Context

- Past three years have been the most complex and rapidly changing labor markets in our history
- Labor Market Demographics are expected to continue to evolve with several key factors impacting the changes
  - Labor Market Participation Rates
  - Flexible Work Arrangements
  - Skills gap
  - Rapid Technological Advances
- Unemployment Rates are still at record lows
- Open jobs still above 9MM (pre-Covid highs of 6-6.5MM)
- Pressure persists in front-line hiring with far more jobs (demand) than candidates (supply)

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Global Talent Shortages Since 2014

Percentage of Organizations Struggling to Find Skilled Talent (2014 – 2024)

36% 2014
38% 2015
40% 2016
45% 2018
54% 2019
69% 2021
75% 2022
77% 2023
75% 2024

Note: The annual Talent Shortage Survey was not conducted in 2017 and 2020.

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Unemployment Rate by State: January 2024

Legend:
- 4.6% and above
- 3.7% to 4.5%
- 3.3% to 3.6%
- 2.9% to 3.2%
- 2.8% and below

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Unemployment Rates

Last 10 Years

Last 36 Months

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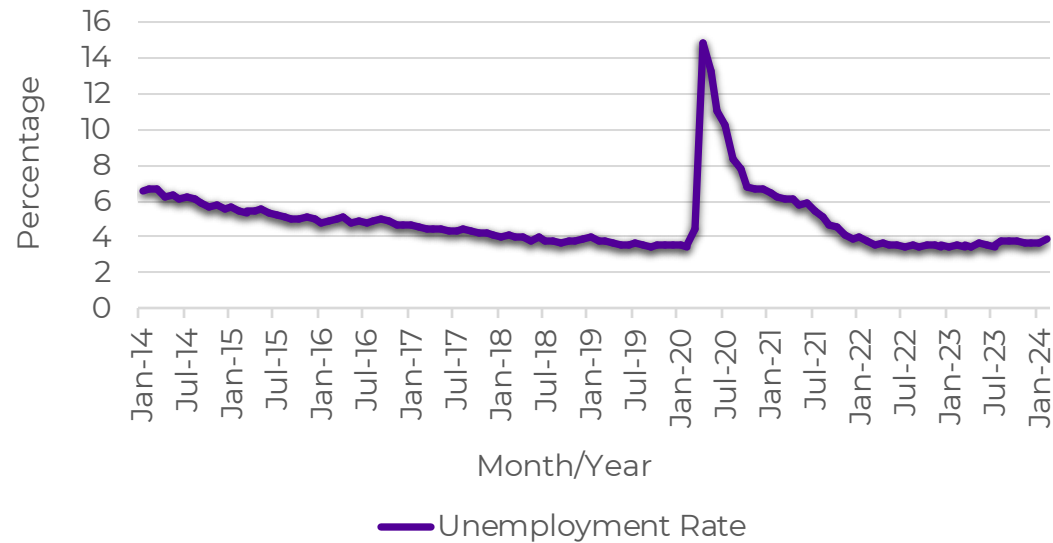
SOURCE: BLS

