5 RECRUITING CHALLENGES FOR 2015

and

HOW TO OVERCOME THEM

THE ULTIMATE RECRUITER’S GUIDE
INTRODUCTION

Recruiting has changed. Dramatically.
Finding talented needles in a haystack is becoming harder and harder. You’ve probably noticed candidates have stopped responding to your LinkedIn InMails, right?

In response to a survey of over 500 Human Resource and hiring professionals, commissioned by Glassdoor and conducted online by Harris Poll in November 2014, this eBook not only uncovers the top challenges facing recruiters in 2015, but the best ways to overcome them and help you win the war for talent!
THE RECRUITING LANDSCAPE

as seen by
HIRING DECISION MAKERS

48% do not see enough qualified candidates
29% do not see enough candidates in general
24% are not using social media
20% are unable to track what influenced a candidate
17% say candidates cannot apply to jobs using mobile
14% say their career site is not mobile-optimized
13% say no one is managing their online reputation
12% do not have a strong employer brand
12% do not maintain a company profile on 3rd party websites
11% say the career section of their website is out of date

Source: Glassdoor Survey conducted online by Harris Poll, November 2014
CHALLENGE #1
TALENT ANALYTICS
CHALLENGE #1: TALENT ANALYTICS

Thirty-four percent say cost-per-hire is the most important analytics tool for their company, while 27% say time-to-hire per job listing and demographics of job candidates are the most important things to measure.

PRO TIP:

Avoid giving candidates the option to self-select how they heard about a job or the application source. The responses are often inaccurate, which can skew your analytics.

We know what you’re thinking. With so much data available, which metrics you should use to measure success? This varies at each organization depending on your industry and size, but it’s important to meet with key stakeholders and agree on targets to measure.

Source: Glassdoor Survey conducted online by Harris Poll, November 2014
COST-PER-HIRE DATA

In the survey, hiring decision makers were asked about the cost of advertising, HR staff time, travel, relocation, agency fees, employee referral programs, internal recruiters and maintaining an applicant tracking system (ATS).

<table>
<thead>
<tr>
<th>Company Size</th>
<th>Average Cost-Per-Hire*</th>
<th>Average Cost Per Hardest-to-Fill Jobs*</th>
</tr>
</thead>
<tbody>
<tr>
<td>1-499</td>
<td>$1,300</td>
<td>$1,500</td>
</tr>
<tr>
<td>500-3499</td>
<td>$2,000</td>
<td>$2,800</td>
</tr>
<tr>
<td>3500+</td>
<td>$2,400</td>
<td>$3,600</td>
</tr>
<tr>
<td>Overall Average</td>
<td>$1,800</td>
<td>$2,400</td>
</tr>
</tbody>
</table>

*Average cost-per-hire and cost per hardest-to-fill job figures are rounded to the nearest $100.

According to a Brandon Hall independent research report, **Glassdoor’s cost-per-hire is significantly lower** than other sources.

2014 RESULTS

<table>
<thead>
<tr>
<th></th>
<th>Cost-Per-Hire</th>
<th>App-to-Hire</th>
</tr>
</thead>
<tbody>
<tr>
<td>Major Job Board</td>
<td>$1,100</td>
<td>137</td>
</tr>
<tr>
<td>Social Network</td>
<td>$2,400</td>
<td>102</td>
</tr>
<tr>
<td>Glassdoor</td>
<td>$385</td>
<td>47</td>
</tr>
</tbody>
</table>

Sources: Glassdoor Survey conducted online by Harris Poll, November 2014; TMP Worldwide 2014 / Brandon Hall Group
CASE STUDY: CISCO

Cisco partnered with Glassdoor to drive awareness and applicants. By using Glassdoor analytics and insights, they were able to improve their recruitment analytics and also gain insight into competitors’ onboarding processes and salaries.

THE RESULTS

24 high-level hires considerably under their target cost-per-hire

TOP 1% viewed profile on Glassdoor

1M+ page views
It’s important to not only measure quality of hires and influence over hires, but also look at what happens to employees after they join your organization.

- **36%** say their employers are concerned they may see more voluntary employee exits in the next 12 months compared to the past year.
- **67%** believe retention rates would be higher if candidates had a clear picture of what to expect about working at the company before taking the job.
- **53%** do not survey new hires to see if the job matched their expectations.
- **41%** expect their employer brand to have a positive impact on retention in the next 12 months.

**PRO TIP:** Schedule regular feedback with employees at 30-, 60- and 90-day intervals and every six months after they join your organization.

