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AUTOMATION WITH HUMANITY:

PUTTING THE CANDIDATE FIRST

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INTRODUCTION:

Talent acquisition transformation has accelerated the demand for recruitment automation. According to Aptitude Research, 55% of companies are increasing their investment in recruitment automation this year. These companies recognize that automation can improve efficiency, lift the administrative burden, reduce costs, and enable data-driven decisions. When companies are struggling to "do more with less," automation plays a critical role in the modern talent acquisition function's success.

For most companies, the value of automation is perceived through the recruiter and hiring manager experience. And, the benefits to the candidate are too often ignored. Recruitment automation is more than simply moving candidates through the process quickly.

Automation should enable companies to communicate in a meaningful and inclusive way, personalize all feedback, and build trust between candidates and employers. **Companies that invest in automation and view it through a candidate-centric lens are two times more likely to improve the candidate experience.**

A candidate-first approach to automation does not replace the human experience. It enhances it by giving candidates the confidence and the support they need through every stage of talent acquisition. To achieve this goal, companies need to shift their view of automation and invest in fair, inclusive, and human solutions.

Based on data collected in 2020, this report will focus on a new look at automation through the eyes of the candidate. It will focus on the four major pillars of the candidate experience:

Inclusivity:

How can automation interrupt bias early in the process so that talent acquisition is consistent and fair?

Feedback:

How can automation engage with candidates through personalized feedback and coaching?

Trust:

How can automation deliver objective data on candidates to build trust and confidence in hiring decisions?

Connection:

How can automation provide employers with better insights on candidates to build stronger connections?

aptitude research Methodology

Aptitude Research conducted the research cited in this report in September and October 2020.

Quantitative Research: 404 Global Responses of Talent Acquisition Leaders across all industries and with 1000 employees and above

Qualitative Research: A series of interviews with companies to understand their strategies for automation
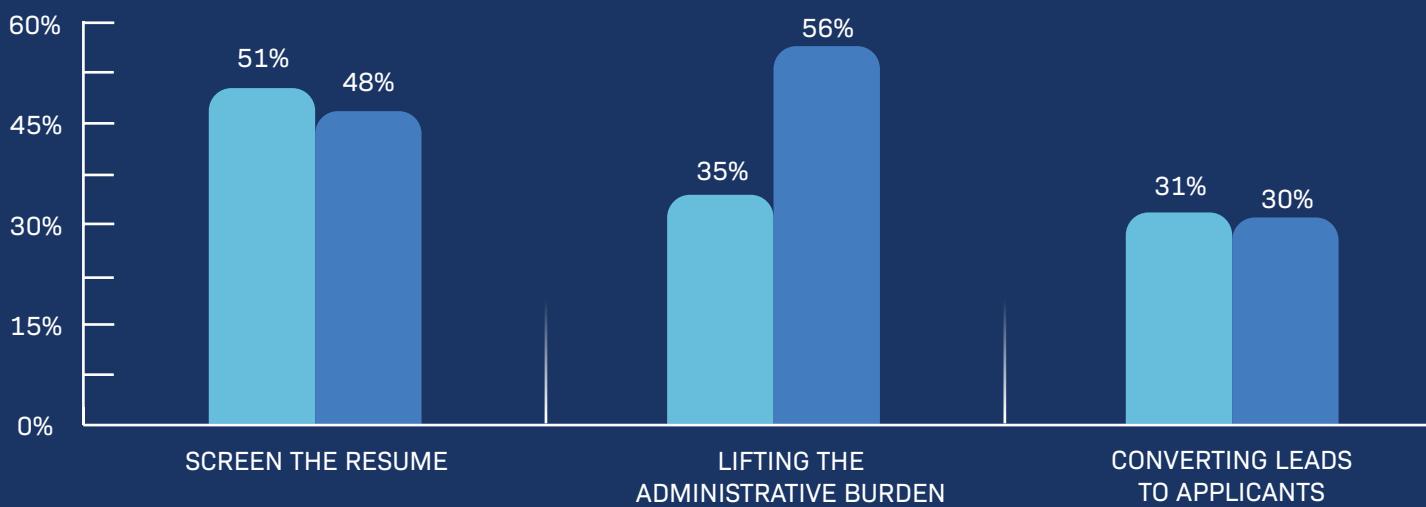
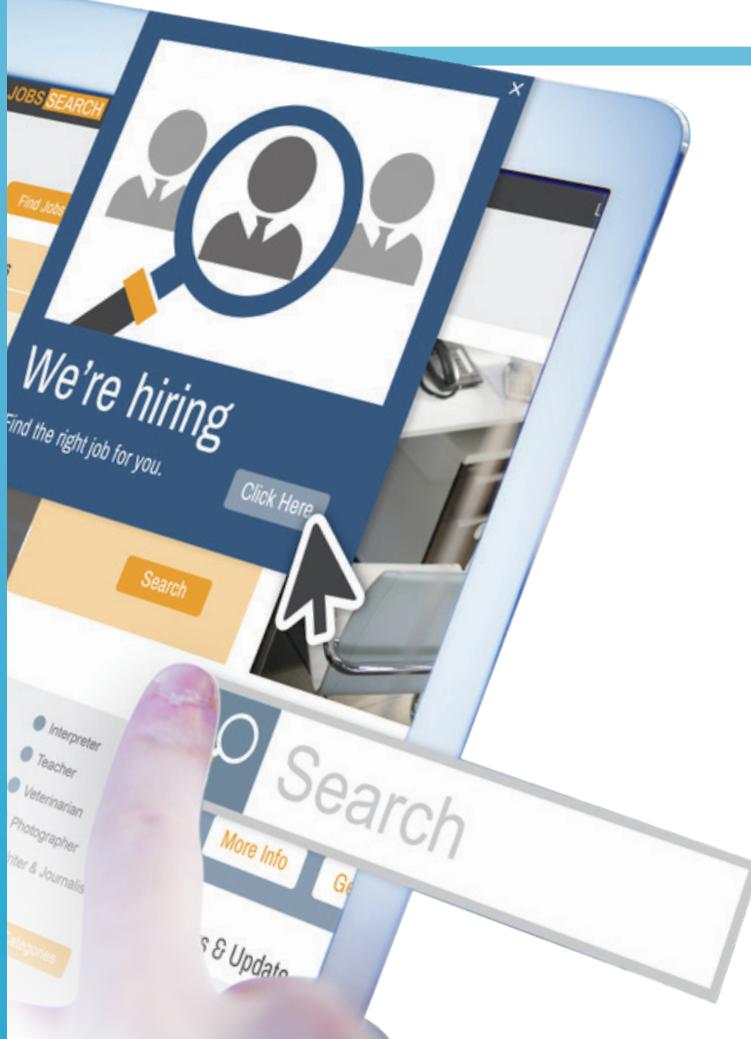# CURRENT STATE:
EMPLOYER-DRIVEN AUTOMATION

