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RECRUITING BEST PRACTICES FOR 2016: New Research and Insights

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HR Daily Advisor Research



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HR Daily Advisor Research



About BLR MEDIA Research Reports

Six times a year, the HR Daily Advisor Research Team conducts detailed research into pressing, contemporary HR challenges to highlight best practices and common policies and procedures. We access our exclusive database of more than 250,000 active HR practitioners to find out how HR managers are handling challenges in the real world.

We maintain strict rules of confidentiality, and survey data are reported only in the aggregate.

HR Daily Advisor Research Reports are based on surveys we conduct to discover the "real-world" status of policies and practices in areas of interest to HR managers. The topics for 2016 are:

Recruiting

The focus has never been so strongly aimed at hiring quality, engaged, employees with high potential as it is now. This report aims to see how companies currently approach accomplishing that goal.

Talent and Performance Management

Managing talent and how that talent performs is a high stakes arena that takes up a lot of time and resources. How are your competitors tackling these issues?

Retention, Engagement, and Branding

How do potential employees view your company? How is your brand received? Once on board, do they stay, and why or why not? This report seeks to find out.

Health and Wellness

Keeping your employees healthy has never been more important. What steps does your company take to ensure that the workforce is healthy and focused?

HR Tech Trends

HR Technology continues to grow and grow. What technologies does your HR department employ?

FLSA

Compliance with the FLSA has always been important, and that will never change. Yet every year companies are found to be in violation. What does your company to do stay above board when it comes to the FLSA?

The Summary (Freemium) Report and the **Premium Report**

The Summary, or "Freemium," Report of the 2016 Recruiting Survey is available at no cost in digital form to all interested parties, thanks to report sponsor SilkRoad. The summary report contains all the national data for the items in the main survey.

The Premium Report is available for download (or, at a slightly higher price, in print). The Premium Report contains all the data in the Summary Report, plus useful analysis by experts of some of the data from the main survey broken out by organization size, organization type, HR department size, and geographical region.

To purchase a downloadable or print version of the Premium Report (available in February 2016), visit store. blr.com or call 800-727-5257.



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Your employment brand plays a significant role in attracting the best candidates in your market. **SilkRoad Recruiting** applicant tracking enables you to configure a branded career portal so your employment brand stands out in a crowd. Attract and track applicants. Automate the process from job requisition to offer letter. Stay compliant with awesome reporting. Easy. Fast. Affordable. And SilkRoad Recruiting is part of a complete suite.

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Executive Summary

Recruiting

The HR Daily Advisor Research Team conducted the Recruiting Survey in November, 2015.

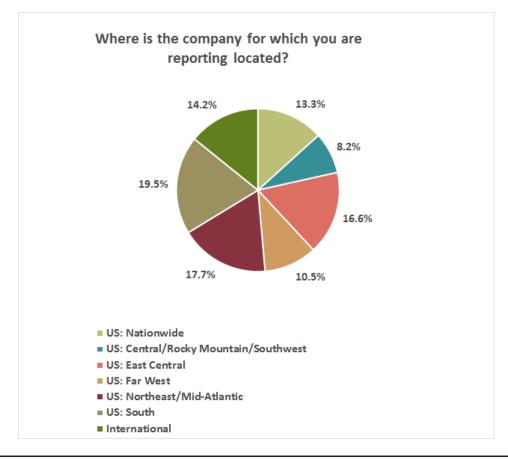
Highlights of the Recruiting Survey:

- Nearly as many participants say they have replaced traditional recruiting methods with online recruiting (29.5%) as say that online recruiting is just another tool in the recruiter's belt (31.6%).
- Most survey takers (62.2%) say they do not use software to track or measure their online recruiting despite the fact that 73.3% say they use online recruiting as part of their recruiting strategy.
- Most respondents (39.5%) say that social media is not important to attracting good candidates. In fact, the majority of participants (58.7%) have very little interaction with their candidates through social media.
- Participants scored "Retention" as the single most • important method for measuring quality of hire at 55.0%—at least 35 points above any other method.
- Only 23.7% of survey takers track cost-per-hire.

• Even though 73.4% of participants said that management had a role to play in onboarding employees, more than half (51.3%) of participants said that their management teams receive no training on how to successfully onboard new employees."

Who Responded?

A total of 516 participants responded to the Recruiting Survey, representing a diverse array of industries, business types, organization sizes, and locations. Respondents hailed from all across the United States and also around the world. The largest group of those who responded was from the U.S. South (19.49%). The U.S. Northeast/Mid-Atlantic was second at 17.7%, and close behind was the U.S. East Central at 16.6%. The smallest segment based on location came from the U.S. Central/ Rocky Mountain/Southwest with only 8.2%.

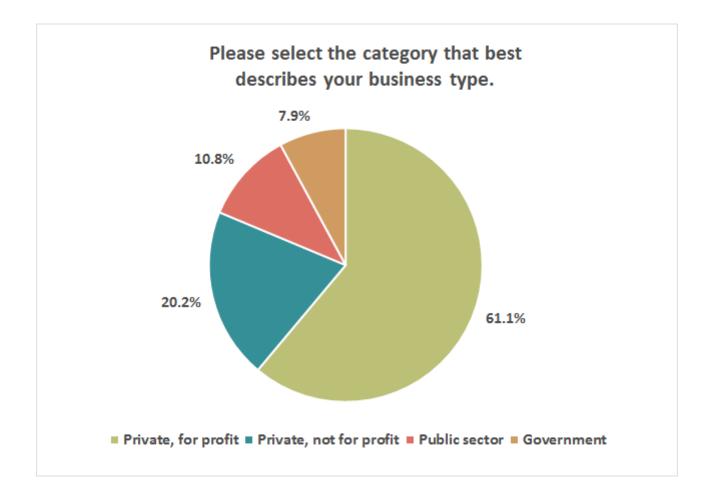


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Executive Summary

Of those who identified themselves, the majority (61.1%) represent privately owned, for-profit companies; 20.2% are employed by nonprofits; 10.8% work in the public sector; and government organizations are represented by 7.9% of the response pool.



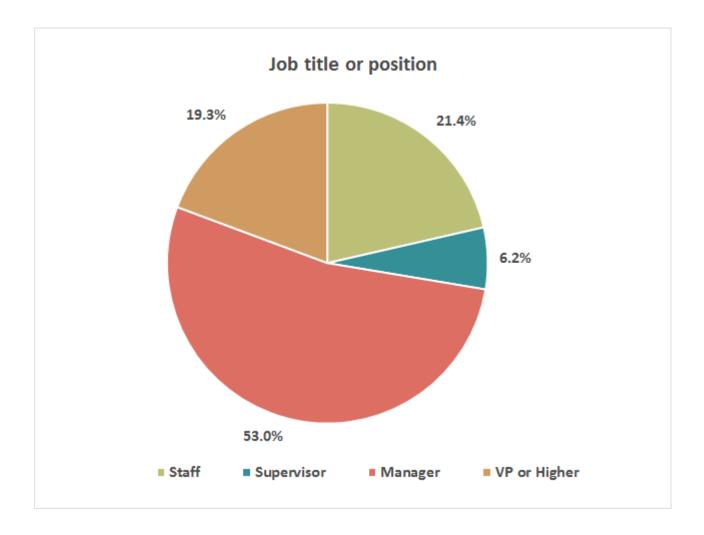
Respondents identified themselves as being employed in 21 different industry categories as follows:

Please select the industry category that best describes the nature of		Deserves Osual
Answer Options	Response Percent	- ·
Health Care and Social Assistance	19.3%	99
Manufacturing	11.7%	60
Professional, Scientific, Technical Services	10.7%	55
Educational Services	8.4%	43
Finance and Insurance	6.4%	33
Retail Trade	4.5%	23
Transportation and Warehousing	4.3%	22
Public Administration	3.9%	20
Accommodations, Food Service	3.7%	19
Construction	2.3%	12
Information (Media, Data, Telecommunication)	2.3%	12
Administrative and Support Services	2.1%	11
Arts, Entertainment, and Recreation	1.6%	8
Utilities	1.6%	8
Real Estate and Rental and Leasing	1.4%	7
Wholesale Trade	1.4%	7
Management of Companies and Enterprises	1.2%	6
Mining, Quarrying, and Oil and Gas Extraction	0.6%	3
Waste Management/Remediation Services	0.4%	2
Agriculture, Forestry, Fishing, and Hunting	0.2%	1
Other Services (except Public Administration)	11.9%	61
	answered questior	512
	skipped questior	4

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Executive Summary

At 53.0%, managers made up the largest portion of the respondent pool. A little less than a third of participants (19.3%) identified as executives (i.e., VP level or higher), and staff-level employees made up 21.4% of those surveyed. The smallest group represented (at 6.2%) was comprised of supervisors.







