DIGITAL RECRUITING: DISRUPTION BY DESIGN, AND NOT DEFAULT

How to know when and where to pull the right digital recruiting levers
At our core, KellyOCG connects talent to the world of work. These connections happen by building personal relationships, and now, more than ever, with the help of a rapidly evolving digital recruiting ecosystem. We know that effective recruiting is not a people vs. machine decision when it comes to designing the right solution that will attract and inspire key talent.

As KellyOCG’s new leader of technology innovation, I could not be more excited about our future and the new ways that we will be delivering digital value to our clients across the globe. Grounded in an agile and flexible framework, KellyOCG clients will benefit from our efforts to know and test emerging capabilities—in our sand box, and not theirs. We strongly believe that this approach will create needed runway for talent leaders to use their time and resources where it matters most—defining what talent is needed, and using the power of personal relationships to ensure a best-fit match.

Whether it feels like an evolution or a revolution, digital is part of the recruiting process “new normal” and will require a vigilant focus on not only what’s new, but what’s good. It is a profound time in our industry’s history—and leaders that succeed in using the right mix of human and digital intelligence will win the 21st century war for talent.

Mir Ali
Vice President, Technology Innovation
Demand is outstripping supply. Good talent is getting harder to find, harder to keep, and harder to emotionally inspire. Talent acquisition leaders who overcome these challenges will be those who use the combined power of humans and machines to connect with and inspire the right workforce.

Temptation to lean too far in either direction will have unintended and potentially risky consequences. This paper explores how to design recruiting solutions that achieve the right balance—debunking the hype that there can be a one-size-fits-all approach.

To put a fine point on the issue, the industry is being rocked by an influx of net new digital solutions that use cognitive computing, machine learning, and natural language processing to completely change the interaction between candidates and recruiters. This leaves talent acquisition and IT leaders with important choices to make about where and when they invest—and for what desired outcome.

As they do this, there are four critical factors that will yield success:

1. Integrate recruiting platforms to generate the insights that will lead to better decisions today, and prepare for the benefits of artificial intelligence and robotic process automation down the road.
2. Invest in digital by design, and not by default.
3. Ensure digital and artificial intelligence co-exist with human intelligence.
4. Never lose sight of the power of emotionally connecting with candidates.

When someday we look back through the history books on technological revolutions and related disruptive events, will 21st century recruiting, or even HR for that matter, ever rise to an honorable mention? It is highly unlikely. What is much more likely is that this time will be marked as a moment in history where HR and talent leaders either epically succeeded or failed in their efforts to transform what they do and how they do it.

Fueled by an explosion of energy, investments, and fast-fails in digital firsts across the recruiting process, some functions are prospering and some are more challenged than ever to deliver outcomes. This paper discusses important ways these firsts can change the talent acquisition game—when and where they should be used—and what must be true for success.
RESETTING THE BASELINE

In a recent KellyOCG and Human Capital Media sponsored digital recruiting survey, 66% of recruiting organizations reported using some form of ATS for recruiting management and/or compliance.

An applicant tracking system (ATS) is to today’s recruiting process what using Twitter is to a twenty-something’s social media profile—just one small piece of the total picture.

In many cases, an ATS serves as an effective way to keep track of history, activity, and contact information for both active and passive candidates. For most organizations, it is actually the single source of recruiting information. While ATS data can be helpful to measure and manage select performance metrics, the fact remains that, because candidate data changes so rapidly, an ATS has boundaries to its usefulness for candidate tracking over time. It also starts its work too far down the recruitment funnel.

What’s missing are data-based ways to manage and engage with high-potential candidates much further up the funnel, and throughout the recruitment marketing lifecycle. Due to this inherent limitation in traditional ATS functionality, and as recruiting moves from casting broad nets (and reacting to applicant pools) to more precise ways of finding and inspiring best-fit candidates, organizations are beginning to realize the value of integrating their ATS, candidate relationship management (CRM) system, and talent communities. No longer is it enough to simply push jobs out to candidates and wait for them to apply. Integrated platforms (Figure 1)—whether purebred or hybrid—play an essential role in using analytics, insights, and “pull” triggers to enable high-performing candidate marketing and engagement.

In the same survey, only 23% of recruiting organizations reported using some form of integrated ATS and CRM technology; but close to 38% are looking to implement a CRM in the next two years.
FIGURE 1: The new normal

The integration of your recruitment marketing platform, talent communities, CRM, and ATS yields data and analytics that can deliver evidence-based decisions—and ready you for recruitment automation down the road.