Recruitment automation streamlines the talent acquisition process to provide more structure. It improves efficiency by taking on the tactical elements of recruitment, shortening the time to fill positions, and improving conversion rates. In an employer-driven model, automation's role is tactical and designed to quickly help recruiters and hiring managers to move candidates along in the process.

Unfortunately, for most companies, this view of automation ignores the impact on the candidate. Companies are looking at technology to improve the recruiter and hiring manager experiences, and strengthen relationships with candidates. The rise of humanistic automation technology means that the experiences of both recruiters and candidates can significantly improve through automation. (see Figure 1).

Figure 1: *Benefits of Recruitment Automation*

2018   2020

	SCREEN THE RESUME	LIFTING THE ADMINISTRATIVE BURDEN	CONVERTING LEADS TO APPLICANTS
2018	51%	35%	31%
2020	48%	56%	30%

SHIFTING FROM EMPLOYER-DRIVEN TO CANDIDATE-FIRST AUTOMATION

When considering recruitment automation from the candidate's viewpoint, the value extends beyond efficiency to overall experience and brand. The business impact shifts from short-term goals to long-term objectives that are driven by a more human process. Figure 2 reveals how efficiency, effectiveness, and experience are influenced by both an employer-driven and candidate-first approach to automation. The key performance indicators for an employer-driven approach are based on traditional HR metrics compared to the KPIs for a candidate-driven approach based on humanity.

Figure 2: *Shift from Employer-Driven to Candidate-First Automation*

	Employer-driven Automation	KPI	Candidate-first Automation	KPI
Efficiency	Recruiters can convert leads to applicants to fill jobs quicker, and they can interview more candidates in a shorter period of time.	Time-to-Fill	Candidates receive more consistent, personalized communication so they can make better decisions around an employer.	Confidence Personalization
Effectiveness	Recruiters can make data-driven decisions around talent.	Quality of Hire	Candidates trust the process and believe that they received a fair opportunity.	Trust Inclusivity
Experience	Recruiters can focus on less tactical elements of talent acquisition, such as scheduling and outreach.	Recruiter Productivity	Every candidate is given a consistent and fair recruitment process.	Confidence Trust Inclusivity Personalization

MISPERCEPTIONS AROUND RECRUITMENT AUTOMATION

Most companies' challenge is that they are still confused by what should be automated and how to improve performance through automation. While automation has transformed many other business areas, including marketing, supply chain, and sales, recruitment is still immature in its adoption of these solutions. Companies do not have clear visibility into what they are automating or plan to automate for the future. Aptitude Research found that:

● Only 27% of enterprise companies are only planning to automate more than 50% of their talent acquisition processes this year.

● 73% of companies do not know what they are currently automating.

