTL RECOMMENDATIONS AND ANALYSIS: According to research undertaken by Talent Tech Labs, pre-employment tests have 82% adoption in the enterprise and are used by employers to test and evaluate candidates. They relate to remote hiring in that they serve as an automated step in the recruiting process, thus creating process efficiency while revealing data on the quality of hire. In order to maximize their value, we recommend companies follow this methodology:

1. Build a success profile: What are the desired knowledge, skills, and abilities most important to success in the role? What skills are critical today and how will that change in the future?
2. Select the tools: Tool selection should be based off those which provide data that makes up the success profile (step one). Without it, you cannot make a sound hiring decision. Aim for more assessments rather than fewer in order to eliminate outliers.
3. Design the process flow: Organize the tools such that it's logical and efficient in the selection funnel. Assessments that are fast and inexpensive should be placed upfront while the more in-depth assessments and steps like interviews be placed subsequently

IMPORTANT CONSIDERATIONS: Key drivers behind using assessments to select include:

Testing candidate claims: Skill assessments help validate what a candidate might claim on his resume. If an IT job requires they know the programming language Java and they do not, then it's simply not worth proceeding and bringing the candidate in to meet the team. With strong confidence, the candidate would not perform well in the role.

Determining cultural fit: A candidate might have very strong technical skills, but this does not necessarily mean he'll get along with other members on the team and communicate well. Behavioral assessments help 'paint a picture' of the candidate and answer this question. Particularly in a fully distributed environment where inviting a candidate to the office to "meet the team" is not an option, we think companies would do well to incorporate a cultural assessment into their hiring process if they have not always done so.

High-volume hiring: Assessments are useful for companies that hire in high volume as a pre-screening method. Similar to validating skill sets, this methodology will help recruiters avoid wasting time interviewing unqualified candidates.

Eliminating bias: Assessments provide objective evidence-based information on candidates' skills and knowledge. This is different from resumes and interviews, which recruiters can judge subjectively. Simply having assessment data as part of the candidates profile can help companies avoid legal risks and defend their choice of a candidate in a potential law suite.

Improve candidate experience and brand perception: Assessments should be quick, informative, and engaging. They can represent a fair opportunity for candidates to compete for the job position, thereby enhancing your company's brand. Moreover, assessments support a high standard for those whom an employer chooses to accept into its company, raising the level of desirability among prospective candidates.

How do you maintain the security of your business assets when everyone goes remote?

BUSINESS PROBLEM OVERVIEW: A company's talent marketplace is perhaps its greatest asset. In a remote working environment, one concern for business leaders is making sure the company is set up in a way such that recruiters can access prospective employee data and that its protected from being breached or lost.

RECOMMENDED TECHNOLOGY: Tracking Systems include software solution categories such as Applicant Tracking Systems (ATS), Vendor Management Systems (VMS), and Freelance Management Systems (FMS). These tools are designed to efficiently and compliantly manage external stakeholders (i.e. candidates, vendors, and contractors) and bring them through the recruiting process to hire.

ATSs, a subvertical within Tracking Systems, serve as the underlying backbone for most recruitment technologies. Their feature sets are designed to track and manage job requisitions and candidates post-application to a job posting, ensure employers adhere to compliance protocols including screening and background checks and data privacy regulations, and support different recruiting users and workflows.

ATS CORPORATIONS

SilkRoad ADP
JOBSCORE SAP SuccessFactors
workday ZOHO icims
cOmeet. Cornerstone greenhouse
JazzHR Oleeo IBM Kenexa
workable JOBVITE NEWTON
simplicant recruiterbox LEVER
PeopleFluent Ultimate SOFTWARE
breezy SmartRecruiters