1. Do candidates who were sourced from the talent community have a higher success rate in the recruiting process?
2. Is the job ad click volume on the career page an indicator of time to hire?
3. What external recruitment marketing channel is best suited to generate hires?
4. What is the optimal ad spend to generate the right number of applicants for a role?
5. What is the minimum average time-to-hire per sourcing channel, and how can this number be used to improve campaign planning?
6. What is the optimal cadence and number of outreaches to convert passive candidates?
This is not disruption—by design, or otherwise. This is the expected new normal for foundational recruiting platforms. Yet, in somewhat of an unassuming manner, it is also paving the way for perhaps the biggest disruption yet.

As the corporate crusade to replace people with robots (for both repetitive and smart tasks) continues to break traditional barriers and change how work gets done (from reception desks, to butlers, to warehouse operators), the recruiting function is not immune.

There will be dramatic pressure and potential for the function to rethink the lines between how work gets done, what value is created, and what customers expect. For example, as the mobile revolution accelerates and as candidates become customers, they want access to information at any time of day or night. Servicing those needs with humans instead of robots would be inefficient and costly. However, care must also be taken to ensure that you are not losing sight of using every candidate touchpoint as a way to emotionally connect your brand to their needs—whether that is executed through a robot or a person.

Integrated recruiting platforms (such as in Figure 1)—strengthened by selective predictive and cognitive capabilities—will provide massive amounts of data. This data will, over time, enable artificial intelligence (from machine to deep learning) to transform what recruiting and recruitment marketing work is done, by whom, and to raise the standards for expected outcomes.

The talent acquisition leaders that win will be those who have foundationally prepared their functions to lead (vs. be led by) the change. If, as a talent acquisition leader, you don’t set the pace and groundwork for success, there is no way you will be ready to embrace and take full advantage of what’s coming next.

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**ROBOTIC FUN FACTS: THE FUTURE IS NOW**

- At the Henna-na Hotel in Japan, bilingual “actroids” greet guests at check-in, make eye contact, and respond to body language.
- Starwood, the hotel giant, uses “Botlrs” to deliver amenities to guests and navigate elevators without assistance.
- Lowe’s home improvement chain has a customer service OSHbot who shows customers where to find things in the store.
- Pizza Hut has partnered with MasterCard to deploy robotic waiters named “Pepper” to its restaurants in Asia. Pepper meets, greets, and takes orders!

**Sources:** Robots Might Take Your Job, But Here’s Why You Shouldn’t Worry, Fast Company, June 28, 2015; and Pizza Hut has Just Signaled a Terrifying Reality for Fast-food Workers, Business Insider, May 28, 2016.

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**SUCCESS FACTOR #1:** INTEGRATE RECRUITING PLATFORMS TO GENERATE THE INSIGHTS THAT WILL LEAD TO BETTER DECISIONS TODAY, AND PREPARE FOR THE BENEFITS OF ARTIFICIAL INTELLIGENCE AND ROBOTIC PROCESS AUTOMATION DOWN THE ROAD

- ✓ If you don’t have an integrated recruiting platform that starts at the top of the funnel and manages down through point of hire, build it now.
- ✓ Create processes that will use data across these platforms to generate meaningful insights for you and your business leaders.
- ✓ Identify where high-performing candidates are emerging and the relevant patterns of performance to find even more of them.
Today, relationships are built and nurtured through access to a wide range of digital social networks, including talent communities. Effective talent communities are built with a strategy in mind—aligned to business and talent needs both now and into the future. They can be specific to a single line of business or be more organization-wide. However, when talent finds your community through their existing network, they opt in to stay connected to your brand through shared content and communications, and more specifically to job opportunities within your company.

Talent communities can be used to engage people who have an interest in your brand, but might not be ready to jump into the job-applicant role. They can be used to manage groups of talent (e.g., silver medalists, retirees, alumni, former interns) to shorten your time to hire. Essential to effective talent communities is a talent community manager. This person (or robot) will help anticipate the expectations of the members and ensure the right content and nurturing is happening. (And, not surprisingly, the more investment and effort in candidate engagement, the higher the return.)

Thirty-four percent of survey respondents reported having some type of talent community, while another 28% report planning to implement in the next two years.¹

**CANDIDATES TODAY...**
- Make up their minds about a brand before they actually talk to anyone from the company
- Like to talk about their experiences
- Trust public feedback over your brand message
- Expect transparency and interaction

**DIGITIZING YOUR COMMUNITY**

Beyond the talent community platform, additional digital considerations include:

- Adding science-based assessments as a gateway to join the talent community to gain incremental insight into candidate culture and work environment preferences. Consider a give-back for completing the assessment (like a summary of the results).
- Incorporating profile refresh and cognitive matching to prevent today’s candidate data from becoming the “bounceback emails” of the future. This will increase contact responses and engagement.
- Using social network analysis to determine predictive patterns of likely job changes to increase the likelihood that a desirable candidate is prime for making a job change.
- Designing social “tagging” for employee referrals.
- Strongly considering the use of bot-enabled communication and engagement to proactively nurture the needs of prospective candidates.
DIAMONDS OR DUDS?