To shift from an employer-driven view to a candidate-first view of automation, companies must consider some of the misperceptions around recruitment automation, including the use cases for automation, the ability to reduce bias, and the impact on the human element of talent acquisition.
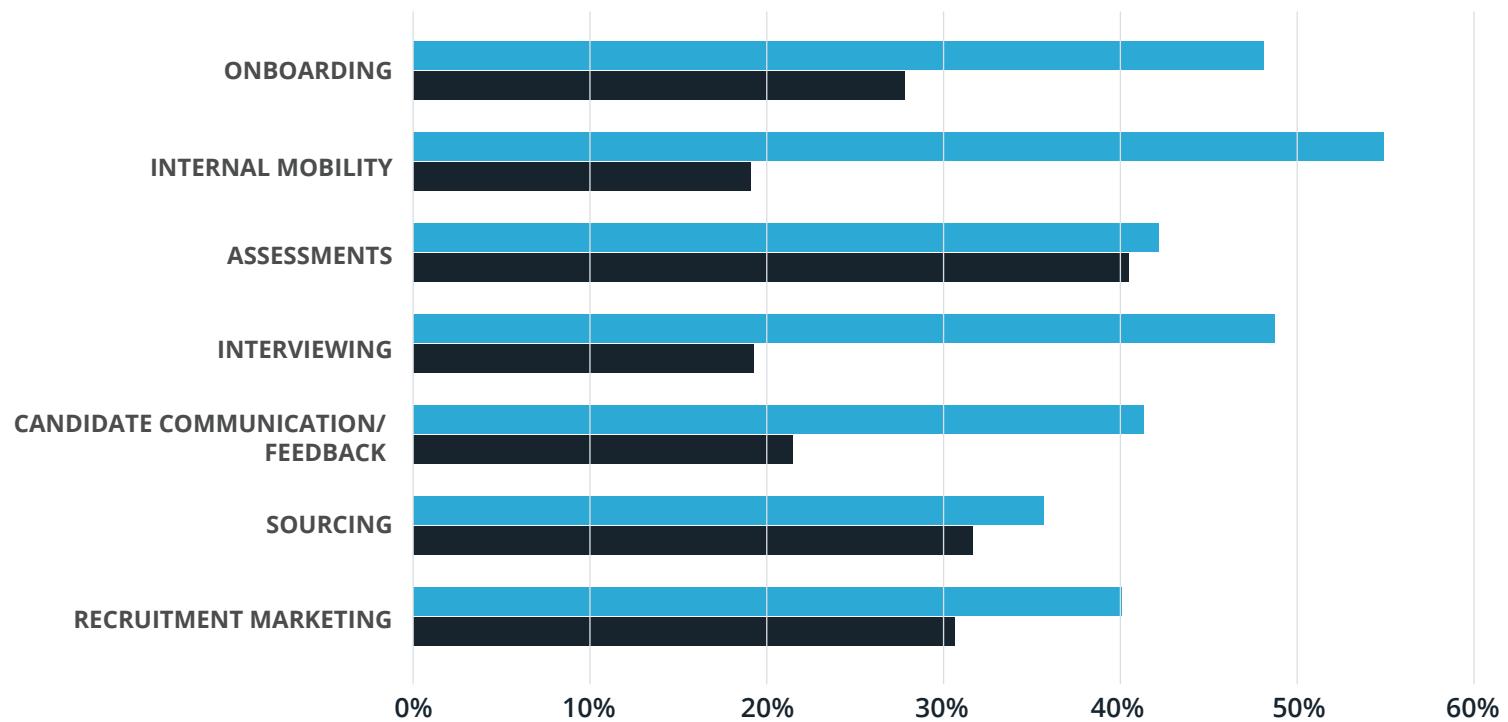
MYTH Automation is only used to attract talent:

Automation can help companies to engage with talent early by providing better communication early in the process, integrating sourcing solutions, and personalizing messaging to candidates even before they apply. The use cases for automation in recruitment marketing are widely recognized, but companies must consider automation further down in the process. Critical areas such as interviewing, assessments, and onboarding are often manual and subject to bias. As companies move to a remote recruiting model and adjust to the past year's events, they are looking at broader use cases for automation (see Figure 3). They are looking at how automation can support these critical areas.

Figure 3: *Areas of Recruitment Automation*   ▪ 2020   ▪ 2019

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🔴 MYTH **Automation Makes the Candidate Experience Less Human.**

Forty (40%) of companies believe automation will negatively impact the candidate experience. The myth that candidates do not want automation and prefer to keep the current talent acquisition process is one of the most significant misperceptions in talent acquisition. Candidates want a fair recruitment process, and consistency in communication. Automation can support all of these initiatives and enhance the humanity of the experience. **Currently, only 14% of companies believe that candidates benefit from automation** (see Figure 4).
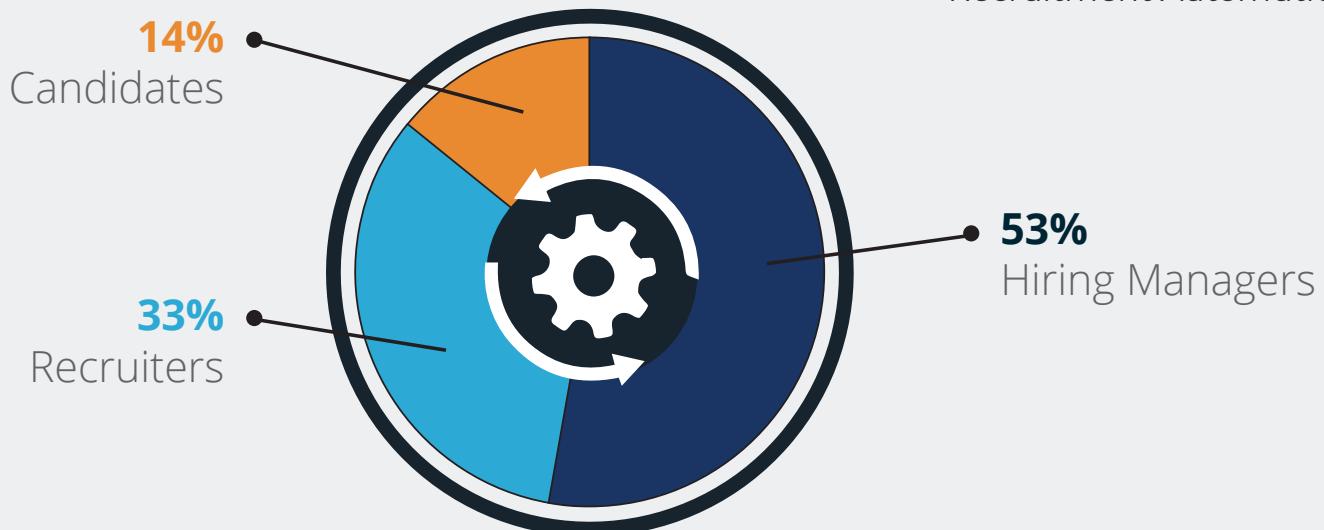
Figure 4: *Impact of Recruitment Automation*

14%
Candidates

33%
Recruiters

53%
Hiring Managers

🔴 MYTH **Automation Does Not Reduce Bias.**

Some companies believe that AI can contribute to bias since humans develop it. If used correctly, technology and automation can help companies reduce bias and encourage greater humanity in the hiring process. It is important to consider the training data that providers are leveraging, the scope and frequency of the bias testing, the scientific credibility of the methodology, and their willingness to be transparent.