Vendor Examples	Description	Why Did It Make It Here?
Bullhorn	Largest staffing-focused ATS	Largest staffing-focused ATS
Greenhouse	Mid-market focused ATS	Forward thinking company with high configurability in its platform
iCIMS	iCIMS stands for Internet Collaborative Information Management Systems - they are a mid-market focused ATS	ATS with additional recruitment functions
SmartRecruiters	ATS to hire talent	Enterprise grade ATS
Workday	Highly adopted ATS in the upmarket enterprise	Legacy player with some of the highest market adoption

TTL RECOMMENDATIONS AND ANALYSIS: While ATSs do not necessarily influence whether a candidate is hired in person or remotely, they do raise important implications around compliance and security and serve as a risk mitigation mechanism. It's critical TA functions adopt an ATS to ensure internal and external compliance, and furthermore, to maintain an accurate system of record for hiring. This kind of visibility is particularly important during a pandemic when everyone in the recruiting function is working virtually.

Adopt a cloud-based ATS: Cloud-based software solutions in general have been the new normal in the modern enterprise. With respect to the ATS, it's difficult to be set up for success when using an on-premise system because recruiters will not be able to access candidates online without using a VPN. Now the fear behind this thinking is that TA functions say recruiters will steal candidates and place them at other companies after hours. We say times have changed around how employees work and argue a cloud-based system, and all of the benefits that come with it, is table stakes in becoming a modern enterprise. Also, employee-trust is critical in an increasingly people-centric workplace environment.

IMPORTANT CONSIDERATIONS:

Job descriptions, reporting & compliance: ATSs are usually the place of job posting origination. Clearly communicating job requirements and candidate qualifications will help organizations set a proper expectation for candidates. Then, as recruiters keep tabs, add tags, and measure candidates throughout the interview cycle, the ATS becomes a repository of all the data used in a hiring decision and will protect the organization from discrimination claims.

Staying up to date on laws: ATS providers often include an out-of-the-box reference library containing information about laws that apply to a specific business based on its size, location, and other criteria. This information is updated on an ongoing basis as legislation evolves and it serves as a useful tool to help HR professionals comply with the law. Keep in mind, while ATS providers bring industry experience to the table and can pool together best practices from other clients, do not treat this information as the final answer. Consult your internal board of advisors and external council members.

CASE STUDIES

Driving Service Uptime for Dealers & Distributors Using Temporary Labor Marketplaces

In manufacturing, similar to other industries, the market is evolving such that products and services are becoming more accessible and configurable to customer demand. Temporary Labor Marketplaces and the enterprise software feature set behind some of them is a potential avenue for innovation in this domain.

Challenge:

For an American Fortune 250 diesel engine manufacturer, they were challenged with:

1. Difficulty addressing customer demand - lengthy delays in servicing equipment across a network of service centers (opens door for competition)
2. Inability to match technicians to demand fluctuation across 6,000 service centers
3. Inability to proactively redistribute technicians to where they anticipated increased demand
4. No process to engage students from local tech schools as a way to address the growing skills gap

Solution:

Using technology to streamline technician onboarding, track assignments, performance, and ratings, this company now has the infrastructure to build a temporary labor workforce strategy and set rules around how they engage the labor with full reporting and visibility.

Measuring success and ROI:

- New revenue stream with dealership network that lacks qualified technicians
- Alumni and retiree pathway to engage people on-demand and compete against the industry skills shortage (20% turnover YoY)
- Improved customer satisfaction because the brand is able to address more service calls and do so quicker

CASE STUDIES

Reducing International Recruiting Time & Expense Using Video Interviewing

Challenge:

Encompass Health is one of the United States' largest providers of post-acute healthcare services, which they offer at home and through a facility network of inpatient rehabilitation hospitals, home health, and hospice agencies. The main challenge for Encompass Health's TA function was that recruiting specialized international healthcare workers was time consuming and expensive. In fact, it costed the organization $1,500 to fly decision stakeholders and a recruiter to a candidate's remote location every time.