While not yet rising to the level of stock market disruption that prior technology bubbles have caused, there is an undeniable global boom of digital, cognitive, and predictive recruiting solutions surfacing in the industry—and at break-neck speed.

Across the recruiting lifecycle (Figure 2), we are impressed with the volume and creativity of digital innovation—and from where the ideas are emerging. In addition to rapid R&D efforts from some of the largest software engineering firms, a deluge of interesting start-ups is vying for attention in the market and backing from venture capitalists.

FIGURE 2: Digital De-Selectioning—Explore the landscape, fit for purpose and place with intention.

As digital recruiting solutions multiply, making the right decision includes assessing the corporate culture, digital readiness, and the right fit for your specific hiring challenge. This chart is representative of some of the many digital enablers on the market today—highlighting the enormity of the challenge for IT and talent acquisition functions to keep pace (and why recruitment process outsourcing is on the rise).
When it comes to any degree of new approaches or tools to getting work done, the barometer of success absolutely should not be whether or not you did it, but whether or not there was a better outcome.

In other words, just because a process can be digitized, automated, or directed by artificial means, does it mean that it should? Without debate, digitally-powered innovation across the hiring continuum is here to stay. And survey respondents agree (see sidebar), with more than 80% feeling many core aspects of the recruiting process can be automated.1

Not losing sight of knowing when, where, and why to use automation will be critical to success. Context matters. Today, the context for recruiting challenges often falls into one of four key categories:

• Hiring for difficult-to-fill or in-demand roles
• Managing and filtering high volumes of applicants
• Maximizing efficiencies in high-volume hiring
• Strengthening pipelines to overcome low-applicant flow1

“IT skills are changing a lot faster than in the past. They are becoming much more specific. For example, we are finding that data scientists must not only have the statistical and analytical background, but functional knowledge as well. This exponentially complicates the ability to source qualified applicants.”

Luuk Houtepen, Director Business Development, SThree

“An important part of the success in embedding new recruiting technologies into the process is the investment of time and resources needed to adequately engage and train our employees.”

Brian Koehl, Sr. Business Development Manager, Computech Corporation

SURVEY RESPONDENTS AGREE THAT THE MAJORITY OF THE RECRUITING PROCESS SHOULD BE AUTOMATED.1

<table>
<thead>
<tr>
<th>RECRUITING PROCESS</th>
<th>AGREEMENT</th>
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<tbody>
<tr>
<td>Assessments</td>
<td>89%</td>
</tr>
<tr>
<td>Scheduling hiring manager interviews</td>
<td>87%</td>
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<tr>
<td>Sourcing</td>
<td>86%</td>
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<tr>
<td>Onboarding</td>
<td>85%</td>
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<tr>
<td>Pre-employment tests</td>
<td>83%</td>
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<tr>
<td>Disposition of unsuccessful candidates in the ATS</td>
<td>81%</td>
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<tr>
<td>Offer letter delivery</td>
<td>77%</td>
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</tbody>
</table>

Yet, interestingly enough, only 12% of survey respondents categorize themselves as true innovators in this space.
Of these four challenges, difficult-to-fill hiring for in-demand skills is the top issue among not only survey respondents (43%)¹, but was expressed as top of the list during conversations with the strategic KellyOCG talent supplier network.

### Key Hiring Challenges

<table>
<thead>
<tr>
<th>Challenge</th>
<th>Percentage</th>
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<tbody>
<tr>
<td>Hiring for key-roles and/or in-demand skills</td>
<td>43%</td>
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<tr>
<td>Hiring for select managerial or leadership roles</td>
<td>28%</td>
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<tr>
<td>Difficulty hiring for the right cultural fit</td>
<td>24%</td>
</tr>
<tr>
<td>Low applicant flow</td>
<td>17%</td>
</tr>
<tr>
<td>High volume applicants</td>
<td>13%</td>
</tr>
<tr>
<td>High volume hiring</td>
<td>11%</td>
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¹These percentages are based on survey responses.
For digital investments to deliver value to the recruiting process, and minimize the introduction of risk to brand or talent outcomes, there is a time and place. This, in large part, directly correlates to the context of the recruiting challenge and the impact it will have on creating the right candidate connection and experience.