**PRO TIP:** Filter through interview reviews on Glassdoor to learn why candidates declined your job offer.

Source: Glassdoor Survey conducted online by Harris Poll, November 2014
ACTION PLAN

Analytics

CHECKLIST

- Cost-Per-Hire
- Time-to-Hire
- Candidate Demographics
- Cost-Per-Applicant
- Source of Applicants
- Candidate Engagements (e.g., social likes, shares, follows)
- Competitor Intelligence
- Company Reputation and Ratings

PRO TIP:
Are you a small or medium-sized company? Download Glassdoor’s **Budget Template** to help refine your recruiting strategy!
CHALLENGE #2
EMPLOYER BRANDING
CHALLENGE #2: 
EMPLOYER BRANDING

Employer branding has become a critical pillar to recruit top talent. In fact, 43% believe the strength of a competitor’s brand negatively impacts their own recruiting efforts.

Having a solid employer brand and investing in it can make all the difference to recruit and retain today’s top talent.

Source: Glassdoor Survey conducted online by Harris Poll, November 2014

27% do not think their company is paying attention to their employer brand and its impact on recruiting.
HOW TO APPROACH YOUR EMPLOYER BRAND

The same employer brand strategy won’t work for every company. When we asked employers to describe their approach to employer branding:

44% said they currently have an individual responsible within their organization for that effort (percentage increases the larger the company)

35% said that they do not have any plan in place for this role

Only 14% said they are hiring for this role

PRO TIP:

72% believe their company has control of employer branding

To win the war for talent, getting a team in place to improve your employer brand and company reputation is imperative!

Source: Glassdoor Survey conducted online by Harris Poll, November 2014
WHO’S RESPONSIBLE FOR YOUR EMPLOYER BRAND?

Anyone at your company who is in a position to speak on your behalf of the company is an acceptable choice to be active in the decisions around your employer brand. **Be sure your CEO and senior leaders make your employer brand a priority when it comes to recruiting top talent!**

According to the Harris survey, recruiters cited these parties as responsible for employer brand at their organizations:

1. **23%** CEO
2. **22%** Senior Leadership Team
3. **15%** HR
4. **12%** Marketing/Advertising
5. **9%** No One
6. **5%** Operations
7. **4%** PR
8. **4%** Recruiting
9. **3%** Other
10. **3%** Don’t Know

Source: Glassdoor Survey conducted online by Harris Poll, November 2014
Surprisingly, 36% of organizations do not evaluate or focus on their employer brand. On the other hand, those that do can **leap ahead of the competition**.

### How many of these do you regularly employ?

**36%** use internal surveys

**30%** leverage online reviews of their company

**29%** refer to Best Places to Work awards

**25%** monitor social media

**23%** review news coverage

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Source: Glassdoor Survey conducted online by Harris Poll, November 2014
WHAT TO BUDGET FOR YOUR EMPLOYER BRAND

According to the survey, **26% of recruiters say that improving employer brand and company reputation will be easier over the next 12 months.** Meanwhile, here’s a breakdown of how much companies typically spend on employer brand and how they allocate their budget by category.

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</tr>
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</tr>
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</table>

*Average employer branding budget figures are rounded to the nearest $100.

**PRO TIP:**

Download *Employer Branding For Dummies* to help you with your strategy!

What budget is spent on:

- **56%** Print Advertising
- **38%** Online Profiles
- **33%** Online Social Monitoring
- **32%** Online Banner Advertising
- **31%** Employer Branding Agency
- **26%** Radio/TV Advertising
- **24%** Outdoor Advertising
- **22%** Headcount (employer brand managers)

Source: Glassdoor Survey conducted online by Harris Poll, November 2014
CHALLENGE #3
CANDIDATE QUALITY
CHALLENGE #3: CANDIDATE QUALITY

The survey revealed that the biggest recruiting challenge facing employers today is the lack of quality candidates.

Nearly half (48%) of U.S. hiring decision makers report they don’t see enough qualified candidates.

The rate is higher among mid-size companies (55%) and large companies (54%).

Source: Glassdoor Survey conducted online by Harris Poll, November 2014
Case Study: Groupon

Groupon realized candidates were researching its brand on Glassdoor and wanted to get its message in front of them. By enhancing its profile and broadcasting job openings to targeted audiences, Groupon increased its qualified applicants 2X and lowered its cost-per-applicant to $13.