Automation does not hurt the human side of talent acquisition; it enhances it. Using the right technology can give candidates a more engaging, inclusive, and personalized experience. The next section of this report will examine how automation and the right technology can improve the candidate experience.

FUTURE STATE:
CANDIDATE-FIRST AUTOMATION

Every candidate deserves a fair, consistent, and human hiring process. Candidates want to know that they are being considered for a role, and they want to receive feedback on where they stand in the process. Candidates want to be treated like people. Unfortunately, bias and inconsistency run rampant in talent acquisition and negatively impact the candidate experience and, ultimately, the overall employer brand. Aptitude Research found that:

68%
of companies state that they have not made any improvements on the candidate experience this year.

ONLY 22%
of companies state that they have improved candidate trust.

1-in-4
candidates are satisfied with the interview process.

Improving the candidate experience is a strategic priority for talent acquisition leaders. Companies understand how they engage with talent impacts their overall business, and they are focused on care and humanity as critical components of that experience. Yet, most recruiters do not have the time to engage with talent in a meaningful and consistent way. And, most companies invest in traditional recruitment models and traditional technology:

- Rely solely on resumes for candidate data.
- Fail to reduce and interrupt bias early in the talent acquisition process.
- Leverage systems that do not provide a status update for candidates.
- Fail to create a standardized interview process for every candidate.
- Provide the same automated feedback and messaging to every candidate.
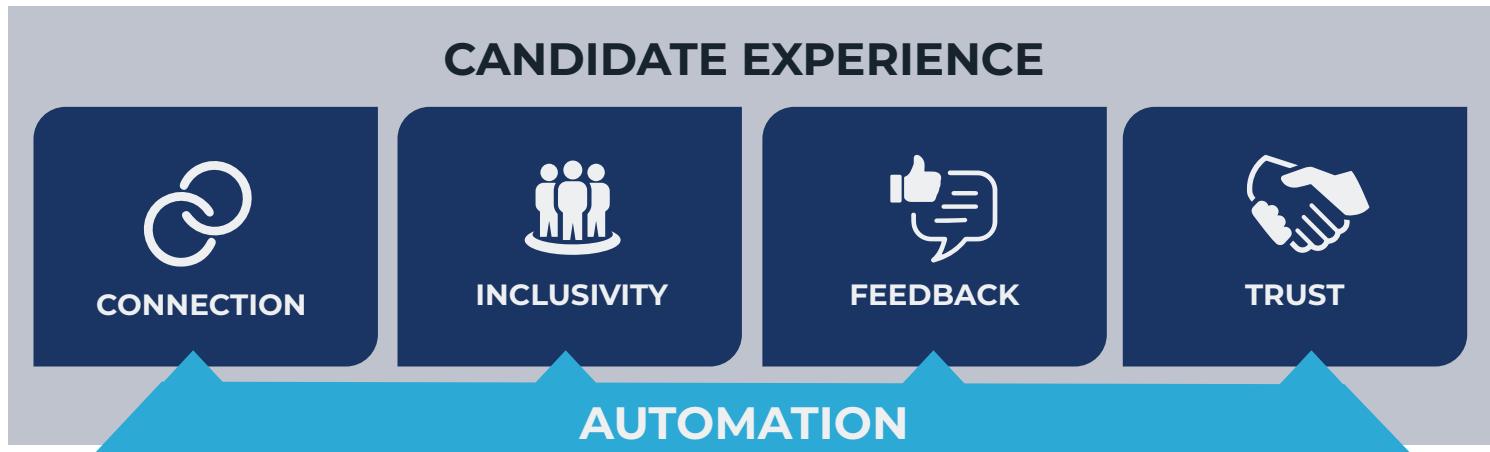- Ignore candidates once they are rejected.

When asked about the top priorities for the next year, companies identified diversity, equity, and inclusion initiatives, investing in automation, moving to a remote model, and improving communication (see Figure 5). These priorities are all centered around the candidate. Companies need the right strategy and solutions to support them.

Figure 5: *Talent Acquisition Priorities*

IMPROVING DEI INITIATIVES	INCREASING INVESTMENT IN AUTOMATION	MOVING TO A REMOTE RECRUITING MODEL	CHANGING CANDIDATE COMMUNICATION
58%	42%	40%	38%

The most significant shortfall in the candidate experience is the disconnect between employer and candidate expectations. Companies must understand what is important to candidates at a basic level and provide experiences that meet those expectations. This research study identified four pillars of the candidate experience: communication, inclusivity, feedback, and trust.

Figure 6: *Four Pillars of the Candidate Experience*

CANDIDATE EXPERIENCE

CONNECTION **INCLUSIVITY** **FEEDBACK** **TRUST**

AUTOMATION

These elements of the candidate experience must be powered by the right strategies and technology. Companies must consider how automation will not only support these pillars as a foundation but strengthen them.