To demonstrate the difference in how one would manage different hiring challenges using digitally-powered recruiting solutions, the following illustration (Figure 3) shows how certain capabilities will successfully integrate into the overall process for two very different examples: Difficult-to-fill roles and high-volume hiring.

Organizations must be deliberate with their use of technology to solve specific hiring challenges. They must also be progressive by imagining the art of the possible, and leading with a digital-first mindset, or risk the chance that their human-first mindset leaves them behind.

**FIGURE 3: Context matters—Using hiring challenges to drive the right digital and AI solutions**

When considering where and when to integrate digital solutions into the hiring process, it is important to align these choices directly to the context of the hiring challenge you need to solve. For illustrative purposes, the chart below brings this to life. It shows our recommended approach related to digital solutions throughout the process for two different hiring scenarios: high-volume roles (in blue) and hard-to-fill roles (in purple).
When deciding how to successfully design digital into recruiting solutions, consider its appropriateness based on the type of talent you need to hire (generation, culture, aptitude toward technology, etc.) and the mechanics of the process itself. For example:

- Will a digital (vs. human) experience positively resonate and create the right connection with the persona of your ideal candidate? Or, will it create undesired distance between the candidate and the opportunity (e.g., something as simple as not having access to the right digital device)?
- Is there a risk that the mechanics of the digital solution might fail—causing risk to your brand or to the effectiveness of the process?
- Are you prepared to navigate the power, risk, and consequence of AI-based decisions?

Anchoring your solutions to these considerations and to the context of the overall hiring challenge will help ensure you are investing in a digital and AI-enabled backbone for all the right reasons.

It is also important to approach the use of recruiting technology as one part of your organization’s integrated overall HR digitization strategy. Getting too far ahead of or behind this can agitate investment, governance, and IT support processes. Furthermore, a misalignment can create inconsistencies in the way internal candidates and hiring teams experience HR processes, leading to confusion and a sense of HR being overcomplicated.

How digitally savvy is your HR department? How much support can you reasonably expect from IT, given other enterprise and front-office technology priorities? And, how well does IT understand the niche digital recruiting technology landscape (which is far more crowded and complex than the enterprise-level HRIS landscape)? Be sure to honestly ask yourself these questions.

“With the increase in all of the new recruiting technologies, there is an increased reliance on our CIO to help test, manage and decide our IT investments and related risks. The role of the CIO / technology lead is a very big task these days.”

Luuk Houtepen, Director Business Development, SThree
Engaging with key HR and IT stakeholders ahead of making decisions to buy or borrow digital technology will be critical to success. A simple automation maturity model (such as Figure 4 below) can help prepare for and facilitate such discussions. But, again, our point of view is that technology must be a part of today’s recruiting processes. And where the process can be digitized, it should. This is all by way of saying, talent acquisition leadership has an increasingly important responsibility to lead these discussions, and not wait for technology to be brought to them.

**SUCCESS FACTOR #2: INVEST IN DIGITAL BY DESIGN, AND NOT BY DEFAULT**

- ✓ Context matters: Base your digital decisions and investments on the appropriateness to the hiring challenge you are trying to solve, and be mindful of its impact on the emotional connection that must be created with candidates.
- ✓ Lead the conversation with HR and IT to drive integrated recruiting technology decisions, overall HR automation strategies, and consistent customer experiences.
- ✓ Take a digital-first mindset: Change how you approach everything, and consider how you can use digital to optimize a range of outcomes.
ENSURE DIGITAL AND ARTIFICIAL INTELLIGENCE CO-EXIST WITH HUMAN INTELLIGENCE

While conventional wisdom says technology tends to render jobs obsolete, proper application of digital technology frees recruiters from repetitive transactional work, allowing them to spend more time cultivating high-potential active and passive candidates.

It is our experience and point of view that when correctly applied, technology helps put people (including recruiters) at the center of the recruiting experience.

Throughout this paper, we explored the different aspects of the recruiting process in the context of various hiring challenges—where digitization and AI-enablement is possible, plausible, and even optimal. There is no way around saying that this does take some of the human out of the equation. We don’t, however, believe that robots are taking over the recruiting process. We do believe that organizations must look to digitize transactional activities to allow recruiters and hiring teams more time to intentionally communicate and connect with candidates. This kind of approach will set organizations apart, as only 40% of recruiters are required by their organizations to respond to candidates at all.

For example, an automated, mobile-enabled screening process—and predictive scoring of those screenings—can free up time. Other sourcing tools can be applied to the short list to apply and screen based on behavioral metrics such as a candidate’s online behavior; the likelihood of their own position being eliminated through disruption; or their likelihood to change jobs.