HR Daily Advisor Research

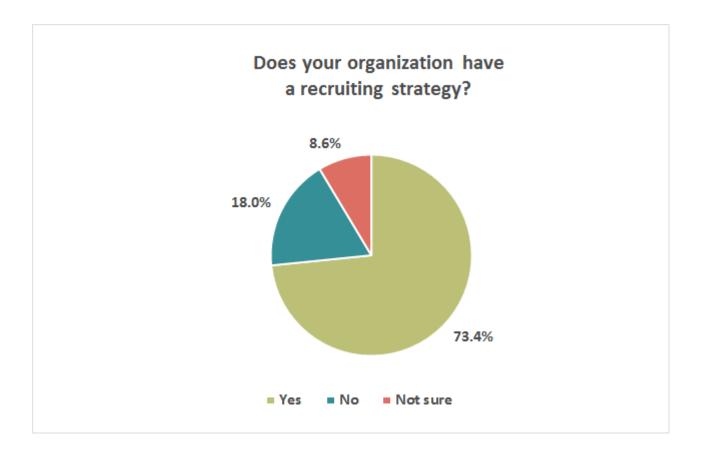


National Data

The following are the results of our Recruiting Survey. Be mindful of the axes (the X axis for bar graphs and the Y axis for column graphs)—the chart does not necessarily top out at 100%. Data are expressed as percentages rounded off to the nearest tenth of a percent.

Recruiting Strategy

The majority (73.4%) of those polled said that yes, they do have a recruiting strategy. Only 18.0% said they did not. 8.6% said they did not know if their organization had one or not.





When asked to specify their recruiting strategy, the majority of respondents (44.9%) answered that it "varies based on the position being filled." The next highest response was "A combination of both cultural habit and a written strategy" at 27.7%. The smallest percentage (1.1%) answered "recruiting is fully outsourced."



How Do You Recruit?

When asked what they used to find recruits, 75.1% of respondents said they use their company's website, and 74.8% said they use referrals. The next highest response (69.8%) was "Online recruiting resources" such as Monster, Glassdoor, etc. The least used resources for finding recruits were "State or federal employment services" at 31.8%, and "Staffing firms/Temp agencies" at 35.5%.

Which of the following do you use to recruit for open positions? (Check all that apply.)		
Answer Options	Response Percent	Response Count
Your company's website	75.1%	370
Employee referral	74.8%	369
Online recruiting resources (Monster, CareerBuilder, Glassdoor, Craigslist, etc.)	69.8%	344
Word-of-mouth	60.9%	300
Online communities like LinkedIn.com, Spoke.com, etc.	50.7%	250
Job fairs	45.4%	224
Print ads (newspaper, trade magazines, etc.)	43.8%	216
Trade association websites or job boards	43.6%	215
University recruiting	43.6%	215
Employment agencies/Headhunters	38.3%	189
Social media outlets (Facebook, Twitter, etc.)	37.1%	183
Staffing firms/Temp agencies	35.5%	175
State or federal employment services	31.8%	157
Other (please specify)	3.0%	15
	answered question	493
	skipped question	23



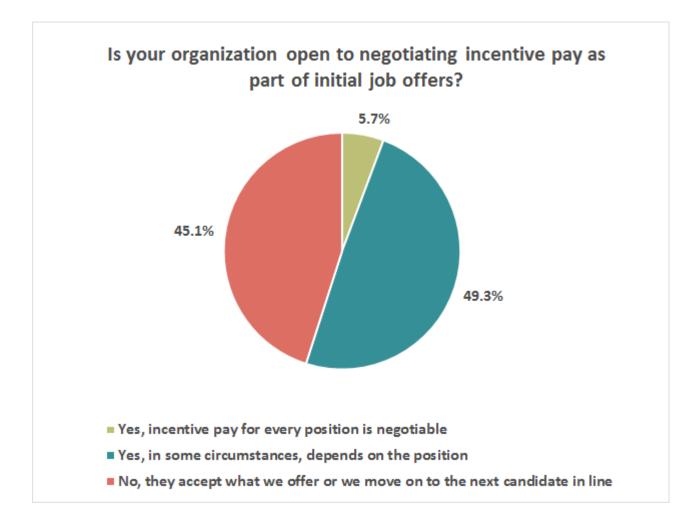
Salary Negotiation

When asked if they were open to negotiating salaries for initial job offers, 71.5% of survey takers said "Yes, in some circumstances, depends on the position." Only 13.0% of survey takers said that every position had a negotiable salary. The remaining 15.5% said that they absolutely do not accept salary negotiation.



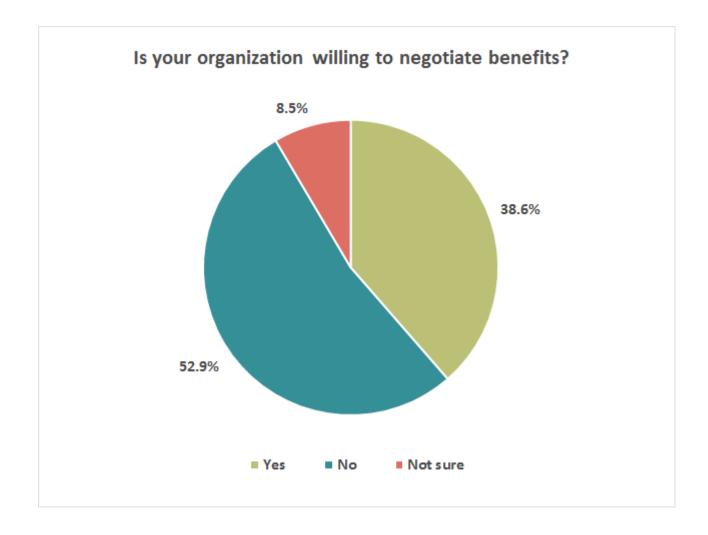
Incentive Pay Negotiation

Respondents were much less open to negotiating incentive pay as part of an initial job offer than they were for base pay. 49.3% of respondents answered "Yes, in some circumstances, depends on the position." Nearly half (45.1%) said "No, they accept what we offer or we move on to the next candidate" and only 5.7% said "Yes incentive pay for every position is negotiable."



Benefits Negotiation

When asked if they would be willing to negotiate benefits, 52.9% of respondents answered "No" while 38.6% answered "Yes." 8.5% were not sure.



The benefits most likely to be negotiable include "Paid time off, amount of vacation, sick, and / or PTO" with a response of 57.5%. The next highest responses were "Hours of work" at 43.6% and "Cell phone or other mobile device" at 41.7%. The least negotiable benefits were dental and vision plans, both around 11%.

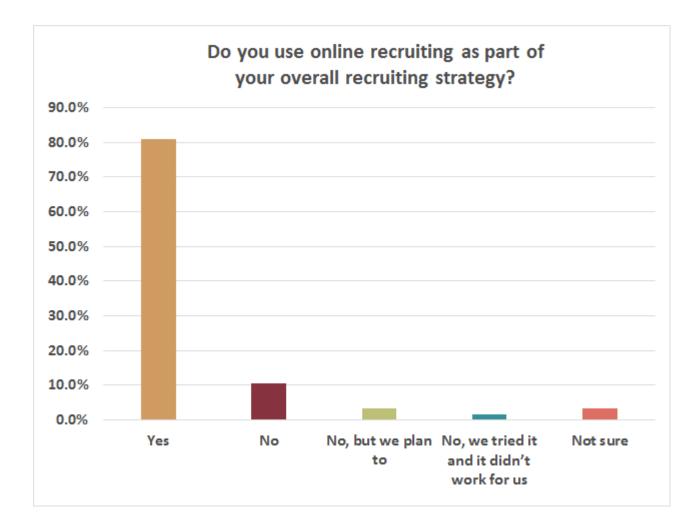
Is your organization willing to negotiate benefits? If so, please check the benefits from the list below that are negotiable. (Check all that apply.)