Labor Force Participation Rates

Last 30 Years

Last 10 Years
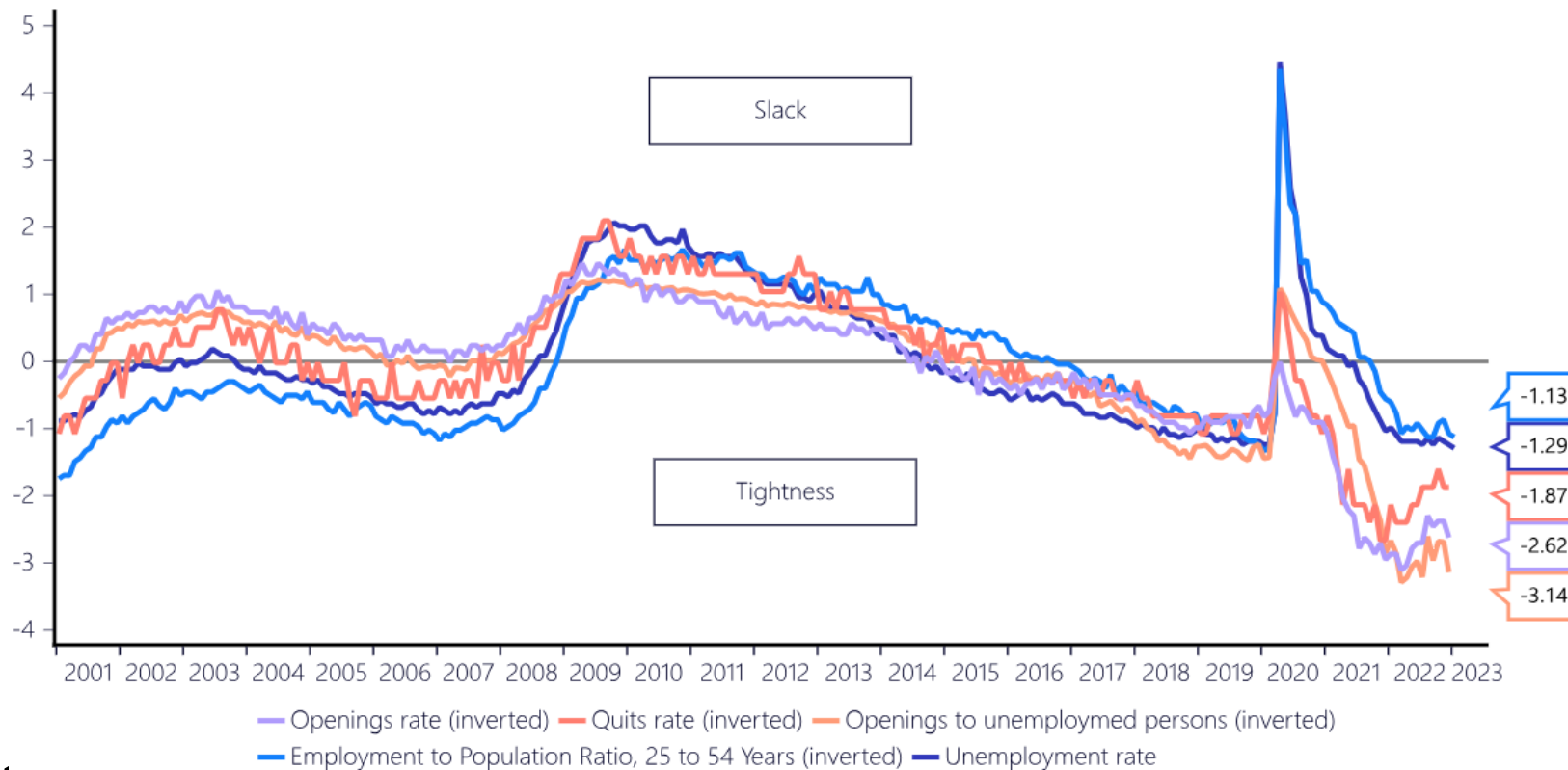
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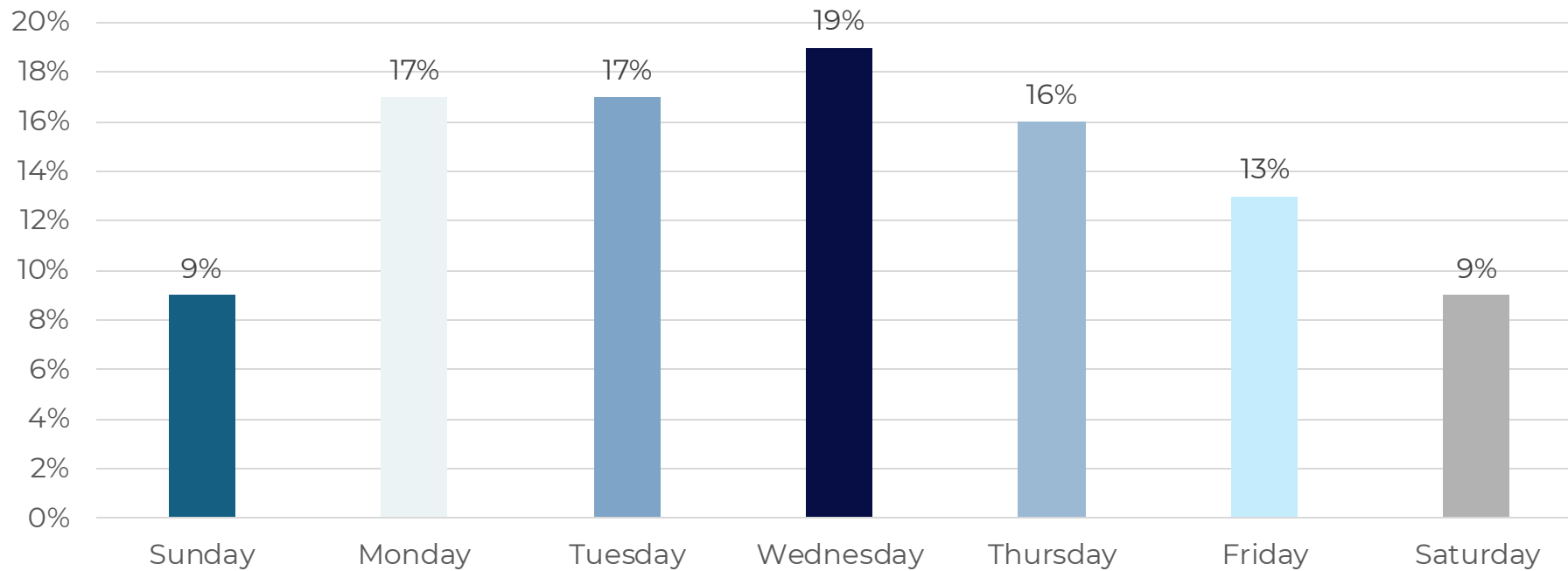
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SOURCE: BLS
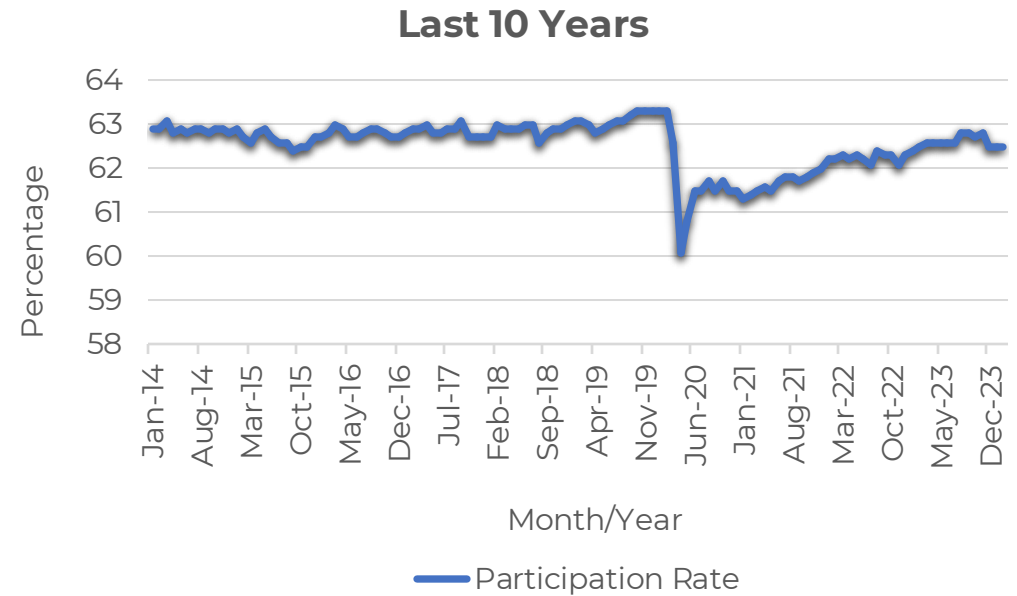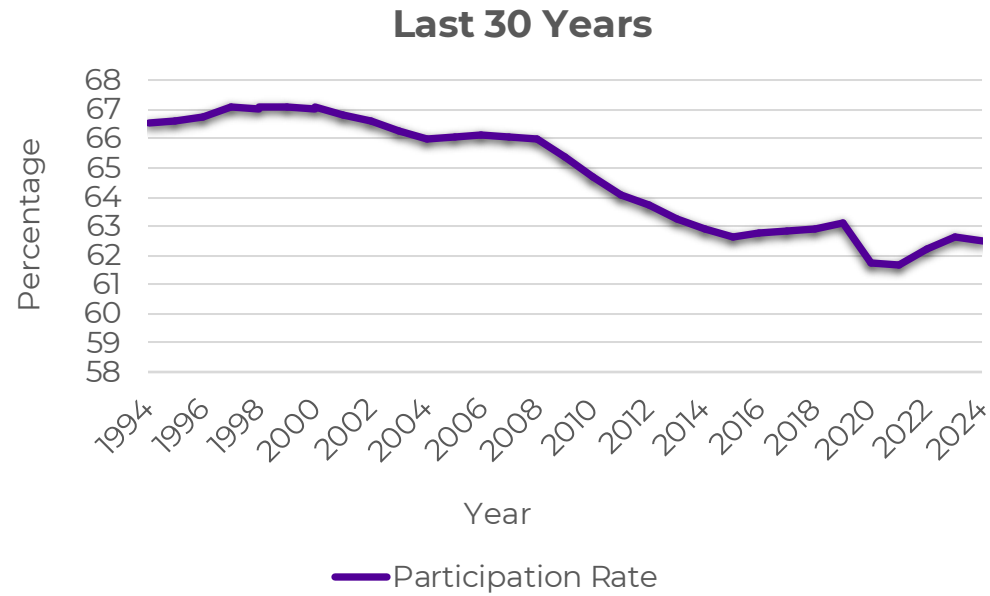
Labor Market Dynamics

o 60+% of all applies are now on Mobile Devices

o Labor markets are still considered "tight" (not enough candidates) by most standardized measures

o Demand softened for workers slightly in 2023, creating a false sense of security in "candidate market" thinking

o US Labor Demand still outstrips labor by 2.5MM (BLS, Jan 2024)