CONNECTION

Companies need to build better connections and a deeper understanding of talent. Connection is more than engaging talent. It is strengthening relationships through better communication and the right tools to understand job fit more humanly. Companies that can understand and build insights on candidates to determine skills, expectations, and propensity to stay or not in a role will have more meaningful connections.
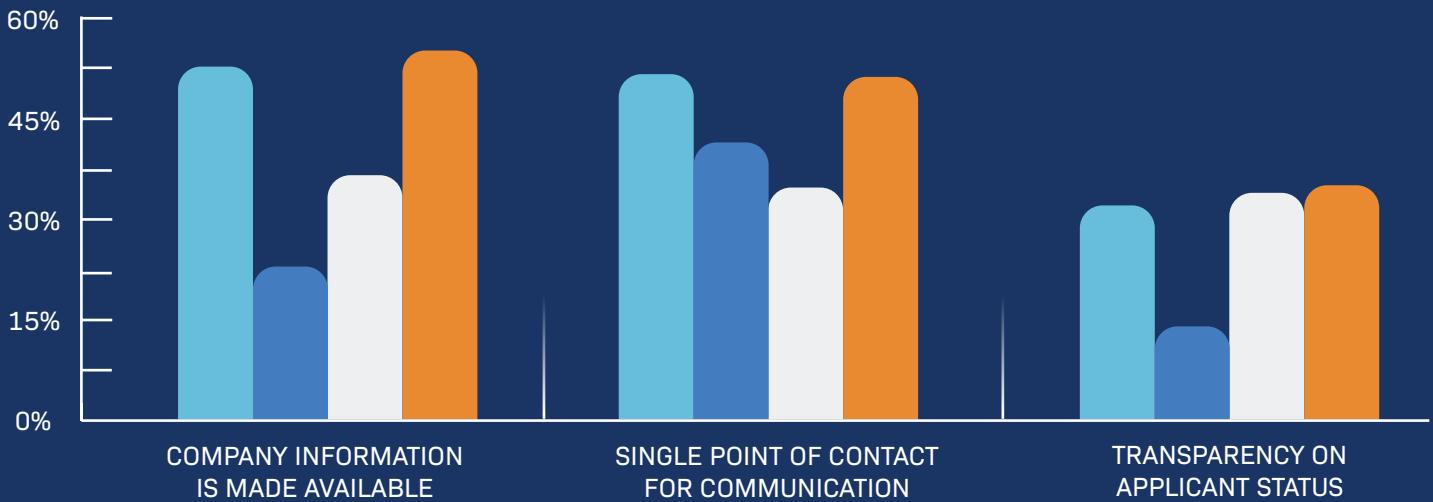
What is Not Working?
While research shows some slight improvements in in building connections over the past year, most companies still fall short. Only 1 in 2 companies have a single point of contact for communication, which results in candidates not receiving any engagement through the process (see Figure 7).

ONLY

1-in-2

companies have a single point of contact for communication

Figure 7: *Changes in Candidate Communication*

Legend: 2017 | 2018 | 2019 | 2020

Categories: COMPANY INFORMATION IS MADE AVAILABLE | SINGLE POINT OF CONTACT FOR COMMUNICATION | TRANSPARENCY ON APPLICANT STATUS

Companies face the following challenges with candidate connection today:

Email is not Enough: Companies are leveraging a variety of tools and multi-media resources to better communicate with candidates, and yet, 73% of companies still state that email is the primary form of communication.

Lack of Insights: The information companies collect on candidates is static and found in a resume or job profile; companies need to develop deeper insights on candidates in a more human way and using more engaging capabilities.

Existing Technology Lacks Engagement: HR systems and ATS systems were designed to be tactical and not focused on candidates' experience. These systems do not consider the different perspectives and expectations of candidates.

What Role Does Automation Play?

Building connection is not an isolated activity. It is not something that starts and stops during different stages of recruitment. Automation can play a critical role in improving connection, particularly through chat to determine job fit, and companies should consider the following:

Personalize the Connection: Candidates that receive communication should include personalized messaging that can help inform their journey. Some examples may include personalized content for target audiences to learn more about an employer, personalized assessment questions, and personalized feedback for candidates who may not be receiving an offer.

Leverage Intelligent Chat: Companies need to engage with candidates on platforms that they use in their personal lives. Intelligent chat or conversational AI can engage with candidates because it continually learns more about the candidate in a human way and collects information beyond a static resume or application. Companies that use chat not only to inform candidates but to understand candidates build better connections. They leverage natural language processing, and machine learning to reveal important information about the candidate and to determine job fit, i.e., their traits, their communication skills, their propensity to stay in a role.

Provide Consistent Communication: Every candidate should receive communication from an employer at different stages in their journey. Technology and automation can ensure that every candidate is engaged even when they are not moving forward in the process. **Currently, 67% of companies state that they only send a standard email when someone is rejected.**
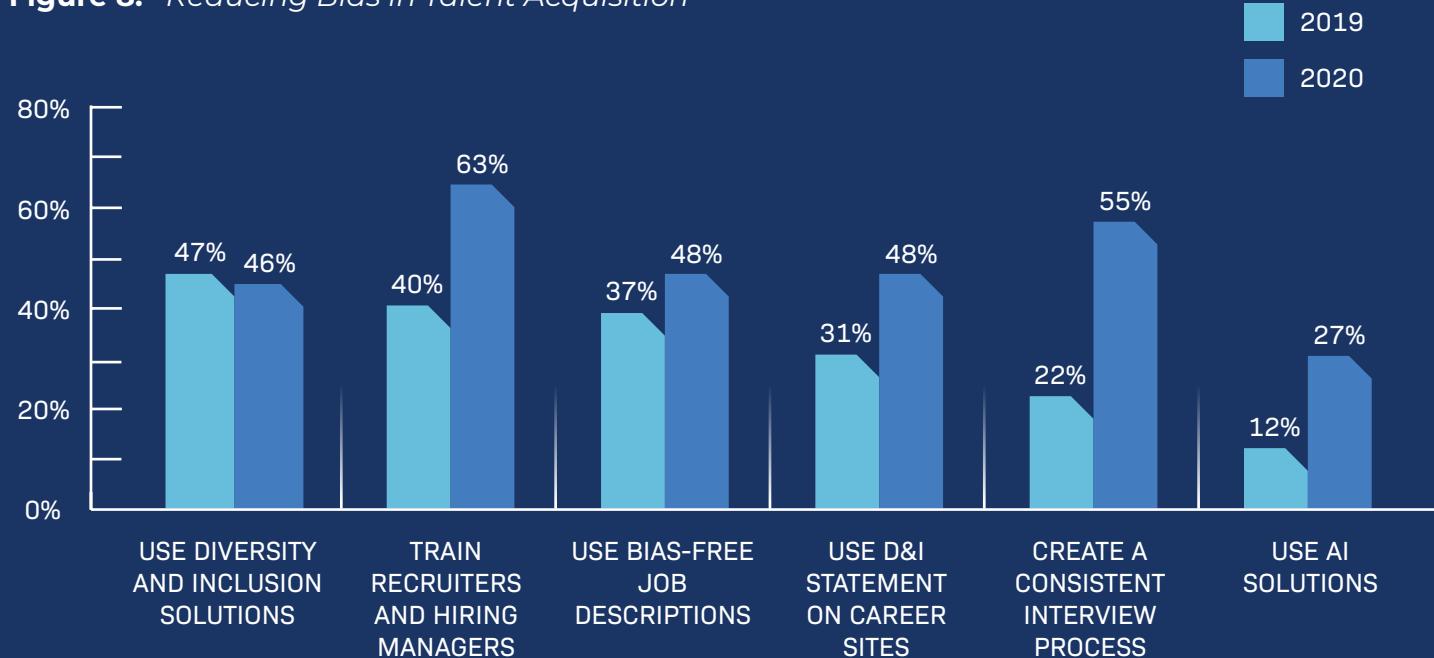
INCLUSIVITY