Solution:

The team investigated Video Interviewing solutions to address these challenges and ultimately chose the HireVue Platform. During the pilot period, Encompass Health interviewed and quickly recruited a team of 40 physical therapists in Chile in much less time compared to their previous recruiting method. The hiring manager and recruiting teams also reported reductions in time to hire and improvements in productivity. For example, they were able to recruit and hire a team of more than 20 geographically dispersed individuals for a tight timeline Electronic Medical Records (EMR) project where they would not be able to coordinate and conduct face-to-face interviews.

The Director of TA at Encompass Health reported HireVue's technology saves the company about $500-$1500 per interview in travel costs alone. He also claims candidate experience has improved because the technology enables his team to connect and schedule meetings with candidates quicker.

> *"HireVue connects us to talent wherever they are and helps us invest our resources more wisely. With a wider talent pool, we're able to identify the right talent for each position."*
>
> *~ William Poynter, National Director of Talent Acquisition at Encompass Health*

System Selection Methodology

Remote hiring poses a number of challenges. With a marketplace full of solutions, many of which cut across multiple TA tech verticals, how can organizations know whether to check as many boxes as they can in one system or select more pointed best in class solutions? Unfortunately, this is an age old debate and there's no simple answer as both avenues come with tradeoffs.

It's safe to say, however, that in the modern recruiting environment, no longer can organizations get away with only having an applicant tracking system (ATS) in their tech stack. The candidate driven labor market requires companies have talent acquisition technology platforms that manage sourcing, video interviewing, interview management, candidate relationship management, and onboarding among other facets of the recruiting cycle. We argue the rate at which ATS players innovate, especially the legacy providers, has not been able to support the demand requirements of enterprises. Therefore, we've seen the inception of niche categories with more nimble solution providers rise to address these gaps.

At the same time, while the more pointed solutions may be best in class, it's also possible that too many tools may cause adoption issues. A company only has so much social capital and it takes time for employees to accept a new system and have it assimilate into the broader culture of they operate. If you acquire too many systems at once, you may disrupt the status quo and adversely, cause the business to run less effectively. More vendors means more contracts and relationships to manage as well. On the other hand, a single-suite environment generally provides a better user experience, easier training and overall maintenance support.

When it comes to thinking through these tradeoffs and tackling this dilemma, we advise organizations to take a holistic approach and address these key areas concurrently:

- Functional user level: Start by developing an overall recruiting systems strategy, which requires assessing the strengths and weaknesses of single suite versus best in class solutions in the landscape. Focus on functionality and capabilities and how they support the needs and experience of internal users within your TA function and the candidates.
- C-suite sponsorship: keep in mind C-suite leader preferences around native integration and data flow across all TA and broader HR applications.

CONCLUDING STATEMENTS

Despite advancements in TA technology, traditional methods in recruiting still matter and no amount of tech is going to replace that inherent personal touch. The issue, of course, is that approaches in localized and personal recruitment are simply not possible right now. As states reopen their doors for business, and we adapt to the new normal, companies should focus on finding the right combination of technology and personal interaction to achieve their recruitment goals. In the meantime, since there's an acute need for remote hiring tech now, companies may consider starting out with out-of-the-box solutions available to them via one of their existing vendors and then later on, assess whether a best in class solution makes more sense. Refer to the technology recommendations on page 10 as you think about where to get started.

TTL REMARKS: As you consider your next steps, TTL would welcome any inquiries you may have and be happy to provide additional insights on operationalizing the approaches highlighted in this report. When you're ready for a deeper competitive analysis, we encourage you to read our Ecosystem Insights™ reports, which are comprehensive overviews of the vendor landscape including differentiators in specific sub-verticals, and Provider Resumes™, which are a deep dive into specific technology vendors.

Many companies have found building out an "opportunity map" -- a company-specific blueprint and analysis on your TA tech stack -- to be a useful exercise that helps align strategic priorities, and should you wish to do so we welcome you to get in touch. We also welcome your thoughts, suggestions, questions, and feedback. You can reach us at hello@talenttechlabs.com.

TALENT TECH LABS

Contact Us:

hello@talenttechlabs.com

(646) 300-7060