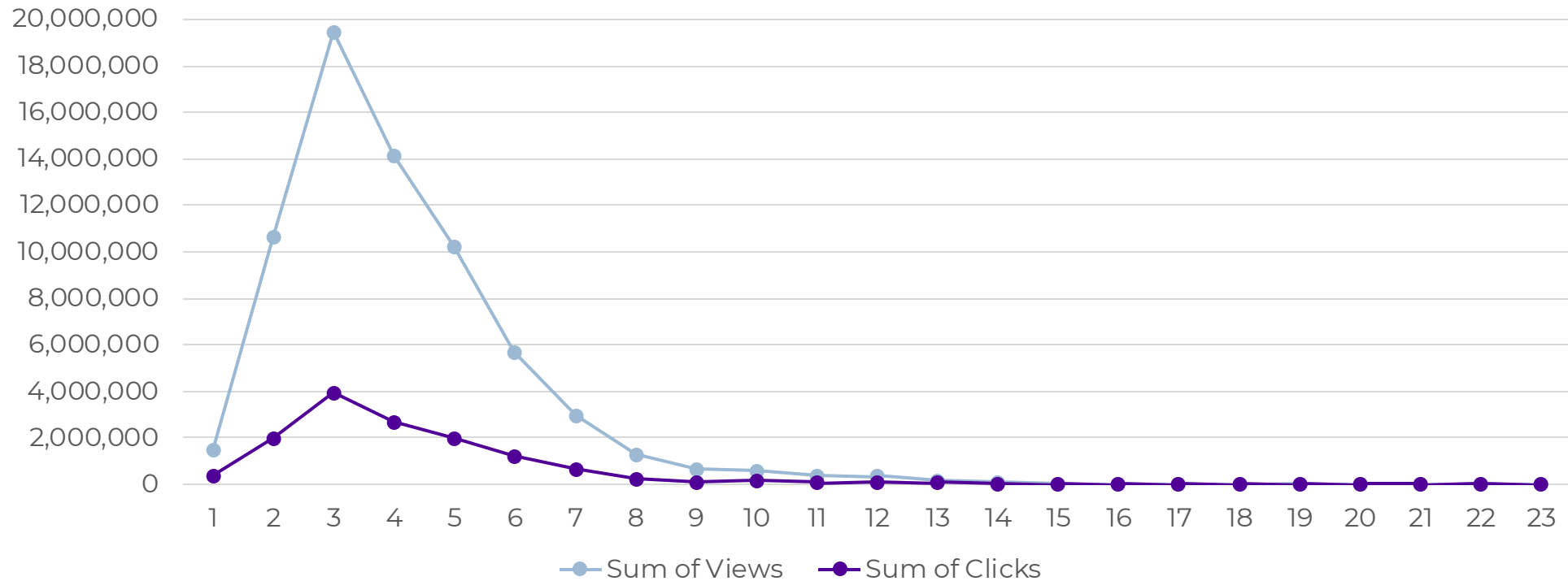o Wage Growth has cooled significantly from the highs in 2021/2022

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Is the U.S. Labor Market Slack or Tight

All indicators are standardized (Z-scores); unemployment rate is only indicator not inverted

Slack

Tightness

-1.13
-1.29
-1.87
-2.62
-3.14

Legend:
— Openings rate (inverted) — Quits rate (inverted) — Openings to unemploymed persons (inverted)
— Employment to Population Ratio, 25 to 54 Years (inverted) — Unemployment rate

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SOURCE: BLS

Share of Applies by Day of Week

	Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
Share	9%	17%	17%	19%	16%	13%	9%

Job Title Word Count Impact Clicks

Sum of Views · Sum of Clicks

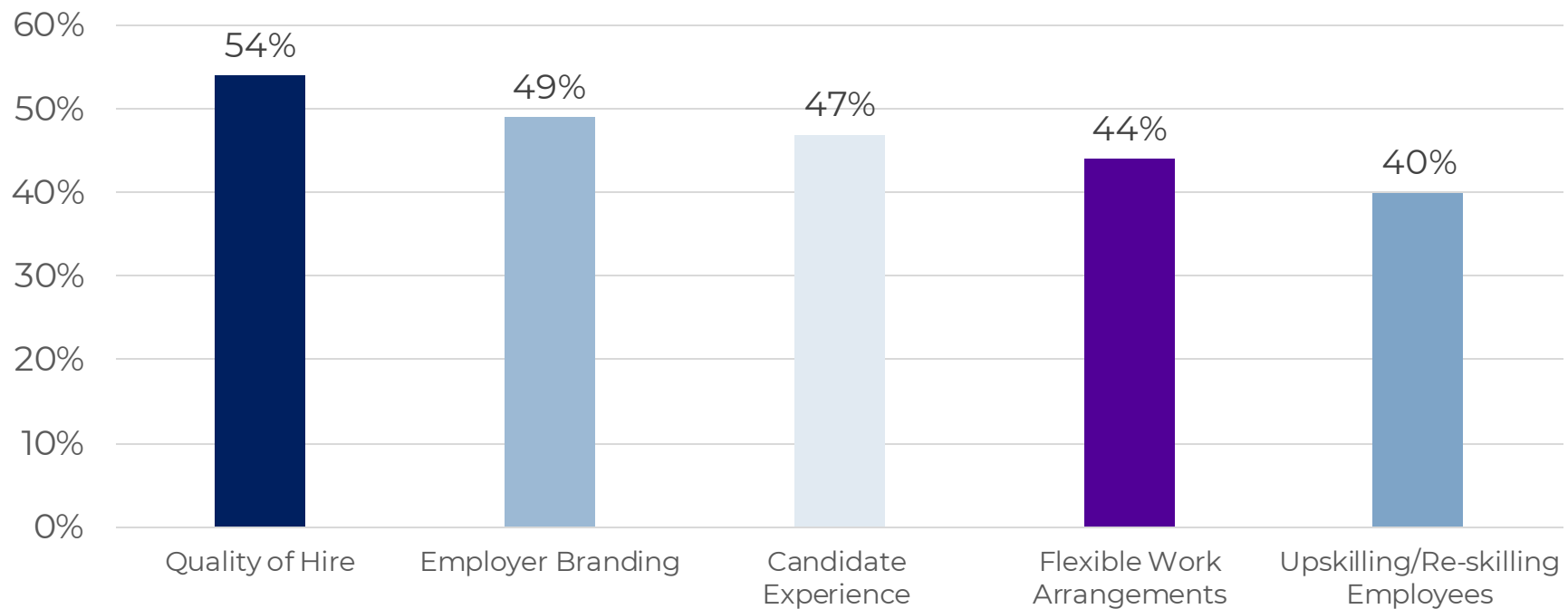#SHRMTalent

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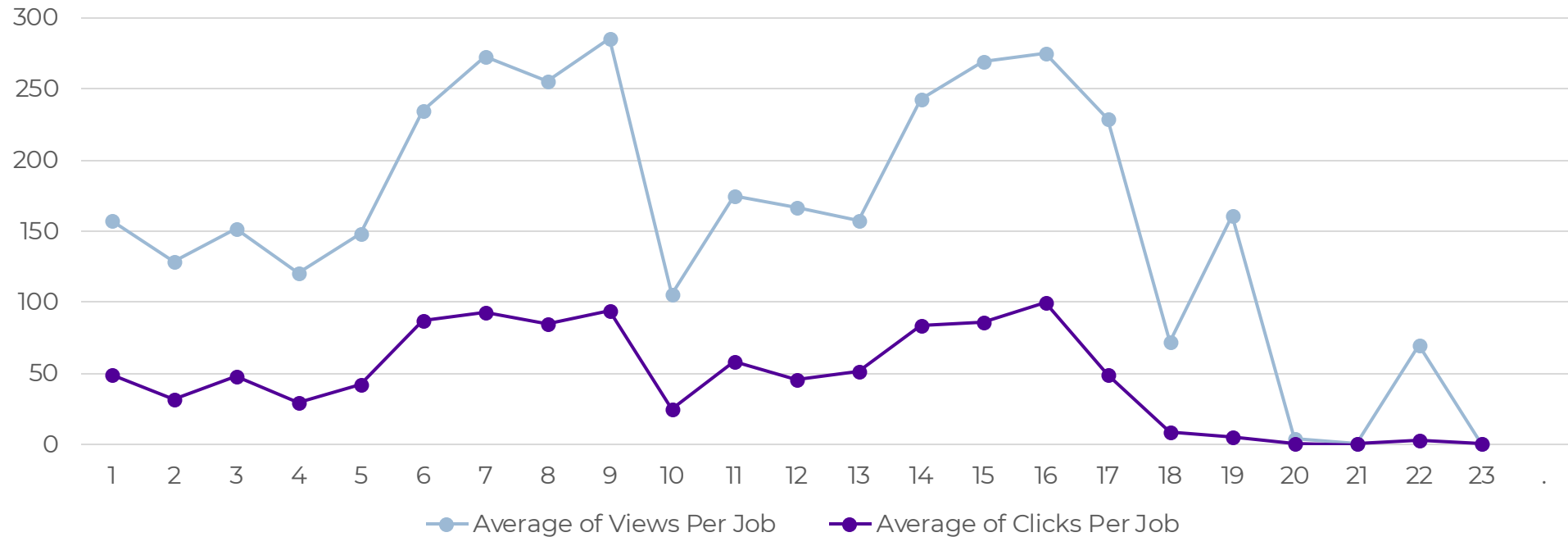
NXTThing Perspectives