Answer Options	Response Percent	Response Count
Paid time off: amount of vacation, sick, and/or PTO	57.5%	149
Schedule: hours of work	43.6%	113
Cell phone or other mobile device	41.7%	108
Relocation packages	39.8%	103
Sign on bonuses	37.1%	96
Schedule: days of work	34.4%	89
Technology devices such as laptops, tablets, etc.	27.8%	72
Telecommuting	23.6%	61
Insurance: health plan	21.6%	56
Company car/Car allowances	20.5%	53
Insurance: dental plan	11.6%	30
Insurance: vision plan	11.2%	29
Other (please specify)	6.2%	16
	answered question	259
	skipped question	257



Do You Use Online Recruiting?

Not surprisingly, the overwhelming majority of respondents (80.9%) said that yes, they do use online recruiting. However, there are still 10.6% of respondents that said they do not use online recruiting. The remaining 8.5% indicated that they've tried it but it didn't work for them, they plan to try it, or they're just not sure.

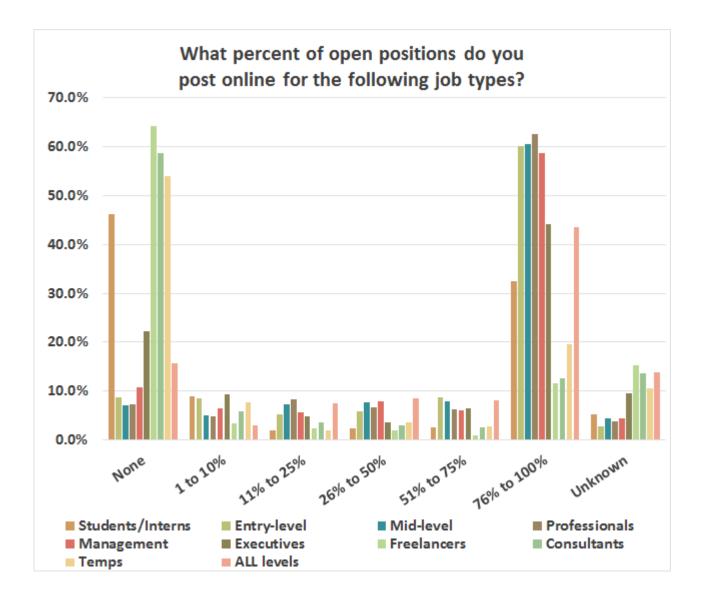


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Open Positions Online

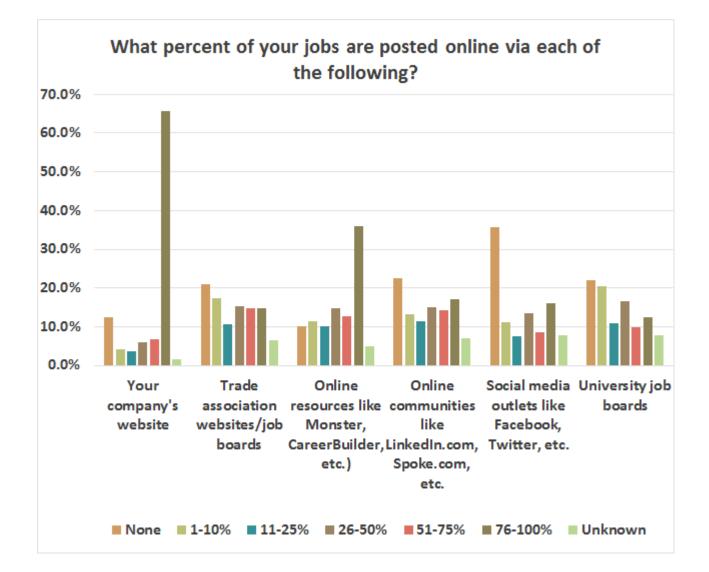
The highest responses in the various categories for the question "What percentage of open positions do you post online for the following job types" can be split into two categories: temporary and permanent jobs. Temporary and Permament jobs. Temporary positions like students, interns, freelancers, consultants, and temps were

the most likely not to be posted online. Meanwhile, the majority of entry level, mid-level, professional, management and executive jobs were posted online. The largest disparity was for professionals, with 76 to 100% of those jobs being posted online by 62.7% of respondents and 0% of professional jobs were posted by 7.3% of respondents.



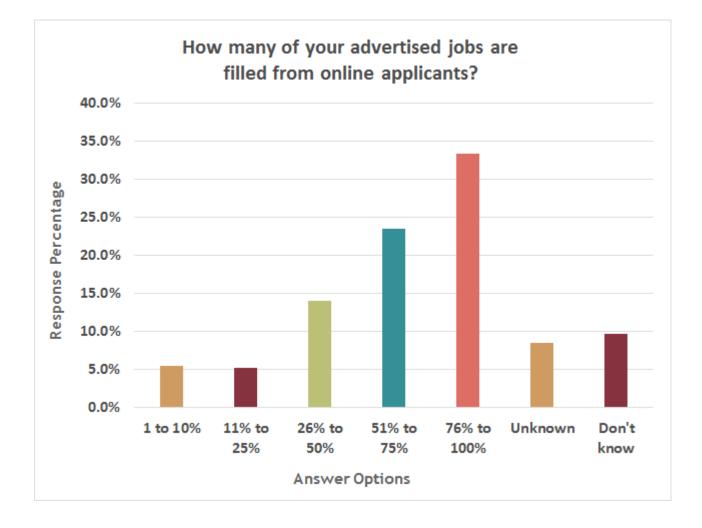
Jobs Posted Online

65.7% of respondents say that 76-100% of their jobs are posted via "your company's website." The next highest response (36.0%) say that 76-100% of their jobs are posted via "Online resources like Monster, CareerBuilder, etc." The very next highest reponse was that 35.6% of respondents said that they posted no jobs via "Social media outlets like Facebook, Twitter, etc."



Jobs Filled Online

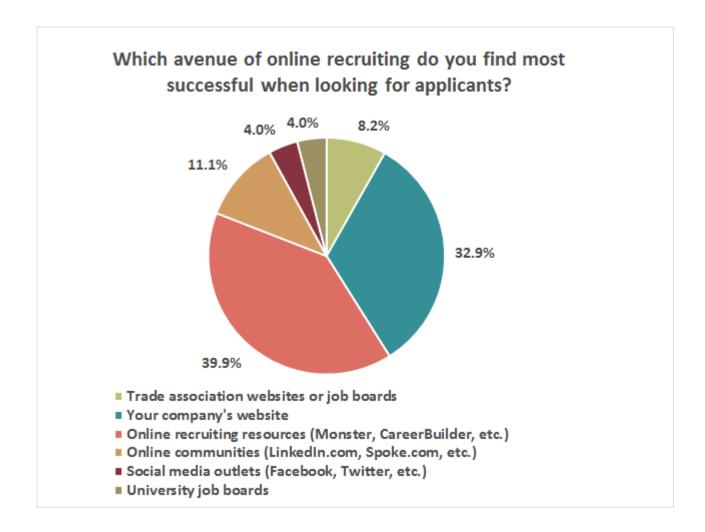
According to the respondents, the majority (33.4%) said that 76-100% of their advertised jobs are filled from online applications. More respondents answered "Un-known" (8.5%) or "Don't know" (9.7%) than said that 1-10% or 11-25% of their jobs were filled from online job applications. In other words, those who said very few jobs were filled from online applications represented a smaller portion than those who either didn't know or had no way of knowing.



National Data

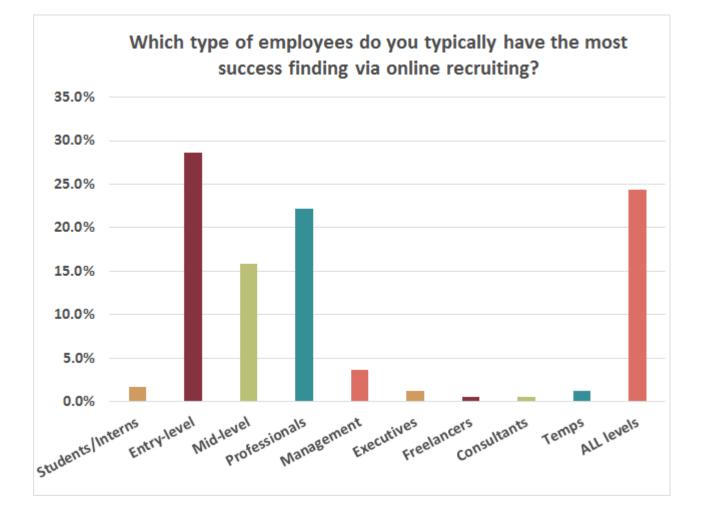
Most Successful Means of Online Recruiting

Respondents said that "Online recruiting resources" (39.9%) and "Your company's website" (32.9%) were the most successful means of online recruiting. Interestingly, "Online communities" were said to be the most successful by only 11.1% of respondents. Similarly, "Social media outlets" scored very low at 4.0%—the same as university job boards and was outperformed by "Trade association websites or job boards" (8.2%).



