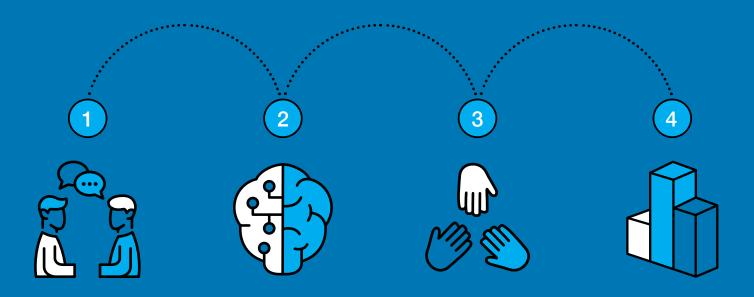


4 Trends That Predict the Future of Hiring



Today's talent acquisition industry is seeing more transformation by way of data, technology, and techniques than ever before. Here are the top four trends thought leaders are talking about that you'll want to know in order to stay ahead of the curve in 2018.



The transformation of the interview

THE TREND

Interviewing has remained largely unchanged for years. But now, through the use of data, technology, and other metrics, we're seeing a dramatic evolution that's giving those responsible for hiring a powerful and exciting new alternative for interview and assessment approaches.¹

WHY IT MATTERS

Research shows that flaws in traditional interviewing techniques could be hurting your ability to spot the best talent. Leadership IQ found that an astounding 46% of all new hires fail within 18 months. And Google research reports that unstructured interviews used by most simply don't predict on-the-job performance.¹

"Traditional interviews are largely ineffective in their ability to predict future on-the-job performance."

JUSTIN PINCHBACK Head of Talent Strategy, Citadel

Interview techniques companies are avoiding:

• "Death by interview."

Evidence indicates this practice of requiring candidates to undergo as many as double-digit interviews can ruin the candidate experience. Google research reports that beyond four interviews, little value is gained.

• "Brainteaser questions."

Tough interview questions like these are being dropped as they have been shown to have no predictive value. Even the most common behavioral questions have proven problematic, unfairly favoring good storytellers or those who shamelessly take credit for the work of others.

Unstructured interviews.

Organizations are now using more structured approaches like assessment tools, hiring committees, or job-related scenarios to predict a candidate's likelihood of success in a certain role.



The emergence of artificial intelligence

THE TREND

The robots are coming, and they're here to change the way we find talent. You may have heard how artificial intelligence (AI) is making innovations like self-driving cars or household robots such as the Amazon Echo a reality. Now it's shaking up the recruiting world, changing how recruiting agencies and sourcers discover, assess, and hire talent.²

WHY IT MATTERS

With just the technology that exists today, over 50% of job activities in the US economy are susceptible to automation. That means AI is not only going to affect how you recruit workers, but what positions you may be recruiting for in the very near future.^{3, 4}

"What if the system told you who was a good match and why?"

JANA EGGERS
CEO of Nara Logics

Ways AI will influence how you recruit:

- A combination of AI technology, machine learning, and facial recognition software will play a larger role as interviews are taped and analyzed for phrases, facial expressions, and even subtle physical movements that cannot be detected by humans.
- Talent Sonar can help you write job descriptions aimed at improving gender diversity using its machine-learning algorithms which can also hide persona identifiers like the applicant's name and gender to help overcome unconscious biases.⁵
- Chatbots will take an even bigger role, being used to help guide the candidate through the application experience and beyond.^{6,7}



Diversity in the workplace

THE TREND

Diversity is on every recruiter's mind. 82% of talent acquisition leaders believe diversity will be the top trend to shape recruiting.8 Companies recognize the social and financial benefits of attracting a diverse workforce to be a competitive advantage.

WHY IT MATTERS

Diversity has been shown to impact every facet of an organization. A Forbes study attributes workforce diversity and inclusion as a key driver of business growth and internal innovation. While a recent Bersin by Deloitte study reports how diverse companies had 2.3 times higher cash flow per employee compared to non-diverse companies over a three-year period. 10

"Diversity doesn't compromise excellence. It enhances excellence."

JOHN RICE

CEO & Founder, Management Leadership For Tomorrow

Examples of diversity success recruiters can learn from:

- Yelp sees targeted campus recruiting pay off. The company recognized the importance of diversity, yet their initial efforts with blind hiring tactics removing names from resumes and even disguising voices during phone screenings were unsuccessful.
 Undeterred, they found success recruiting at women's colleges and schools with a higher concentration of black and Hispanic students.¹¹
- Airbnb overhauls their interview process.
 Interviewers had been encouraged to look for candidate commonalities, but this practice ultimately encouraged them to look for people like themselves. So the company overhauled their recruiting to explicitly avoid commonalities, using objective scoring to ensure candidates are evaluated equally.¹¹
- Deloitte takes diversity to task. The firm realized they had an issue with the ratio of female to male partners. 11 Rather than compulsory diversity training, they instead created a task force. By monitoring the careers of women at the company, they were able to address areas for improvement and presented a business case that made smart business sense without pointing fingers.



Data-driven recruiting

THE TREND

Enterprise companies are already using big data to solve retention issues and analyze potential candidate success rates. Soon companies of all sizes will be able to harness its power to objectively evaluate candidates better.^{12, 13}

WHY IT MATTERS

Data-driven recruiting is already delivering enormous success. LinkedIn found that when talent acquisition teams used data to hire, they were three times more efficient.¹⁴ 75% of companies agree that data and analytics is important in HR, yet only 8% feel they're strong in this area.¹⁵

"When I'm in a meeting where people start throwing around subjective opinions, one of the first things I'll do is ask for the data."

JEFF WEINER CEO. LinkedIn

Ways to uncover big data-like insights for candidates:

Want to uncover insights like the big firms with access to big data? Start thinking outside the box to create some insights of your own.

- Tap into analytics for talent insights. Analytics gleaned from even a simple survey can help you answer pressing business questions. LinkedIn found itself losing engineers faster than expected. While some guessed compensation, the survey data pointed to a different and very solvable issue. Employees wanted more manager interaction with a clearer promotion path.
- Use social media as a data source. Tap into a job seeker's social networks to reveal a wealth of data.
 Platforms such as <u>Connectifier</u> scrape social media sites and beyond for usable information to find talented candidates online, making their recruiting processes more efficient.
- Employ real-time, in-depth talent information.
 Talent professionals will soon be able to research talent pools and companies in a way that uncovers insights, talent stats, and trends. In 2018, LinkedIn will release <u>Talent Insights</u>, which gives direct access to rich data on talent pools and companies, so you can stay two steps ahead in today's fast-changing talent landscape.

Why keep up with the latest trends?

Attracting the top talent in today's market requires a constant evaluation, iteration, and evolution of your efforts to remain competitive. Paying attention to new trends and strategies now can ultimately help your company spot new approaches you may want to adopt when finding the best talent. We hope you find these trends helpful as you prepare your own hiring strategies for 2018.

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