Bias in talent acquisition is not a new phenomenon. Although some companies have made efforts to remove bias from resumes, companies still need more inclusive help. Companies must offer a fair chance to every candidate regardless of background or experience.

What is Not Working?

According to Aptitude Research, 93% of companies are concerned with reducing bias in their talent acquisition process. When talent acquisition leaders are asked what steps they take to reduce bias, most companies focus on training programs. While these programs can provide insights and education, they often just check a box in reducing bias. They do not fundamentally address the problem. When asked what companies are doing to reduce bias today, investing in training, diversity, and inclusion technology that de-biases job descriptions and creating a consistent interview process were key strategies.

Figure 8: *Reducing Bias in Talent Acquisition*

Legend: 2019, 2020

Category	2019	2020
USE DIVERSITY AND INCLUSION SOLUTIONS	47%	46%
TRAIN RECRUITERS AND HIRING MANAGERS	40%	63%
USE BIAS-FREE JOB DESCRIPTIONS	37%	48%
USE D&I STATEMENT ON CAREER SITES	31%	48%
CREATE A CONSISTENT INTERVIEW PROCESS	22%	55%
USE AI SOLUTIONS	12%	27%

What Role Does Automation Play?

Every candidate deserves a fair and equal employment opportunity. And, while some companies believe that technology and AI can create bias, the reality is that AI and the right technology can help to reduce bias more effectively than most humans. One reason is that AI can learn and change behaviors. Another reason is that AI is based on a scientific methodology for collecting and reporting on data. Technology can create a more inclusive candidate experience when companies consider the following:

Create a Process to Continually Test for Bias: To reduce bias, AI solutions must have a hypothesis in place. They must continually test that hypothesis as they collect new data.

Interrupt Bias Early: Certain attributes in a resume can introduce bias into the talent acquisition process early. Companies need to remove those attributes and interrupt bias early in the process. Blinded screening and blinded interviews can help companies to apply an equal experience to all candidates.

Use Objective Data: Companies tend to decide on candidates based on the resume or those attributes they recognize. Without objective data, not every candidate is going to get a fair opportunity.

A BROADER LOOK AT DIVERSITY, EQUITY, AND INCLUSION

Inclusive hiring is not limited to gender and race. Companies need a broader view of diversity, equity, and inclusion that includes individuals with disabilities and neurodiversity. Regularly checking for bias and measuring the candidate experience is critical, especially when making hiring decisions. Companies must look at a broader set of attributes to determine bias.

Companies that succeed in incorporating candidates with disabilities have seen 28 percent higher revenue and two times higher net income, according to an Accenture 2018 white paper on accessibility. Considering an inclusive hiring strategy for individuals with disabilities requires the right digital tools and technology to ensure that candidates have a positive experience. Companies should consider chat and text in many cases over video or even phone screening and interviews. Understanding candidates' perspectives and expectations need to be part of the automation and digital transformation strategy.

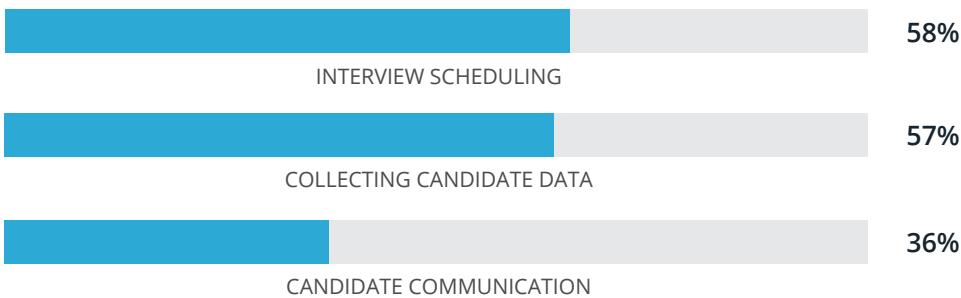**28%**
HIGHER REVENUE

2X
HIGHER NET INCOME

FEEDBACK

Feedback is an area of the candidate experience that most often goes ignored. Most companies do not think it is their responsibility to provide coaching or feedback on the hiring process, and recruiters do not have to individually coach each candidate. With the pace of change today, companies need to think about career development and helping candidates on an individual level to develop and learn. Providing feedback to candidates is the first step to a learning and development process.