Employee Types via Online Recruiting

Respondents that were asked what type of employees they typically have the most success finding via online recruiting responded heavily with "ALL levels" (24.0%). However, the single most common individual level answer "Entry-level" was chosen by 28.6% of the respondents. The second most common answer was "Professionals" at 22.2% and in third was the answer "Mid-level" at 15.8%. The lowest scoring responses were executives (1.2%), freelancers (0.5%) and consultants (0.5%).

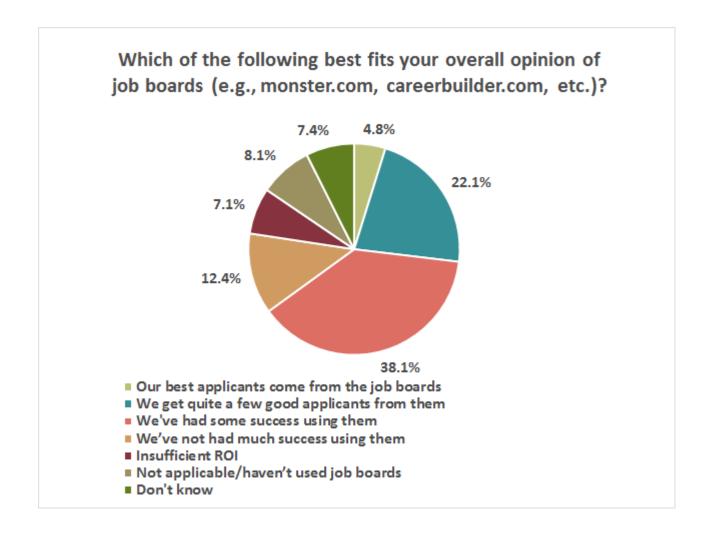


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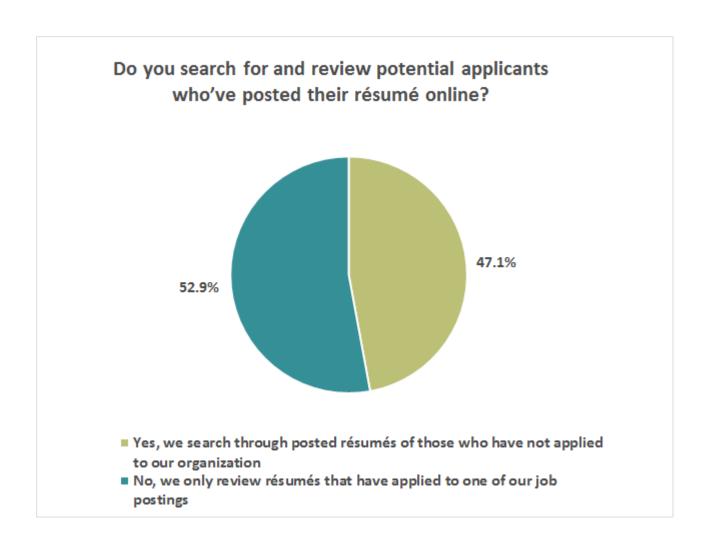
Online Job Boards

The majority of survey takers (38.1%) felt that they have had some success using job boards and 22.1% of survey takers admit that they have gotten quite a few good applicants from them. That means 60.2% of all survey takers have a generally positive view of them. Conversely, only 4.8% say they get their best candidates from job boards. Only 12.4% say they have not had much success using job boards, and 7.1% say it's not worth the effort (insufficient ROI).



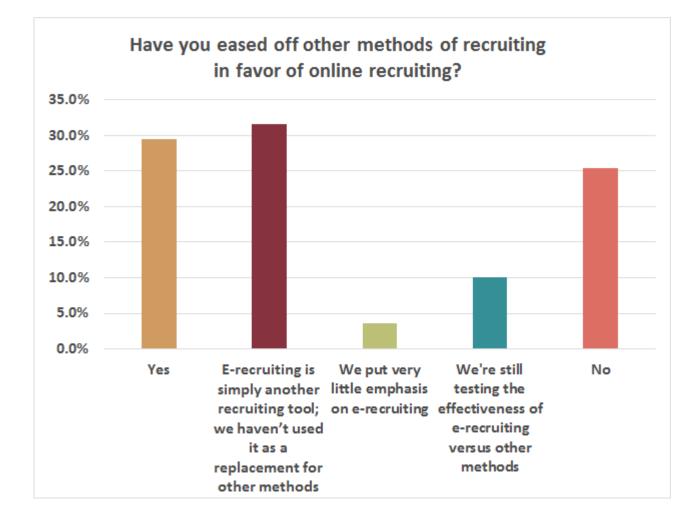
Do You Search Online Resumes?

The audience was fairly evenly divided when asked if they actively search for and review potential applicants who have posted their résumés online. 47.1% said they did, and the majority (52.9%) said they don't.



Replacing Traditional Recruiting

When asked if they had eased off other methods of recruiting in favor of online recruiting, the majority of survey takers (31.6%) said that it's just another tool and hasn't replaced any traditional methods. The next highest response (29.5%) simply said "Yes" while the third highest (25.4%) said "No." There is a roughly equal divide then between using online recruiting in favor of other methods, concurrently with other methods, or not using it in favor of other methods.



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Those who answered "Yes" to the previous question were asked to specify which recruiting methods they have replaced with online recruiting. The most replaced methods were "Print ads" at 40.7%, followed up by "Employment agencies/headhunters" at 20.4%. 39.3% said "None of these methods has been replaced, online recruiting has just been added."

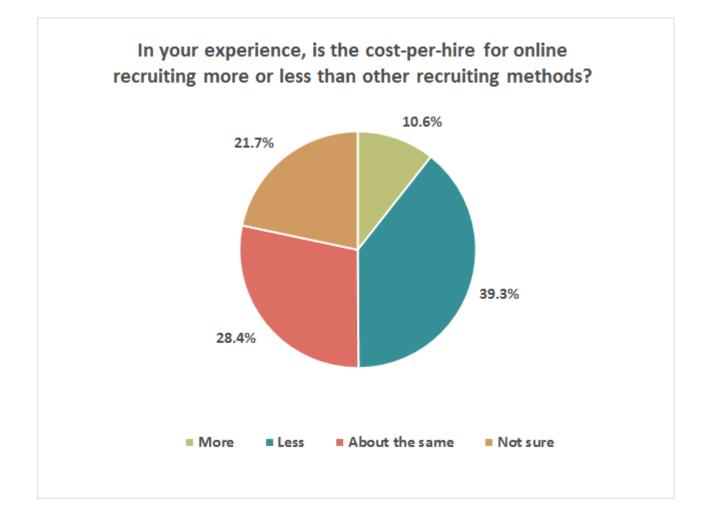
If yes, which of the recruiting methods shown below has been replaced with online recruiting? (Check all that apply.)

aphià:)		
Answer Options	Response Percent	Response Count
Print ads (newspaper, trade magazines, etc.)	40.7%	112
None of these methods has been replaced, online recruiting has just been added	39.3%	108
Employment agencies/Headhunters	20.4%	56
Staffing firms/Temp agencies	17.5%	48
Job fairs	17.1%	47
Word-of-mouth	13.1%	36
Employee referral	12.0%	33
University recruiting	8.7%	24
Trade association websites or job boards	6.5%	18
State or federal employment services	6.2%	17
	answered question	275
	skipped question	241



Cost of Online Recruiting

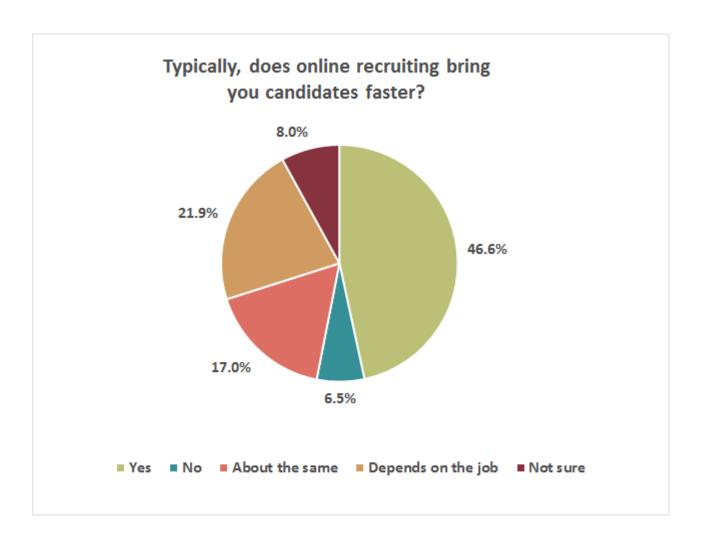
When asked which was more expensive, cost-per-hire online or other methods offline? The majority (39.3%) said that online recruiting was less expensive than other methods when it comes to cost-per-hire. 28.4% said it was about the same, and 21.7% felt that they were sure that it was. Only 10.6% felt that online recruiting was more expensive per hire.





