The Future of Recruiting 2025

Australia and New Zealand Edition

How AI redefines recruiting excellence

Linked**in**

Moving beyond routine work to drive strategic impact

AI is transforming the world of work in seismic ways — and few will be more affected than recruiters. Not only will recruiters be responsible for hiring the AI-enabled workforce of the future, they'll be using AI themselves to streamline repetitive tasks, allowing them to do their own jobs faster and more effectively.

AI won't just make recruiters more efficient; it has the potential to elevate recruiters' roles and make them pivotal to achieving organisational success. By embracing AI, talent leaders can fundamentally improve the way they identify, assess, and hire the right talent in a skills-driven economy.

What do talent teams need to do to make the most of AI? What are some organisations already doing to stay ahead? LinkedIn's 2025 Future of Recruiting report distills insights based on billions of data points from the LinkedIn platform, a survey of over 1,000 talent professionals, and advice from dozens of talent leaders — all to help you understand how AI is reshaping recruiting and show how harnessing it can help meet critical recruiting goals, such as improving quality of hire and implementing skills-based hiring.

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AI in Recruiting

AI deployment is accelerating — but challenges loom

AI deployment is accelerating — but challenges loom

AI is reshaping hiring from the ground up, transforming the role of recruiters along the way. By automating time-consuming recruiting tasks, generative AI (GAI) is speeding up the hiring process, allowing recruiters to spend more time on strategic activities like building relationships, improving candidate experience, and advising hiring managers. Organisations are getting the message.
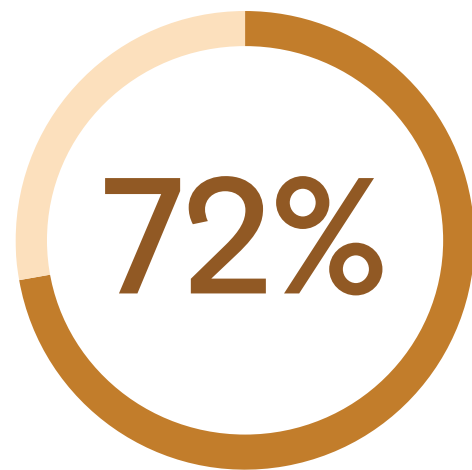
72% of TA pros in ANZ agree thatt **AI will change the way organisations hire.**

In ANZ, adoption among recruiting teams is growing, with **50%** of organisations now "actively integrating" or "experimenting" with Gen AI tools, in comparison to **37%** globally.