o Anticipate continued to increasing pressure in front-line hiring (Retail, Hospitality, Distribution, Manufacturing)

o Expect quarter over quarter growth of professional/exempt hiring in most industries

o Increased expectations of in-office participation, both hybrid and full

o A compelling offer, an efficient process and flexibility in process will yield greater results

o Attrition has stabilized materially in the past 24 months, but companies should be on high alert for increasing attrition rates. A tighter Labor Market for employers is expected, requiring companies to be aware of the shifting dynamics

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AI in Recruiting

o Claims that recruiters will be replaced by AI are not factual. The value that a recruiter brings to the hiring manager and the candidate cannot be automated

o Certain parts of the Recruitment Process will benefit greatly from AI
- Sourcing
- Market Assessment
- Skills Marching
- Administrative Functions (Scheduling, On-boarding, etc.)
- Analytics

Future of Recruiting

o According to LinkedIn research, these are the topics that will impact recruiting in the next 5 years:

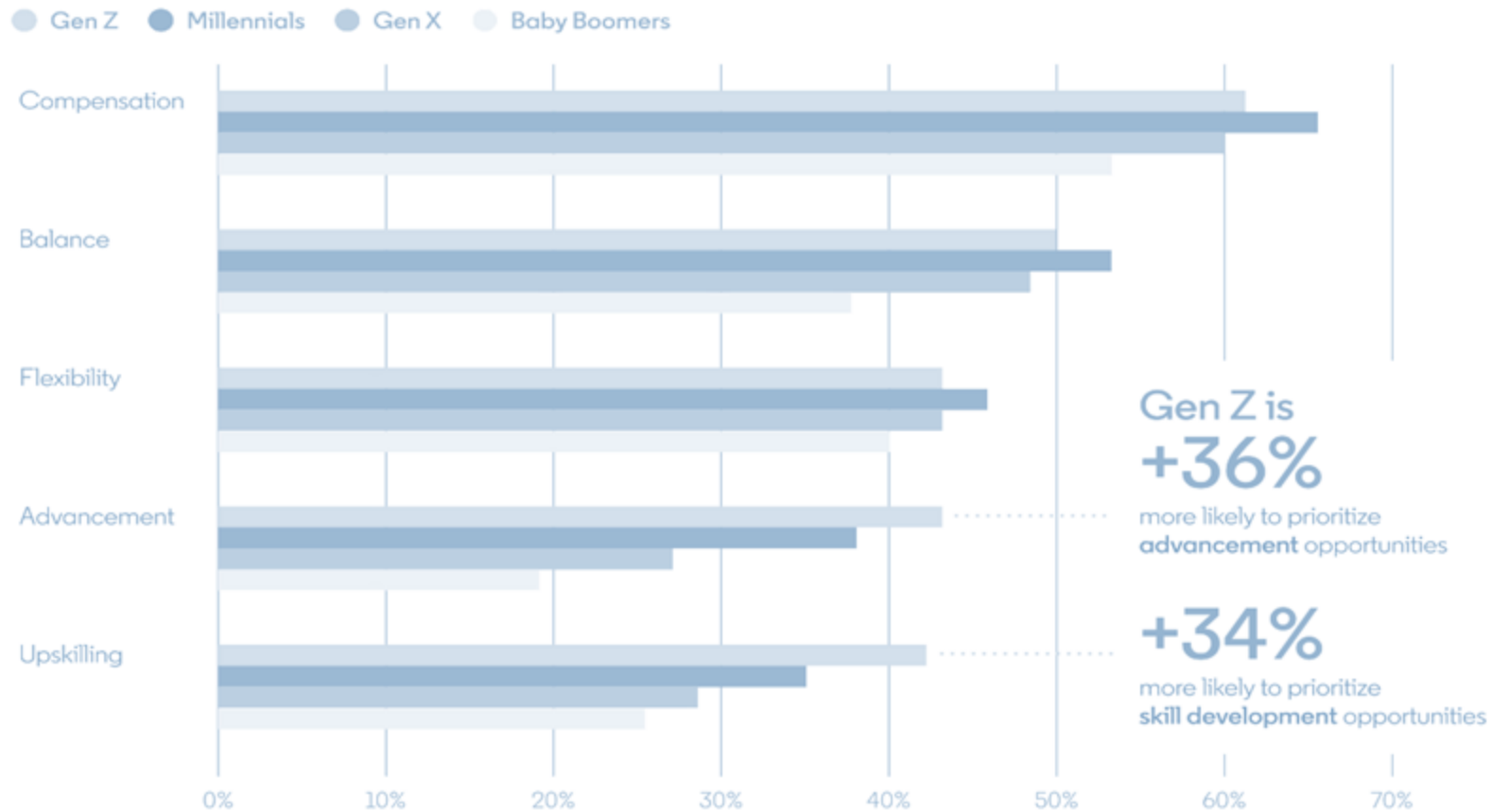| Topic	Percentage
Quality of Hire	54%
Employer Branding	49%
Candidate Experience	47%
Flexible Work Arrangements	44%
Upskilling/Re-skilling Employees	40%

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The Elusive Holy Grail of Recruiting: Quality of Hire

Organizations are becoming more committed to measuring quality of hire.
Here are some of the areas that some companies are considering:

- First Year Evaluation Scores

- First Year Turnover Rates

- Productivity Measures (sales rank, customer satisfaction scores, etc.)