Is Online Recruiting Faster?

When asked if online recruiting resulted in bringing candidates faster, 46.6% said that "Yes," it did. Only 6.5% said "No." Furthermore, 21.9% said it depends and 17.0% said it was the same as regular recruiting methods.



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Pros of Online Recruiting

The largest response to the question "what are the biggest pros of online recruiting?" were split between "Ease of use" (57.7%) and "Reaches outside of a small population pool" (58.7%). Other popular answers were "Ability to reach passive job seekers" (45.6%), "Faster time to hire" (41.8%) and "Cost" (37.2%).

What are the biggest pros of online recruiting? (Check all that apply.)		
Answer Options	Response Perce	ent Response Count
Reaches outside of a small population pool/Exposure to a wider audience	58.7%	232
Ease of use	57.7%	228
Ability to reach passive job seekers	45.6%	180
Faster time to hire	41.8%	165
Cost	37.2%	147
More ad space at no additional cost	35.2%	139
Better candidate matching capabilities	28.4%	112
It is a less subjective method	12.9%	51
Other (please specify)	1.8%	7
	answered quest	ion 395
	skipped questi	ion 121

Cons of Online Recruiting

The largest con of online recruiting, according to survey takers was by far "Too many unqualified applicants" at 68.3%. That's almost double the second most common answer, "Too many applicants" which was marked by 30.4% of respondents. Of least concern was "Too few applicants" (8.5%) and "Doesn't reach a broad audience" (6.5%).

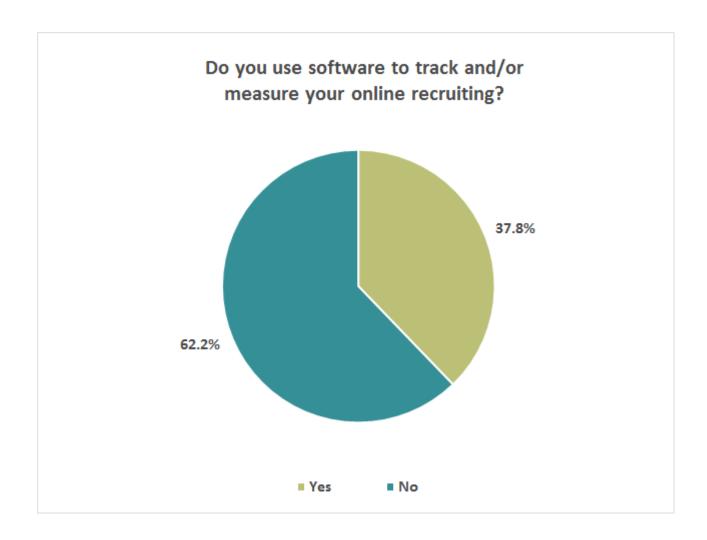
What are the biggest cons of online recruiting? (Check all that apply.)		
Answer Options	Response Percent	Response Count
Too many unqualified applicants	68.3%	272
Too many applicants	30.4%	121
Spam	19.6%	78
Can be a confusing/difficult process	13.1%	52
Cost is too high	12.1%	48
Too few applicants	8.5%	34
There are no cons based on our experience	7.5%	30
Doesn't reach a broad audience	6.5%	26
Other (please specify)	4.8%	19
	answered question	398
	skipped question	118



National Data

Tracking and Measuring Online Recruiting

Surprisingly, 62.2% of participants say that they do not use software to track or measure their online recruiting. Recall that 73.3% of participants admit to using online recruiting as part of their recruiting strategy.

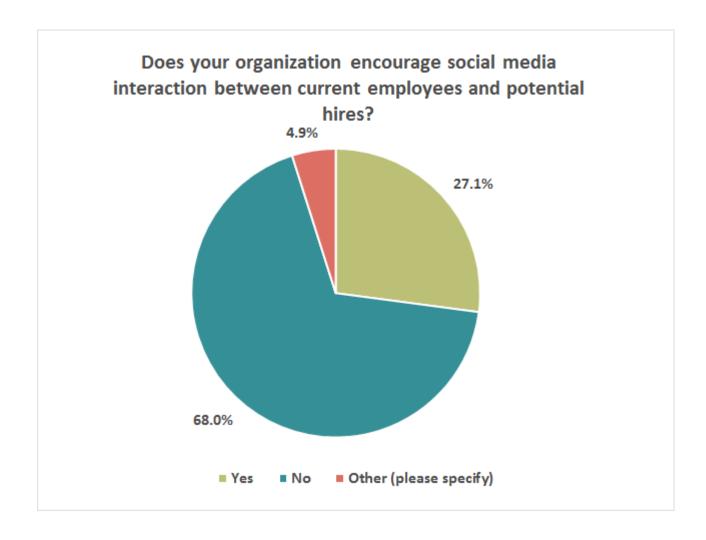


Those who answered that they did use software to track or measure their online recruiting were asked to specify what software they used. The most common one (11.9%) was ADP with runners up of iCIMS Talent Platform (10.1%), Taleo (6.3%) and a tie between NeoGov (4.4%) and UtilPro (4.4%). Over 50% of respondents said they use "Other" software.

Answer Options	Response Percent	Response Count
ADP	11.9%	19
iCIMS Talent Platform	10.1%	16
Taleo	6.3%	10
NeoGov	4.4%	7
UtliPro	4.4%	7
iApplicant	3.1%	5
Jobvite	2.5%	4
Kronos Workforce Ready	2.5%	4
My Staffing Pro	2.5%	4
Newton	1.9%	3
OpenHire	1.3%	2
HRM Direct	1.3%	2
Success Factors	1.3%	2
GoHire	0.6%	1
Halogen Talent Management Suite	0.6%	1
HRSmart	0.6%	1
HRSoft	0.6%	1
iRecruit	0.6%	1
Talent Guard	0.6%	1
TribeHR	0.6%	1
Lawson Talent Management	0.0%	0
PeopleMatter	0.0%	0
Recruiter Box	0.0%	0
SAGE HRMS	0.0%	0
Vista HRMS	0.0%	0
Other	50.9%	81
	answered question	159
	skipped question	357

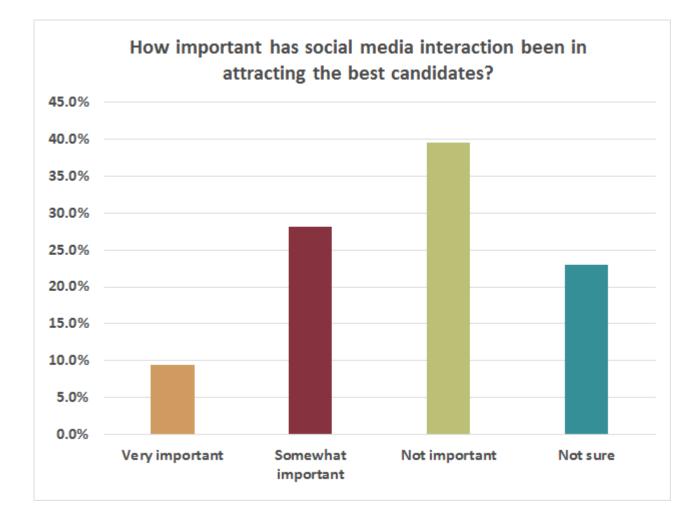
Encouraging Social Media

Over two thirds (68.0%) of respondents said that "No" they do not encourage social media interactions between employees and potential hires." 27.1% said that they do.