> "AI is a powerful tool, but human oversight is what ensures it's used responsibly and effectively."
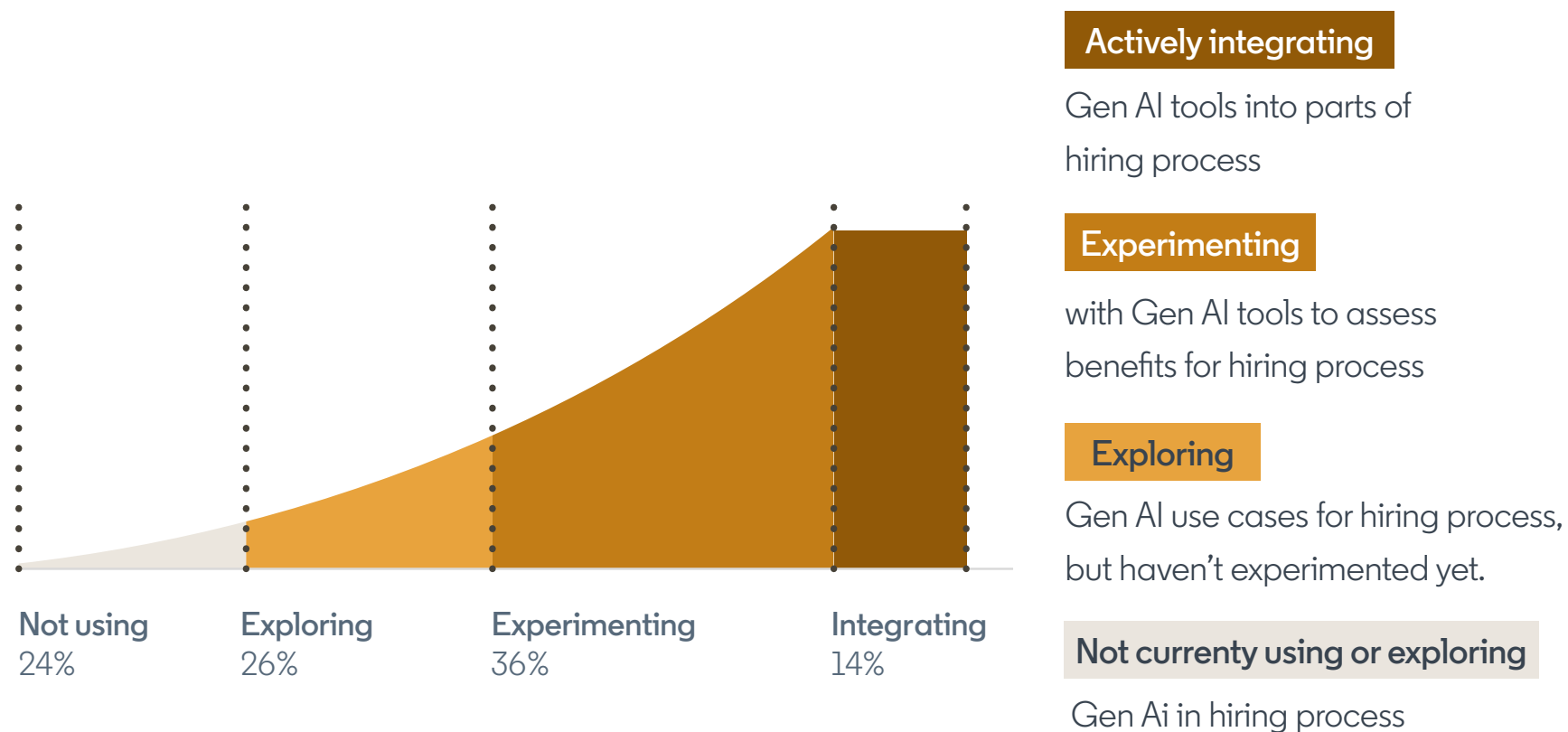>
> **Jackye Clayton**
> VP of Talent and DEIB at Textio

GAI adoption in the recruiting process

In ANZ, percentage of TA pros who say their recruiting org is at this stage of adopting GAI into their hiring process.

Not using
24%

Exploring
26%

Experimenting
36%

Integrating
14%

Actively integrating

Gen AI tools into parts of hiring process

Experimenting

with Gen AI tools to assess benefits for hiring process

Exploring

Gen AI use cases for hiring process, but haven't experimented yet.

Not currenty using or exploring

Gen Ai in hiring process

What advantages does AI provide hiring teams? Efficiency is the top benefit by far; in fact, among those experimenting or integrating GAI in hiring across the globe, the average amount of time saved is about **20%** of their work week–a full workday saved weekly.