The Results

2X quality hires
61 new hires influenced by Enhanced Profile on Glassdoor

11X job seeker traffic vs. #1 networking community
55,000 average monthly page views on Glassdoor

$13 cost-per-applicant
ACTION PLAN: REVIEW AND UPDATE YOUR RECRUITMENT STRATEGY

Analyze where your competitors are advertising job openings. Invest in tracking. Ensure job descriptions relate how roles tie into the company mission and how teams and individuals will be measured.

10 areas recruiters report as outdated:

1. **32%** Job Advertising
2. **24%** Interview Process
3. **23%** Recruiting Analytics/Tools
4. **20%** Job Description
5. **20%** Candidate Selection
6. **18%** How Recruiters Are Measured
7. **18%** Offers/Negotiation
8. **16%** Career Section of Company Site
9. **15%** Applicant Tracking System
10. **13%** 3rd-Party Search Firm Fee Structure

Source: Glassdoor Survey conducted online by Harris Poll, November 2014
CHALLENGE #4: PASSIVE CANDIDATE RECRUITING

Are your InMails growing stale? **More than half (52%) of hiring decision makers say passive candidate sourcing has been less effective for their company in the past 12 months.** This is notably higher among mid-size (70%) and large (69%) companies.

Of those who see passive candidate recruiting as less effective:

- **51%** believe candidates have grown wary of emails from networking sites and respond at a much lower rate.
- **47%** believe candidates respond to recruiter emails at a much lower rate.
- **44%** believe candidates respond to recruiter phone calls at a much lower rate.

Source: Glassdoor Survey conducted online by Harris Poll, November 2014
The days of relying on passive candidate sourcing are over. Candidates, especially hard-to-reach talent like engineers, are becoming harder and harder to reach via unsolicited channels such as LinkedIn InMails.

To hit hiring goals and win the war for talent, recruiters need to think outside the box.

That may include evaluating new recruiting platforms and making serious budget adjustments.

Source: Glassdoor Survey conducted online by Harris Poll, November 2014
CHALLENGE #5
MOBILE RECRUITING
CHALLENGE #5: MOBILE RECRUITING

Do you have mobile on your roadmap? Have you analyzed your career site traffic? Nearly 45% of hiring decision makers report they receive zero job applications via mobile devices, yet statistics show that 16% of job candidates apply through mobile devices.

In 12 to 24 months, hiring decision makers expect 26% of job applicants will come via mobile devices.

This is higher among mid-size (37%) and large (34%) companies. In fact, 86% of mid-size companies say they will adopt a more modern, mobile applicant tracking system in the next 24 months.

Of all hiring decision makers: 64% say they are likely to switch to a modern mobile application tracking system in the next 24 months.

Source: Glassdoor Survey conducted online by Harris Poll, November 2014
ACTION PLAN — Mobile Recruiting — CHECKLIST

If your company doesn’t already have a mobile strategy, here’s where to start!

**PRO TIP:** Download our **Mobile eBook** to help develop your strategy!

**Analyze Site Traffic**
Do your research up front. Be sure to solicit help from your web team to find out how much of your career site traffic comes from mobile devices.

**Avoid “Pinch & Pop”**
If users have to zoom in and out to view what is on your career site, they are not likely to stick around or apply.

**Look at the Competition’s Mobile Activity**
Evaluate whether your top competitors are using mobile recruiting solutions. If you’re falling behind the competition, this argument may help when you pitch mobile to management.
5 RECRUITING CHALLENGES and HOW TO OVERCOME THEM

- **TALENT ANALYTICS**: Pick key metrics to review over time with stakeholders at your organization.
- **EMPLOYER BRANDING**: Assign a team, allocate budget, and monitor your employer brand and reputation.
- **CANDIDATE QUALITY**: Review your strategy and never sacrifice candidate quality when making a hire.
- **PASSIVE CANDIDATE RECRUITING**: Evaluate new platforms and move budget to what’s working.
- **MOBILE RECRUITING**: Be sure that candidates can find your brand and apply from wherever they are.
Customers across all industries use Glassdoor’s employer solutions to attract better-qualified candidates at a much lower cost-per-hire.

It’s easy to get started!

Sign up for a FREE Employer Account to start monitoring your brand reputation today.

METHODOLOGY
The Glassdoor® Recruiting Outlook Survey was conducted online within the United States by Harris Poll on behalf of Glassdoor between October 27 – November 4, 2014 among 515 US adults aged 18 or older, who are full time employed in either HR or senior management in their organization and who have a primary role in decision making regarding hiring. This online survey is not based on a probability sample and therefore no estimate of theoretical sampling error can be calculated. For complete survey methodology, including weighting variables, please contact pr@glassdoor.com.