The Importance of Social Media

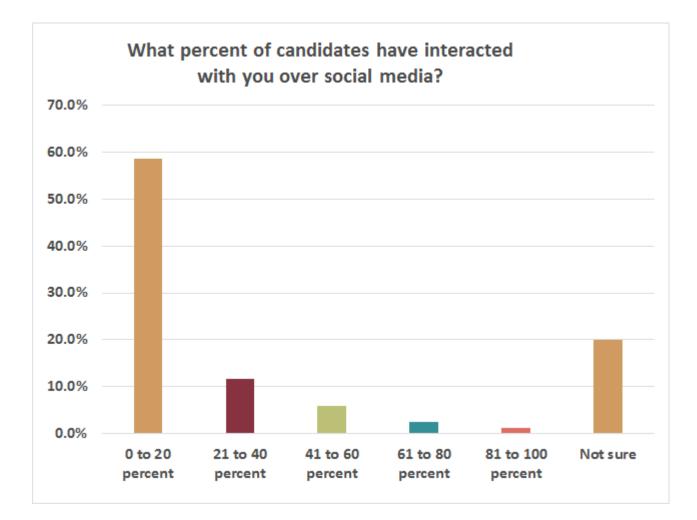
According to the survey, the majority of respondents (39.5%) say that social media interactions have not been important in attracting the best candidates. 28.1% said that it was "Somewhat important" with only 9.4% saying it is "Very important." Nearly a quarter of respondents (23.0%) said they were "Not sure."



National Data

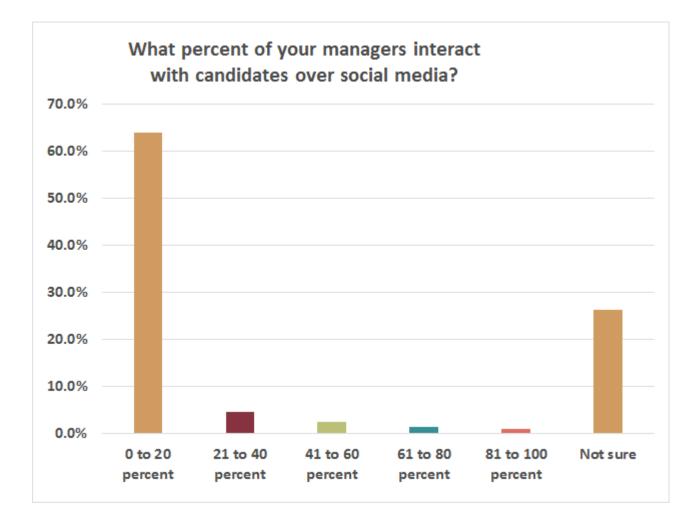
Candidate Social Media Interaction

Very few respondents suggest that any significant portion of their candidates have interacted with them over social media. 58.7% of respondents suggest that between 0 and 20% of their candidates have done so.



Manager Social Media Interaction

The results of this question mirror the previous question closely. 64.0% of respondents said that between 0 and 20% of candidates interacted with managers over social media.

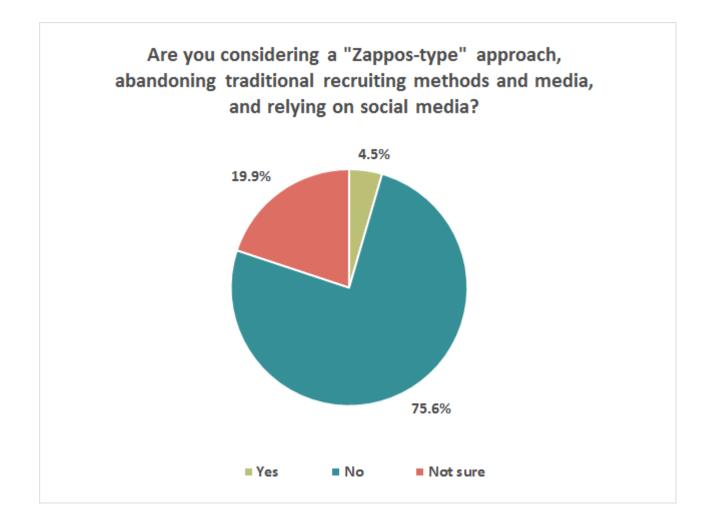




National Data

Abandoning Traditional Recruiting

Three quarters of respondents said that they are not considering a "Zappos-type" approach to recruiting abandoning traditional methods and media in favor of social media. More people were unsure (19.9%) than said they were going to try that approach (4.6%).



The Features of your Job Website Page

Nearly everyone's job website has "Job descriptions" on it. 63.4% of job of website boards feature an application form and (61.2%) include resume delivery.

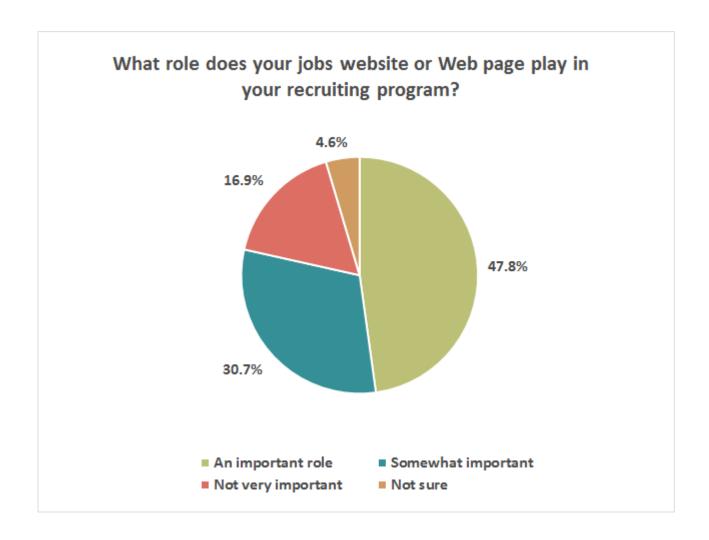
Which of the following does your recruiting or jobs website page feature? (Check all that apply)		
Answer Options	Response Percent	Response Count
Job descriptions	86.6%	324
Application form	63.4%	237
Résumé delivery	61.2%	229
Quotes from current employees	10.4%	39
Videos of current employees	9.1%	34
Virtual tour of facilities	5.6%	21
Interactive features	5.6%	21
Other (please specify)	3.7%	21
	answered question	374
	skipped question	142



National Data

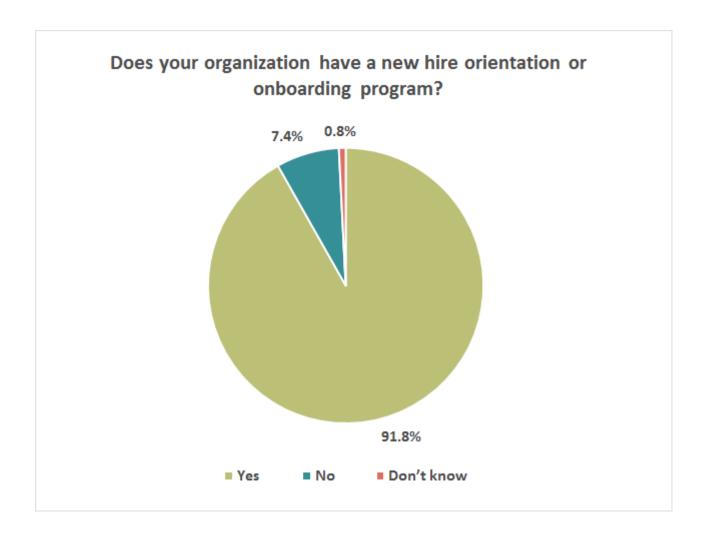
The Role of your Job Website Page

The overwhelming majority of respondents feel that their jobs website or Web page plays at least a somewhat important role in their recruitment program. Specifically, 47.8% said that it was "An important role" and 30.7% said it was "somewhat important." Only 16.9% said it was "Not very important."



New Hire Orientation

The great majority of respondents (91.8%) say that they do have a new hire orientation program at their organization. 7.4% said they do not, and less than 1% said they do not know.