- Team Value/Culture Fit

EVP by Generation

○ Gen Z ● Millennials ● Gen X ○ Baby Boomers

Compensation

Balance

Flexibility

Advancement

Upskilling

Gen Z is
+36%
more likely to prioritize
advancement opportunities

+34%
more likely to prioritize
skill development opportunities

0%   10%   20%   30%   40%   50%   60%   70%

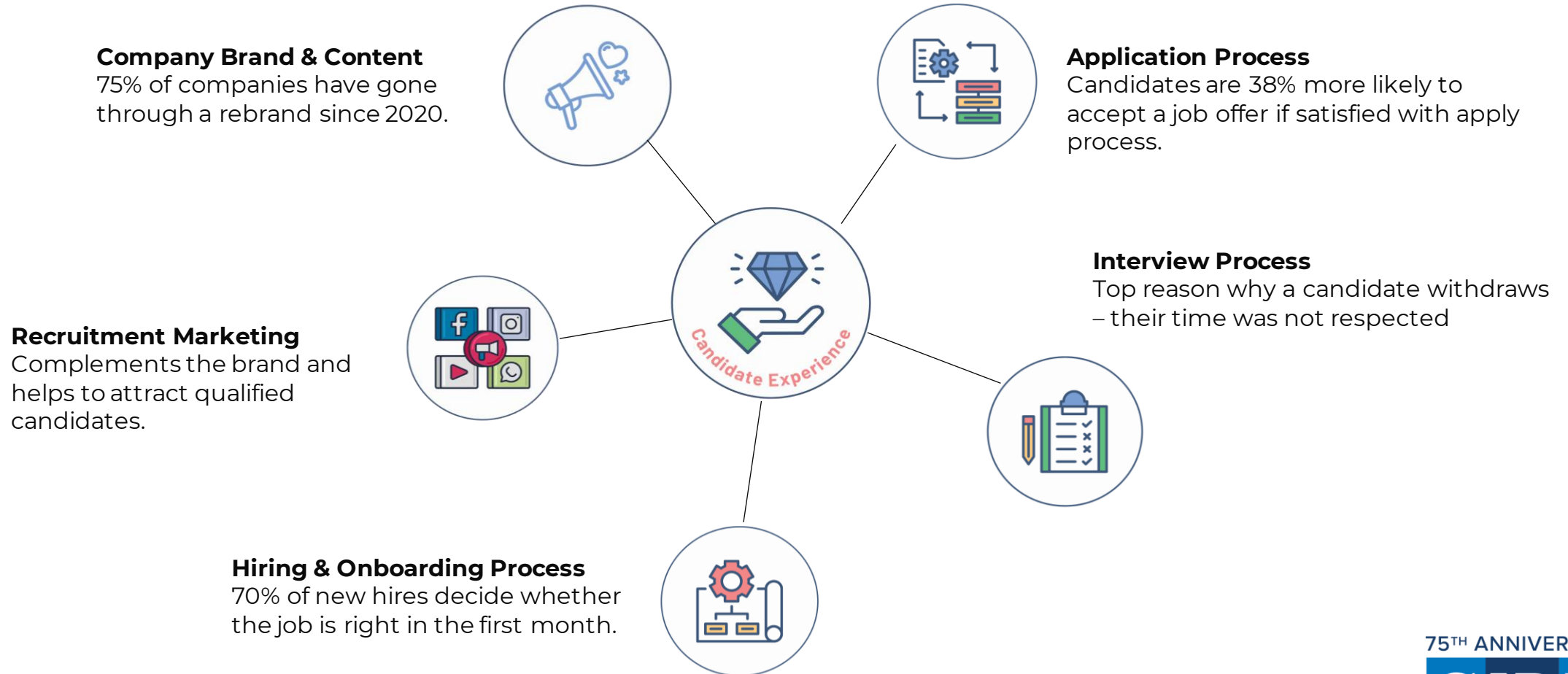**#SHRMTalent**

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SOURCE: LINKEDIN

> " The key is to set realistic candidate expectations, and then not to just meet them, but to exceed them— preferably in unexpected and helpful ways.
> **Richard Branson** "

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Five Factors of Influence and Measurement

Company Brand & Content
75% of companies have gone through a rebrand since 2020.

Application Process
Candidates are 38% more likely to accept a job offer if satisfied with apply process.

Interview Process
Top reason why a candidate withdraws – their time was not respected

Recruitment Marketing
Complements the brand and helps to attract qualified candidates.

Candidate Experience

Hiring & Onboarding Process
70% of new hires decide whether the job is right in the first month.

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Factor One: Recruitment Marketing

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Recruitment Marketing

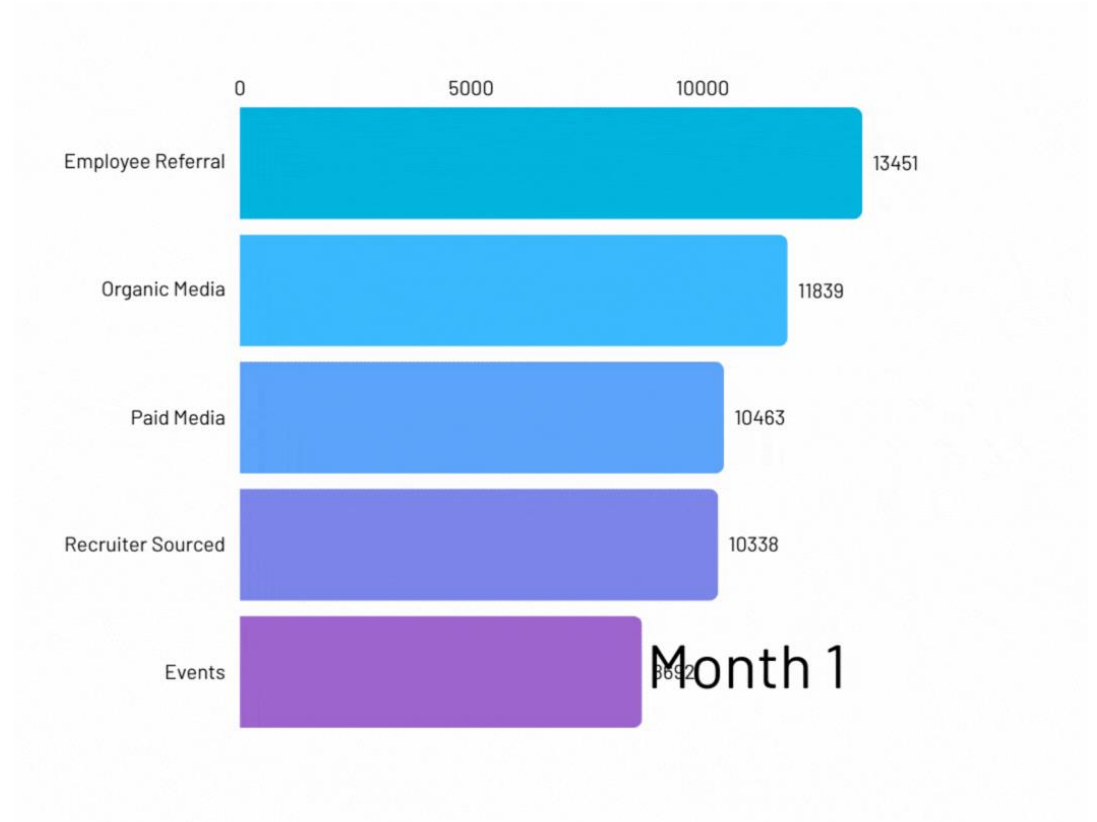**Metrics:** Top Sources by KPIs

- Visits
- Applies
- Quality
- Hire

What is being measured?

Effective sources that drive candidates to your site.

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Recruitment Marketing

Metrics: Number of visits and sources to apply.

What is being measured? Insights into the sources and campaigns that attributed to an eventual apply.