What is Not Working?

While many companies invest in candidate surveys to measure the experience, very few provide candidates with feedback and coaching. The challenge that most companies face is that they view feedback as a threat to their organization. Many companies believe that giving candidates an insight into their strengths and weaknesses will put their organization at risk. Twenty-six percent (26%) identified feedback as part of their interview plans for next year. Still, most companies use automation for the employer-driven aspects of talent acquisition, including scheduling, collecting data, and communication (see Figure 9).investing in training, diversity, and inclusion technology that de-biases job descriptions and creating a consistent interview process were key strategies.
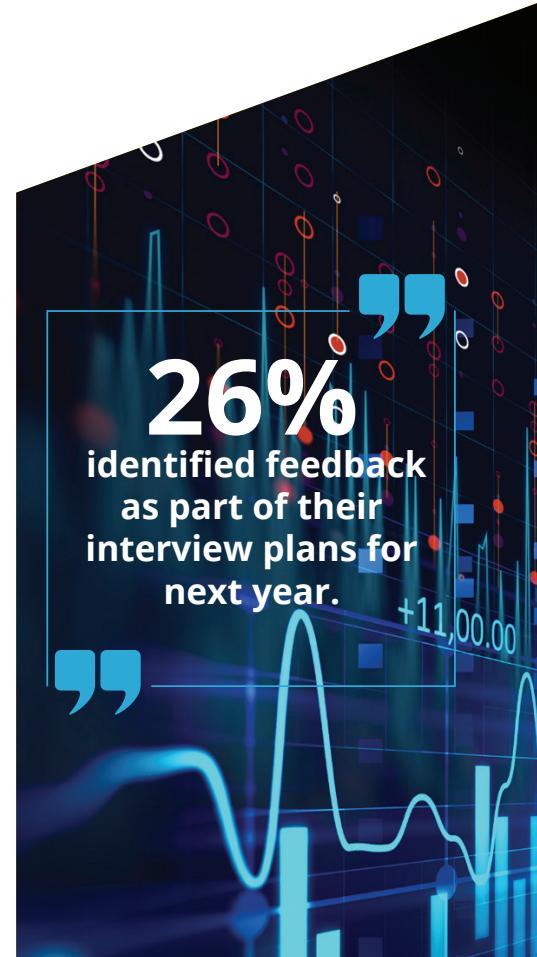
Figure 9: *Automation of the Interview Process*

INTERVIEW SCHEDULING	58%
COLLECTING CANDIDATE DATA	57%
CANDIDATE COMMUNICATION	36%

What Role Does Automation Play?

Automation can play a critical role in enabling feedback, and companies should consider the following:

Provide Strength-based Feedback: Career development needs to be part of the value proposition of the employer brand. Candidates are interested in joining organizations where they have opportunities for growth. Today's transformation and the future of work requires rapid upskill and development of the workforce at an individual level. Companies need to think about starting these development opportunities during the recruitment stage.

26%
identified feedback as part of their interview plans for next year.

Personalize Feedback: Companies should consider using assessment data to provide every candidate with personalized feedback on their strengths and weaknesses. This type of personalized feedback builds trust with candidates and strengthen the employer brand.

Include Action Items: Simply providing candidates with general feedback can be discouraging to individuals. If companies use assessment data to provide personalized feedback and very tangible action items, candidates can feel empowered even if they are rejected. Technology can help to give these action items in a non-confrontational and personalized way.

TRUST

Candidates want to trust the recruitment process. They want to know their profile, application, resume, or inquiry is going to be given consideration. If automation is in place, candidates want to trust that the data collected will provide them with an equal opportunity. This trust in the talent acquisition process is a key component of today's talent acquisition process. Only 1 in 4 candidates trust the data being will be used to drive hiring decisions. As companies look at automation through a candidate-centric lens, they must consider both the quality of the data and how to build trust between employers and candidates.

What is Not Working?

Companies often start with the wrong data. They start with resume data or social profile data, which can ignore certain candidates and include bias. Most companies are starting with resume data or screening to make decisions on talent. This data and information are not necessarily an indicator of performance or quality of hire. By relying solely on the resume to make hiring decisions, companies can erode candidate trust and confidence in the hiring process.