Length of Orientation

Participants that answered "Yes" to the previous question were asked to specify the length of their onboarding process. Answers were fairly evenly split across a number of possibilities. 20.3% said that it's an ongoing process during the first 1-3 months of employment. 18.4% say a half-day of orientation, while 15.8% say 1-2 hours of orientation. The least common practice (1.9%) involves a process where a teammate or manager acts as a mentor.

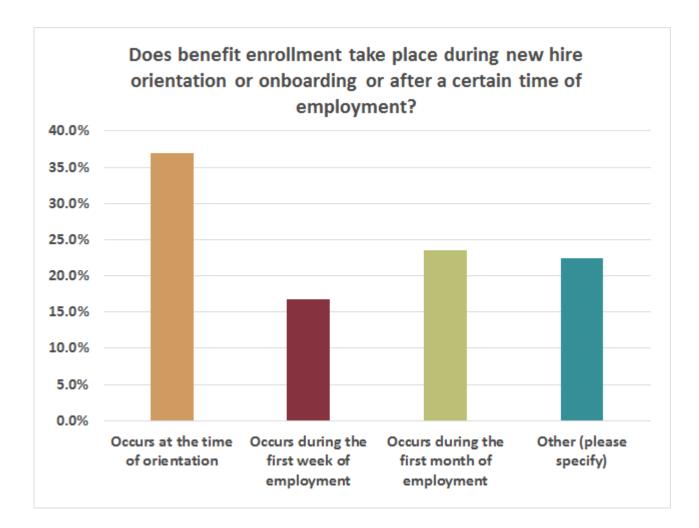
If you have one, how much time does your orientation or onboarding program take to complete?			
Answer Options	Response Percent	Response Count	
Onboarding is an ongoing process during the first 1-3 months of employment	20.3%	76	
A half-day of orientation	18.4%	69	
Multiple sessions across multiple days in the first week of employment	16.0%	60	
1-2 hours of orientation	15.8%	59	
Varies depending on individual and position	12.8%	48	
A full day of orientation	12.6%	47	
There is no specific process in place	2.1%	8	
Onboarding process is more of a mentoring role from a teammate or manager	1.9%	7	
	answered question	374	
	skipped question	142	



Occurrence of Benefit Enrollment

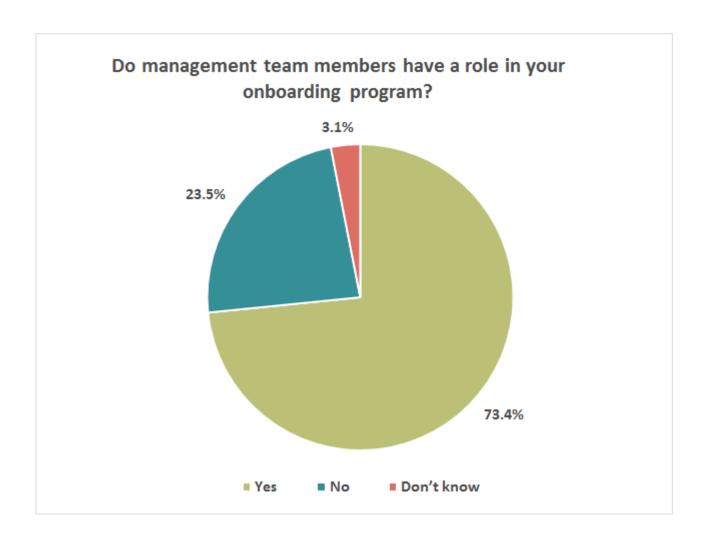
Most survey takers (37.0%) say that benefit enrollment occurs at the time of orientation. 23.6% say that it occurs during the first month of employment, and 16.8% say it happens during the first week of employment. 22.5% said "Other." Some of the other responses were:

- After 30 days
- After 60 days
- After 90 days



Management's Role in Onboarding

When asked if management has a role to play in their company's onboarding program, 73.4% said that they do. 23.5% said that they don't, and only 3.1% said they didn't know.



Management Onboarding Training

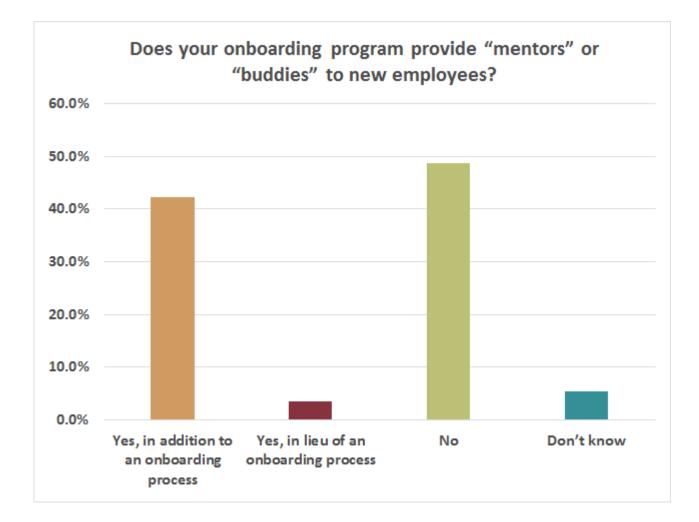
51.3% of respondents said that their management team does not receive training on how to successfully onboard new employees. 40.6% said they do receive training, and 8.1% do not.





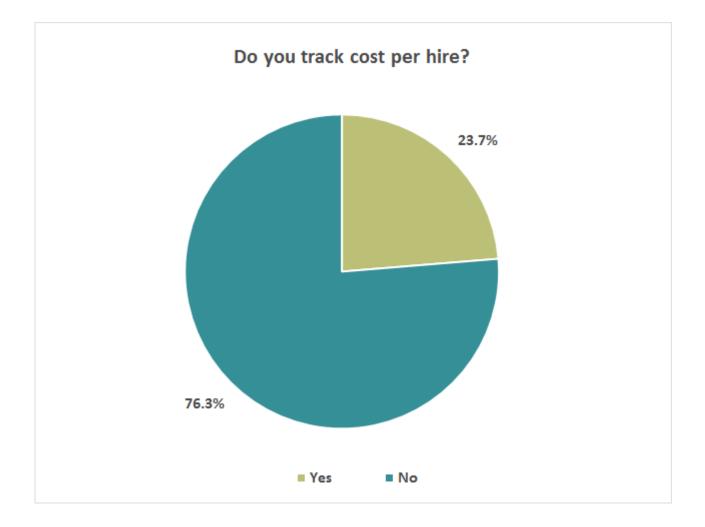
New Employee Mentoring

When asked if their onboarding program provides mentors or buddies to new employees, 42.2 say "Yes, in addition to an onboarding process." Only 3.6% do that instead of an onboarding process. The majority (48.8%) say "No."



Do You Track Cost per Hire?

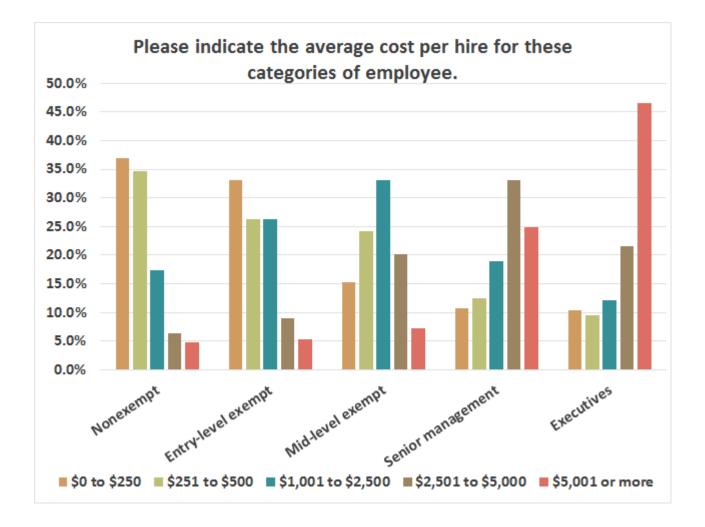
Most survey takers (76.3%) do not track cost-per-hire. Only 23.7% say that they do.