Avg of 3 visits

before applying to a job

Job Title	Total Visits	Apply Visit	Visit 1	Visit 2	Visit 3	Visit 4
Account Manager	4	2	Text Campaign	Indeed	LinkedIn	Google
Engineer	2	1	Google	Email Campaign		
Sales Manager	3	3	Employee Referral	Email Campaign	LinkedIn	
Intern	1	1	Event			

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Recruitment Marketing

Change Impact:

Healthcare company that spends $1M+/ year in media **reallocated** over $360/year on **higher performing** media to yield more **qualified candidates**.
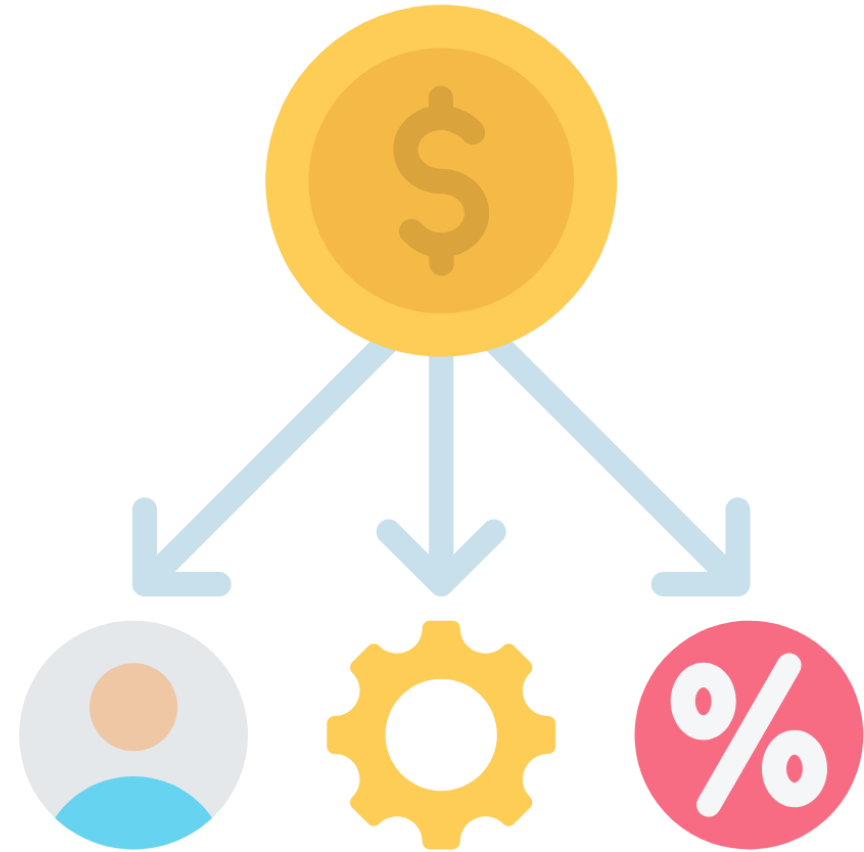
Factor Two: Brand & Content

Brand & Content

Metrics:
- Visitors (Unique vs Returning)
- Average Visits before Apply
- Time on Site
- Bounce Rate
- Calls to Action

What is being measured? Insights into the candidate's engagement & interest as they navigate throughout your site.
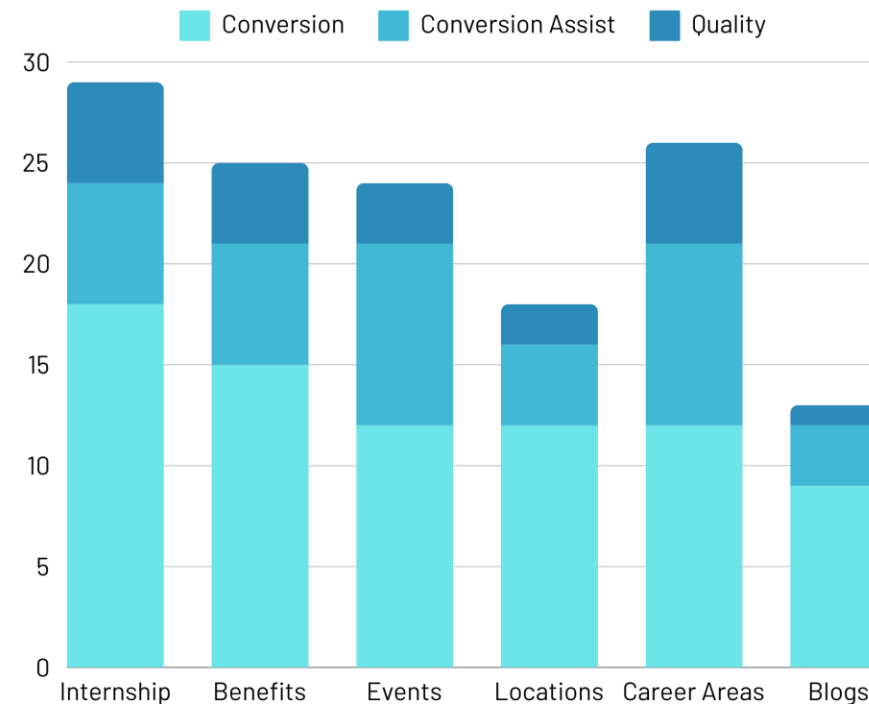
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Brand & Content

Metrics: Top Content by Conversions

What is being measured? Effective content measured by applications & quality.

Brand & Content

Change Impact: Global Aerospace company **reduced** ~50% of their **career site pages and calls to action** during EVP project based on site stats and candidate survey responses.
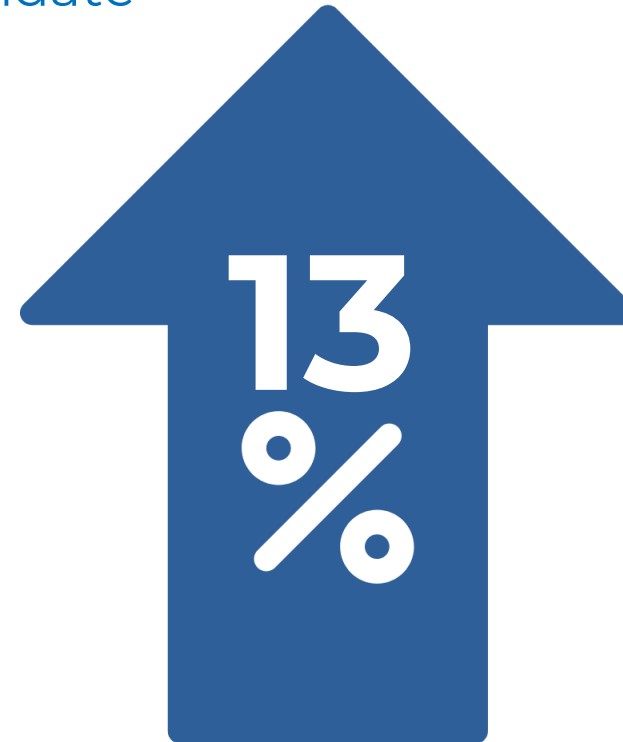
3% Visitors

10% Time on site

5% Bounce Rate

13% Conversion Rate

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Factor Three: Apply Process

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What is the average candidate drop off rate from a job view?

Go to
pigeonhole.at

Enter passcode
NXTSHRM

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Display Q&A or Poll Session

Projector Panel URL   What is this?

https://pigeonhole.at/779099/access/SWWFQ7RV63/p

Session to be displayed on this slide

Select session

Display Session

New to Pigeonhole Live? Sign up for free.