Figure 10: *Data to Inform Hiring Decisions*

Legend: 2019, 2020

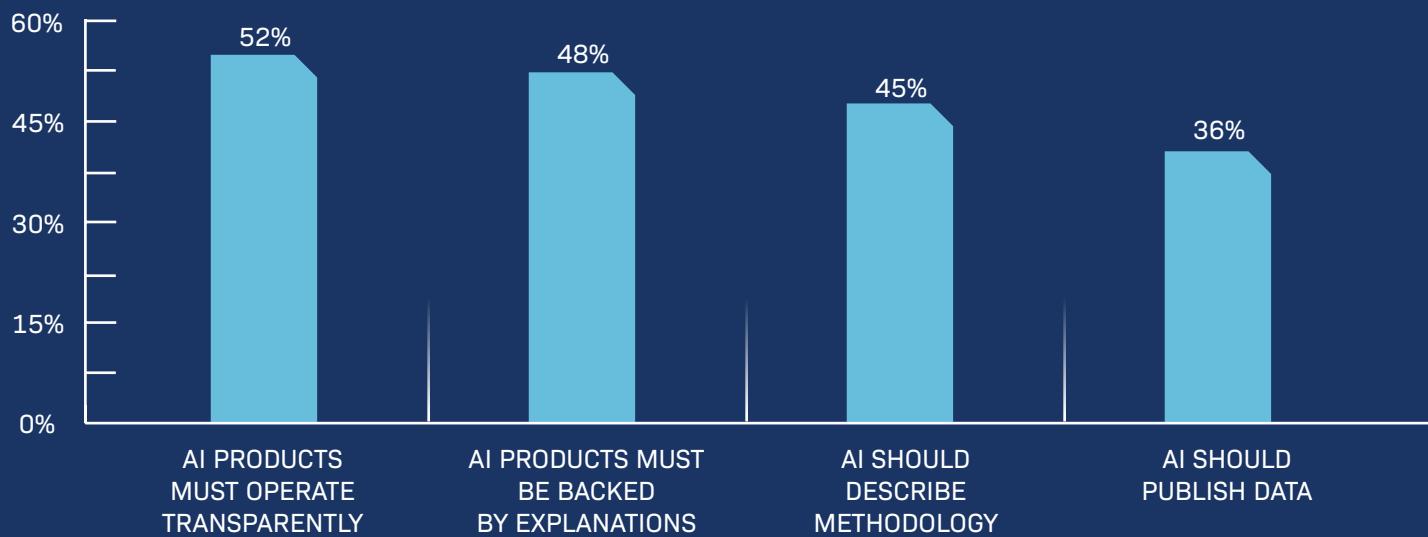| Category	2019	2020
RESUME DATA	72%	55%
INTERVIEW DATA	54%	52%
ASSESSMENT DATA	46%	34%
SOCIAL PROFILE DATA	32%	45%
BACKGROUND CHECK DATA	32%	56%

What Role Does Automation Play?

Automation can play a critical role in enabling trust, and companies should consider the following:

Consider Ethical AI: The topic of ethics in AI raises questions about humanity in the talent acquisition process. Companies must consider ethical AI as they evaluate providers and understand if products operate transparently, are backed by explanations, describe their methodology, and frequently publish their data (see Figure 11). Considering the topic of ethics in AI builds confidence with employers and candidates who want to understand how their data is being used.

Figure 11: *Considerations for Ethical AI*

Ensure Transparency: Data transparency is the ability to easily access and work with data no matter where it is located and that the data reported is accurate. Transparency of data becomes even more critical when evaluating AI solutions and capabilities. Aptitude Research found that when data is transparent, it increases the trust in talent acquisition leaders, hiring managers, and senior leaders. With data transparency, 84% of talent acquisition leaders stated that they trust the data, and 78% of senior leaders trust the data.

Start with Quality Data: Companies need to start with quality data. Without a clear vision or strategy for data management, companies do not clean-up their data or check for accuracy often enough. 1 in 2 companies is measuring data accuracy and data quality once a year or longer. Many of the recruitment activities and systems are dynamic and change constantly. Companies should build a practice for measuring quality more frequently and also define the metrics for quality.

CASE STUDY

> *Iceland is a British food retailer with over 900 stores in the UK and a global export business that employs over 30,000 people*

In early 2020, Iceland received over five hundred thousand applications in 4 months. It needed to automate candidate screening but found that few solutions ensured a positive candidate experience. Iceland had several objectives when evaluating automation providers, including:

SAVE STORE MANAGERS' TIME:

It wanted to deliver a level of fairness to candidates and a level of consistency for store managers to reduce the amount of time they spent on recruitment. Iceland saved over 8,000 hours in screening time over three months, equivalent to £170k in savings.

IMPROVE THE CANDIDATE EXPERIENCE:

Iceland also was committed to improving the candidate experience. It wanted to give candidates more consistency and create greater engagement. And, more importantly, it wanted to give something back to the candidates.

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Iceland felt a duty to provide candidates with feedback. It wanted to help candidates understand where their strengths and development needs. 100% of applicants received feedback, and as a result:

80%
are more confident

77%
are more likely to recommend Iceland as an employer

Iceland partnered PredictiveHire to help it achieve these goals. Candidates are engaged far more with the brand and feel like they are getting something back. They genuinely feel like the process is more human which is reflected in 99% positive candidate sentiment from the more than 50,000 applications a week.

FEEDBACK

Recruitment automation can be a powerful tool for improving the candidate experience and moving candidates through the process. When companies consider investing in recruitment automation, they might want to consider the following:

Understand What Candidates Want: Companies must consider the unique expectations and experiences of candidates. Collecting feedback and going through the candidate journey can help companies with a candidate-first approach to automation.

Interrupt Bias Early in the Process: By creating a consistent and fair experience for candidates early in the process, companies are more successful at reducing bias and increasing inclusivity.

Build Trust through Data: Both employers and candidates need to trust the data and methodologies for the technology that they are using. Companies looking at automation should consider providers that will partner with them and provide transparency.

Provide Feedback to Every Candidate: Companies can achieve an inclusive hiring process when every candidate receives feedback and personalized messaging on the hiring process.

ABOUT US

aptitude research

Aptitude Research Partners is a research-based analyst and advisory firm focused on HCM technology. We conduct quantitative and qualitative research on all aspects of Human Capital Management to better understand the skills, capabilities, technology, and underlying strategies required to deliver business results in today's complex work environment.

To learn more, visit aptituderesearch.com

predictivehire.

find better people faster

At PredictiveHire, we believe there is a better way to do recruiting at scale. A more human, and fair way where candidates are put first. We're obsessively passionate about it, and we do it to enable recruiters to make the best decisions when it comes to building their teams. We use Ai to focus on understanding the right data about candidates, which we collect in a friendly, conversational way. Ai is one of the least understood and least transparent aspects of many companies, and we see that as an opportunity: We're excited to simplify Ai for everyone through our platform, education, and community.

To learn more, visit predictivehire.com