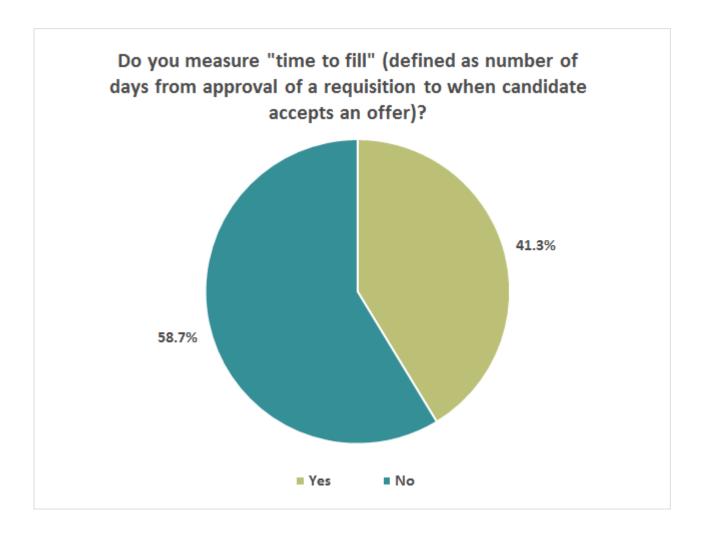
Average Cost per Hire

Not surprisingly, the highest cost-per-hire is for executives—46.6% of respondents say that executives cost at least \$5,001 per hire. Senior management is the second most expensive, with 33.1% saying that they cost \$2,501 to \$5,000 per hire. 37.0% of respondents say that non-exempt employees cost the least, between \$0 and \$250 per hire.



Measuring Time to Fill

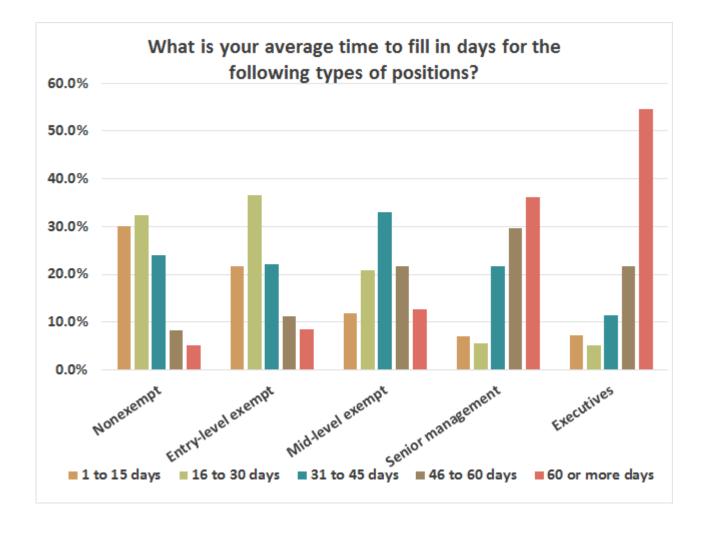
More respondents measure time to fill (41.3%) than measure cost-per-hire (23.7%). Still, the majority of respondents (58.7%) don't measure this metric.





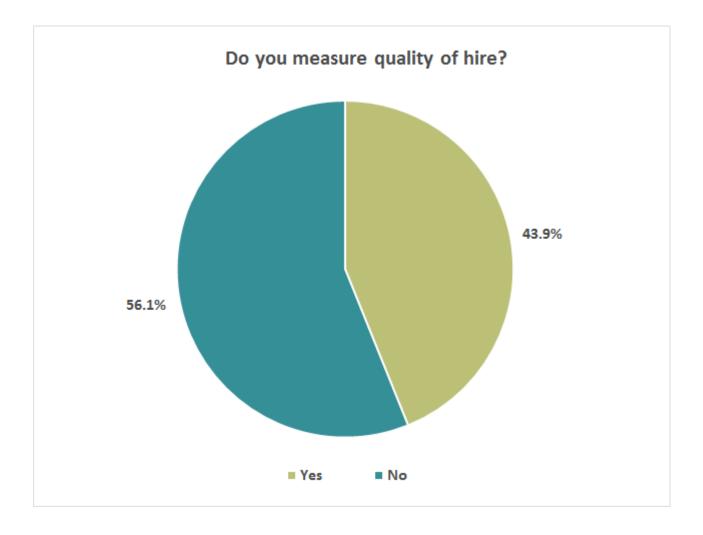
Average Time to Fill

Just as executives cost the most per hire, they also take the longest to find. 58.7% of those polled say it takes 60 days or more to fill executive positions. Also like costper-hire, non-exempt employees are the quickest to fill. 30.1% of participants said it takes between 1 and 15 days to fill non-exempt positions.



Measuring Quality of Hire

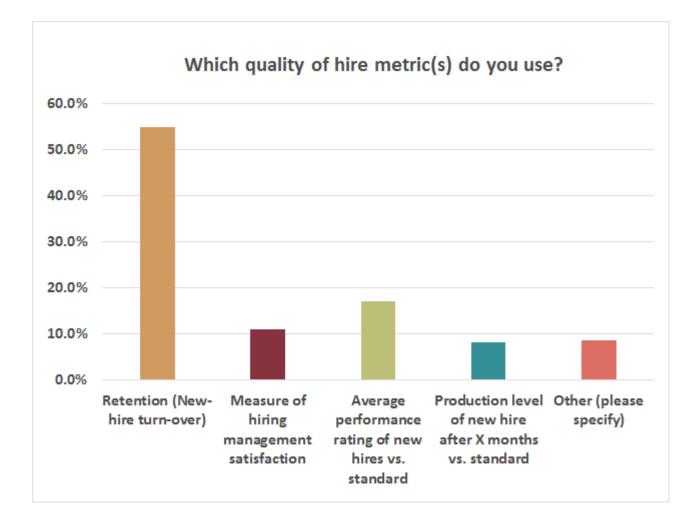
43.9% of survey takers say that they do measure quality of hire, while 56.1 say they do not.





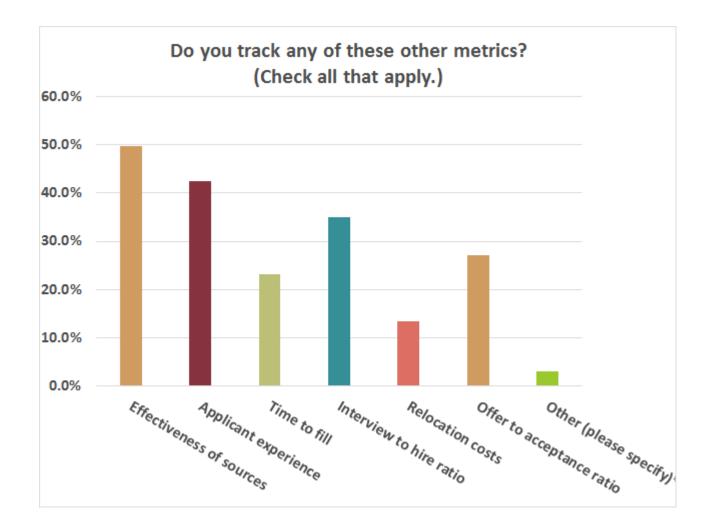
Quality of Hire Metrics

When asked what metrics they use to measure quality of hire, respondents overwhelmingly answered "Retention" (55.0%) as their number one metric. Other methods like "Hiring management satisfaction," "Average performance rating of new hires vs. standard," and "production level of new hire after X months vs. standard" all were below 20%.



Alternate Metrics

49.8% of participants say they track "Offer to acceptance ratio" while 42.4% of participants say that they track applicant experience. Metrics like "Interview to hire ratio" (35.0%) and "time to fill broken out by action, time from posting to review, time from offer to acceptance" (23.2%) also got decent percentages. The least used was "Relocation costs" (13.3%).



HR Daily Advisor Research



Survey Methodology

Our HRDA surveys are designed by our in-house team of HR experts. Once survey questions and distractors are determined and tested, the survey is ported to the SurveyMonkey platform. Our survey population base is the 200,000 or so customers of our parent company BLR®. Customers are notified of the survey through e-mails. They click a link to take them to the survey.

Surveys typically stay open for 3 weeks, although data show that most responses are received within a few days of the announcement of the availability of the survey. Surveys may stay open longer than 3 weeks for further data collection.

Analysis is usually straightforward, reporting on responses and percentages of response. We strive to present data in clear, easy-to-understand charts and tables.

With open-ended questions, we mention the most frequently encountered entries, using our judgment as to which responses may be grouped together.

We believe that the data we present are relatively easy to interpret; however, readers should always keep in mind that old saw about lies, damned lies, and statistics.