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Apply Process

Average Candidate Abandonment Rate

79%

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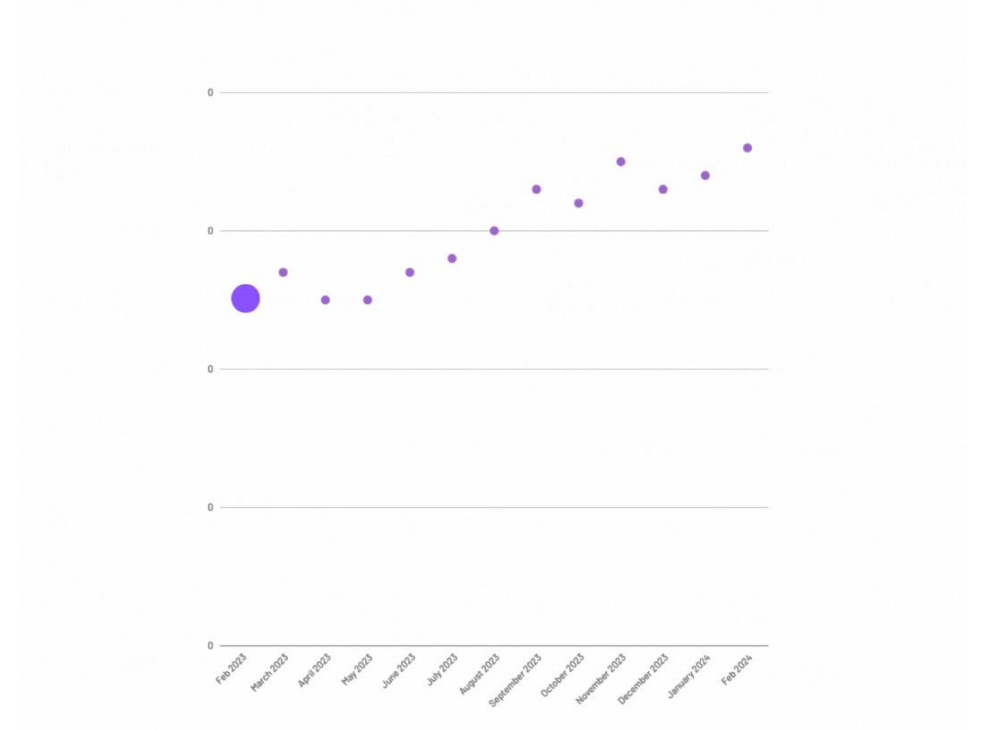75TH ANNIVERSARY
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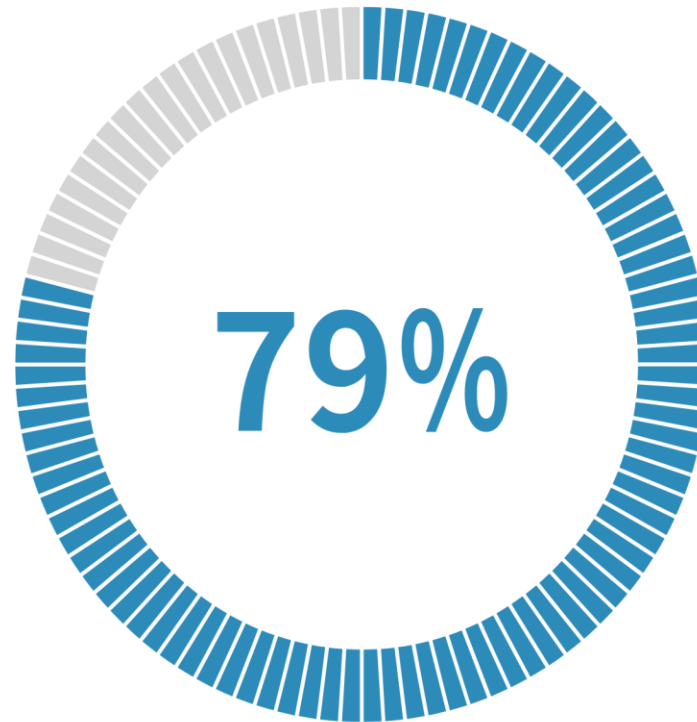
SOURCE: TALENTEGY

Apply Process

Metrics:
- Abandonment Rate
- Device Type
- Job View/Apply Conversion
- Net Promoter Score (NPS)

What is being measured?
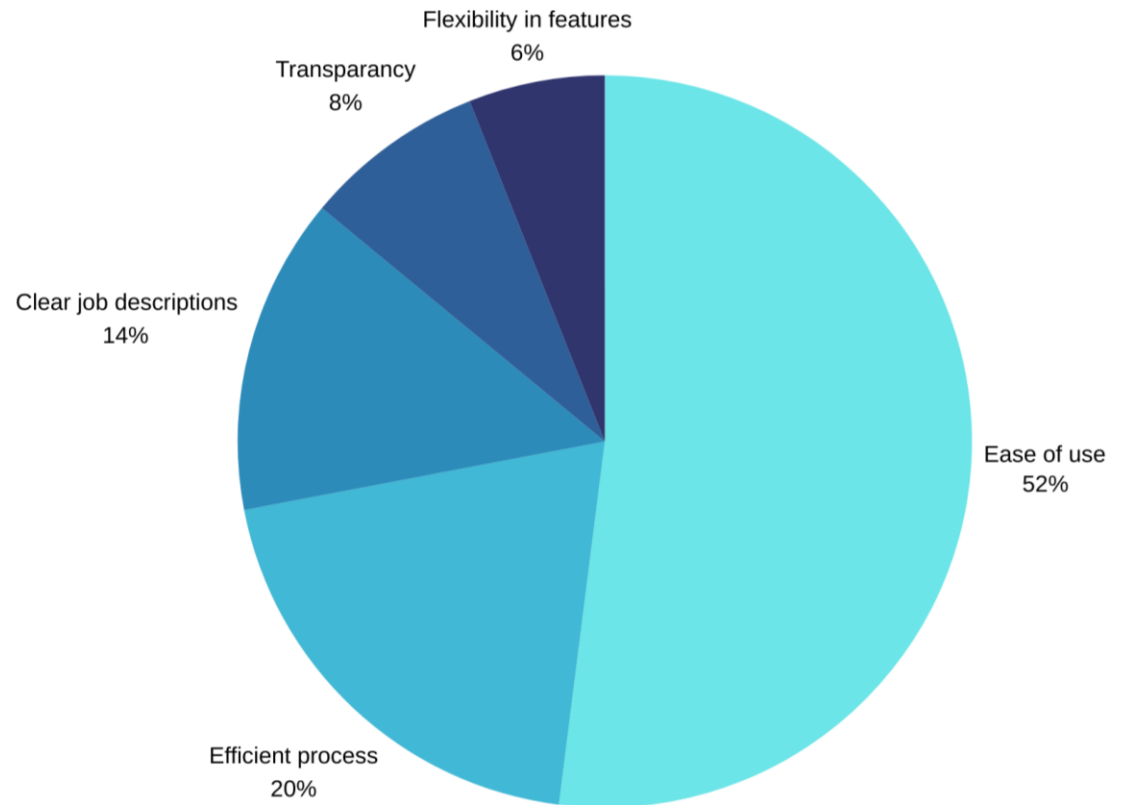Candidate perception of process efficiency & informative content.