There’s some evidence that candidates (as well as recruiters) have bought into digitized recruiting, but likely only when it means they will get more attention versus less. Candidates crave personal attention, especially when facing stiff competition from their peers. More than three-quarters of all job applicants (77%) prefer human interaction during their job hunt. By delegating tactical work to machines, recruiters gain time for more meaningful conversations with identified high-potential candidates, giving them the personal attention they crave. More than one third of survey respondents (38%) said they had not heard any complaints from candidates about organizations adopting digital approaches. However, when considering which hiring steps to automate, organizations shouldn’t lose sight of the candidate experience and the impact a negative experience could have on their brand.

As the role of the recruiter shifts from sourcing and screening to leading exceptional candidate experiences, it is all the more important that they have the time to invest in developing and delivering strategic messaging. They must focus on what will make a difference to inspire candidate engagement, build motivation to make a move, and ensure greater degrees of fit-to-purpose screening—all leading to more successful hiring outcomes. In addition to an improved marketing skillset, survey respondents indicate that an increase in digital processes is spurring the need to increase recruiter expertise in data and analytics and core consulting, among re-visiting their proficiency levels in interviewing and onboarding (Figure 5).

Finally, not only does digitization and automation create opportunity for strengthened relationships between candidates, recruiters, and hiring teams, it also challenges a new relationship between man and machine. Talent acquisition leaders and recruiters who embrace this change will have the opportunity to continue to do more of what drives them—connecting the right people to the right opportunities. This takes creativity and empathy—skills robots cannot imitate.
“Emotion is part of the recruiting process, and you cannot put this into an algorithm.”

Michael O’Brien, Managing Director, PE Global
CONCLUSION

At the end of the day, talent acquisition leadership has accountability to both the businesses they serve and to the candidates with whom they connect. As digital capabilities continue to disrupt the way in which this work gets done, keeping these accountabilities in balance has never been more important, or more challenging.

When done right, integrating digital capabilities into the recruiting process will:

• **Optimize the return on recruiting investments**—shorten cycle times, increase successful match making, and increase recruitment automation

• **Help recruiters play to their strengths** and focus on high-value activities by giving them more time to build candidate relationships

• **Strengthen the emotional connection between candidates and your brand** by learning and responding (in engaging ways) to their needs and their interests

FOUR KEYS TO SUCCESS:

1. Integrate recruiting platforms to generate the insights that will lead to better decisions today, and prepare for the benefits of artificial intelligence and robotic process automation down the road

2. Invest in digital by design, and not by default

3. Ensure digital and artificial intelligence co-exist with human intelligence

4. Never lose sight of the power of emotionally connecting with candidates

“If you are going to use technology, it has to be done well, and for the right reason.”

Ross MacRae, Group HR & ISP Director, Orion Group
About the Authors

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Tim is responsible for the development of the RPO practice in the EMEA region within the RPO Center of Excellence. He also consults with organizations across the globe to deliver market insights and innovative technologies that help them optimize and advance their RPO strategies.

As work preferences change and demographics shift across the marketplace, Tim strives to be at the forefront of the evolution of the global workforce. He is a true RPO subject matter expert with 15 years of experience in the workforce solutions industry, and has deep knowledge in emerging HR technologies and digital sourcing strategies, particularly within EMEA. Taking an analytical approach to his work, he is actively researching current market trends and transforming his findings into actionable insights. With an open mind and a strong sense of curiosity, he is always looking for new and better ways for organizations to source, attract, and retain top talent.

Jennifer Maher
Global Practice Consultant, RPO Center of Excellence

Jennifer is responsible for product growth and enhancements to further enable KellyOCG to offer highly competitive, fit for purpose solutions, leveraging a digital first mindset.

With 16 years in recruiting solutions, Jenn has gathered extensive knowledge and strategic application experience that makes her a true thought leader and influencer within her space. As the talent landscape changes with the onset of a new generation of workers and a larger gap between supply and demand, companies need to find new tactics to attract talent. With a steady pulse on what the external marketplace looks like and a keen intuition for identifying the right trends to follow, Jenn brings a strategic point of view to KellyOCG solutions teams. She is tasked with understanding the dynamic of the global candidate pool and finding the simplest, most efficient ways to optimize talent acquisition strategies in order to help organizations access top talent. She helps continually evolve the tools and technologies behind RPO solutions to help shorten time to hire, lower cost to hire and, streamline operations.

For more information visit kellyocg.com/rpo

Footnotes
1 2017 Digital Technology and the World of Recruiting Survey; KellyOCG in partnership with Human Capital Media — the research arm of Workforce magazine. Participant size >2,500 employees

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