Apply Process

78%

Candidates Surveyed had a Positive Application Experience

Pie chart:
- Ease of use 52%
- Efficient process 20%
- Clear job descriptions 14%
- Transparancy 8%
- Flexibility in features 6%

#SHRMTalent Based on survey of 400 applicants

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SOURCE: TALENTEGY

Apply Process

The Voice of the Candidate

" The layout of the application was extremely simple. "

" The application was self-explanatory. "

" Easy application with clear questions. "

" The resume upload feature did not auto populate my information. "

" The website has a great UI! "
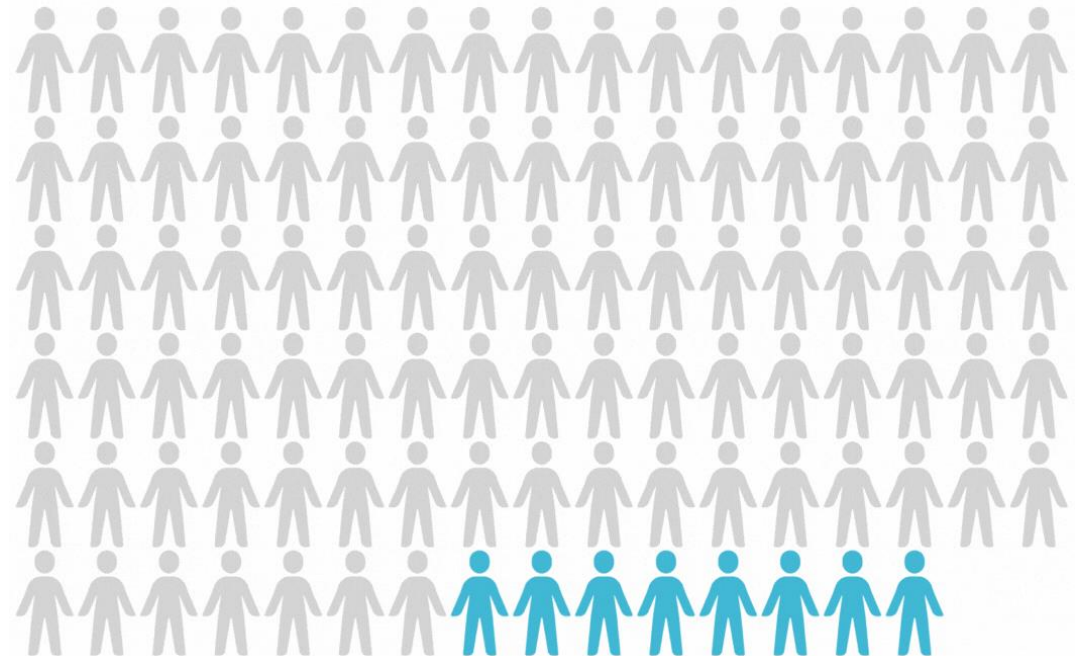
Factor Four: Interview Process

Interview Process

Metrics:

- Interview No Show Rate
- Self-Select Out Rate
- Time to Interview
- Survey Feedback

What is being measured?
Candidate perception and potential fit.

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Interview Process

Change Impact:

Global hospitality company that needed to hire **hundreds of hourly workers** during peak season.

Rebuilt their interview process based on the data from interview no shows, offer declines and candidate feedback.

Increased automated tools which **reduced** interview time **80%** & no-show rate **12%**. This resulted in an excess of offers that were used for nearby sister properties.

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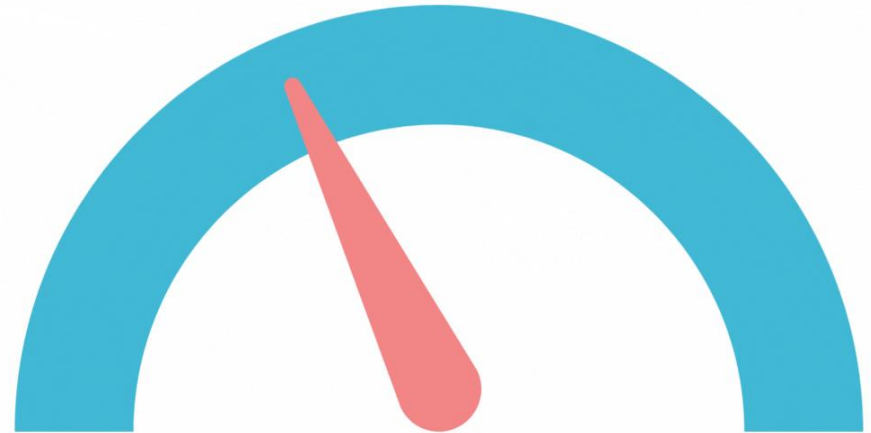# Factor Five: Hiring & Onboarding Process

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Hiring & Onboarding

Metrics:

- New Hire No Show Rate
- New Hire Turnover
- Survey Feedback

What is being measured?
Insights into company culture, job fit and management.

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Hiring & Onboarding

Change Impact:

Nationwide manufacturing company experienced high no show rates on day one and with new hire turnover.

Removed tech barriers and **changed communication method** during onboarding which reduced no show rate by 6%.

Increased wages & referral bonus, **modified shift hours** and **focused on training** for employees, which resulted in a decrease of turnover by 2% and better employee culture.

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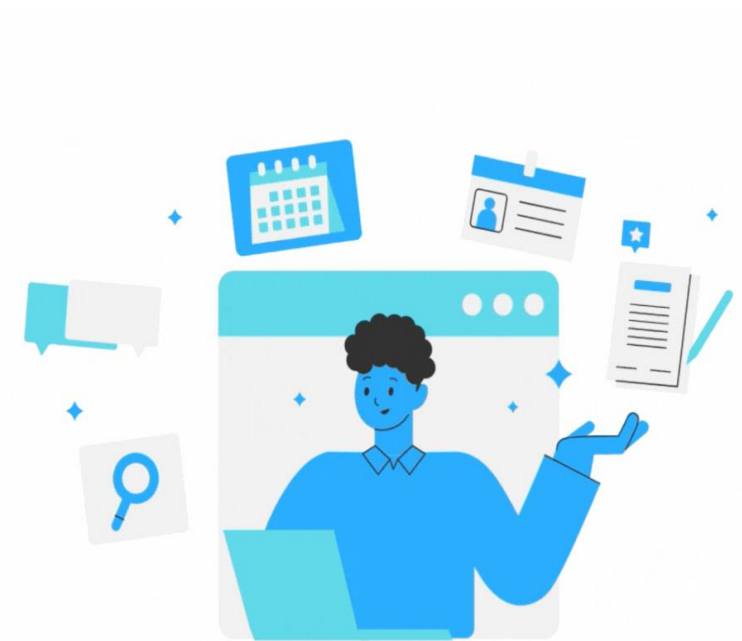
Things to Think About

- Experience your candidate's journey

- Contract secret shoppers

- Survey your candidate's(NPS) and new hires

- Commit to change

- Measure the before and after results

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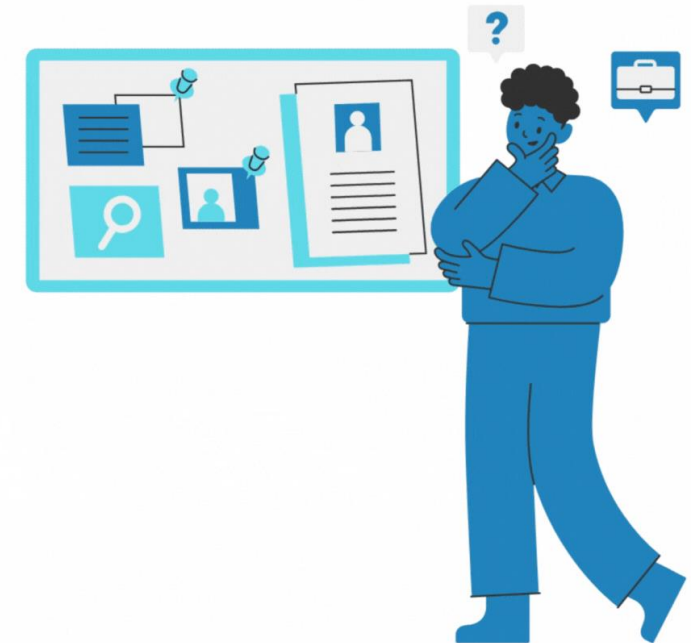
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Download session materials, if provided by the speaker, in the app, web format or presentations.shrm.org.

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