> "
> The single most important thing talent leaders need to do is 'AI self-enable'. You cannot make decisions about the direction of your AI-enabled Talent Acquisition team if you are not a fluent user of AI yourself."
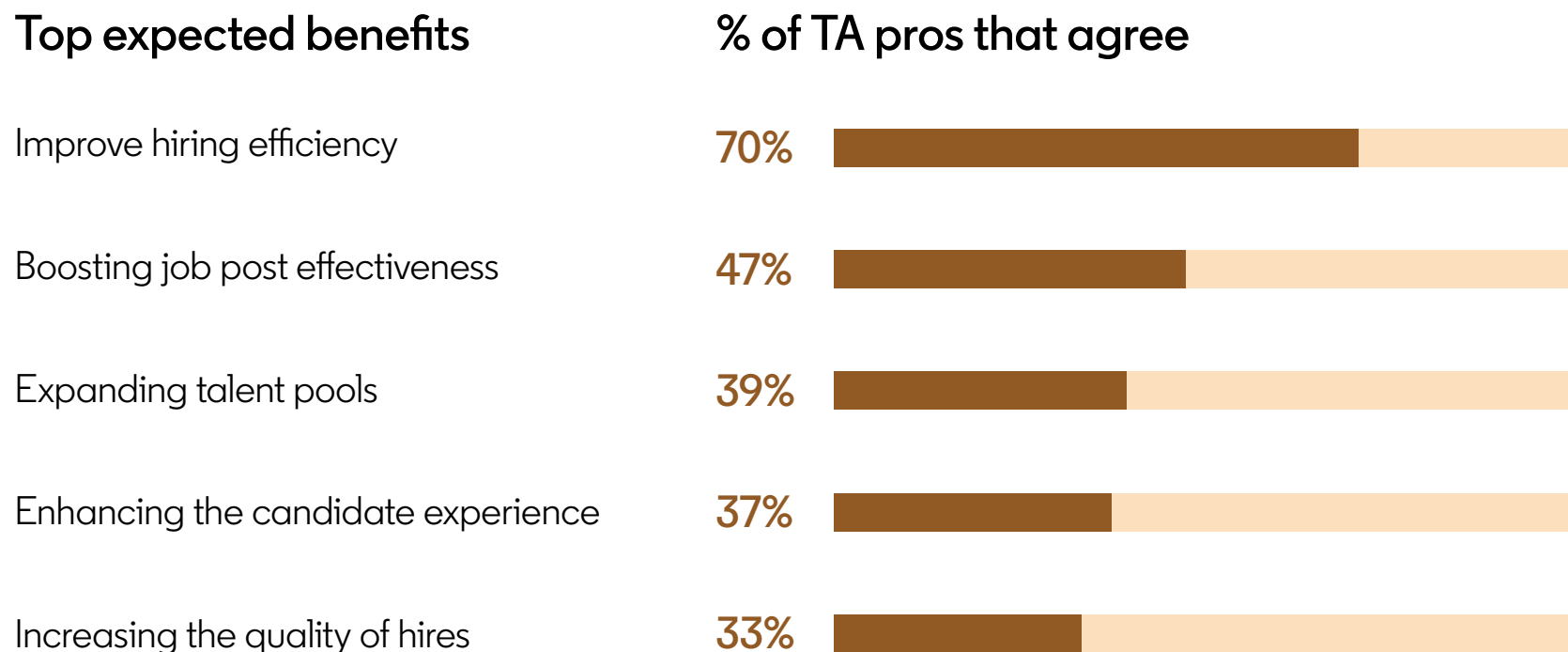
Hung Lee
Curator at Recruiting Brainfood

Top benefits in GAI in hiring

Globally, percentage of TA pros integrating or experimenting with GAI expecting the following impacts on recruiting at their company.

Top expected benefits	% of TA pros that agree
Improve hiring efficiency	70%
Boosting job post effectiveness	47%
Expanding talent pools	39%
Enhancing the candidate experience	37%
Increasing the quality of hires	33%

These benefits come with added responsibilities, and TA teams aren't shying away from them. Recruiters themselves are recognising that they need to bulk up on AI skills to keep up with the changes.

"

AI technology is making us faster. It's making us more confident in our decisions and it's changing how we get to spend our time."

Erin Scruggs
VP, Head of Global Talent Acquisition at LinkedIn

But recruiters won't just need AI skills — they'll need human skills too. Those who want to stand out from the crowd will need to master skills that can't be easily replicated by GAI, such as relationship building, communication, and reasoning.

The best recruiters, says John Vlastelica, founder and CEO of Recruiting Toolbox, will become talent advisors who work with candidates who need the human touch to guide them on major career decisions. **"They will be much more of a career coach, working with candidates who have more complicated situations,"** John says. **"They will be providing more of an executive recruiter kind of experience."**

With AI set to take over mundane tasks, employers are increasingly looking for recruiters who can take on more strategic roles. Demand for recruiters who have relationship-building skills, for instance, has surged. Compared to the year before, employers were **54x** more likely to list "relationship development" as a required skill for recruiters on a paid job post over the past year.

↑ **2.3x**

Globally, the number of **TA professionals who used LinkedIn Learning to develop AI skills** more than doubled (grew 2.3x) in the last 12 months.
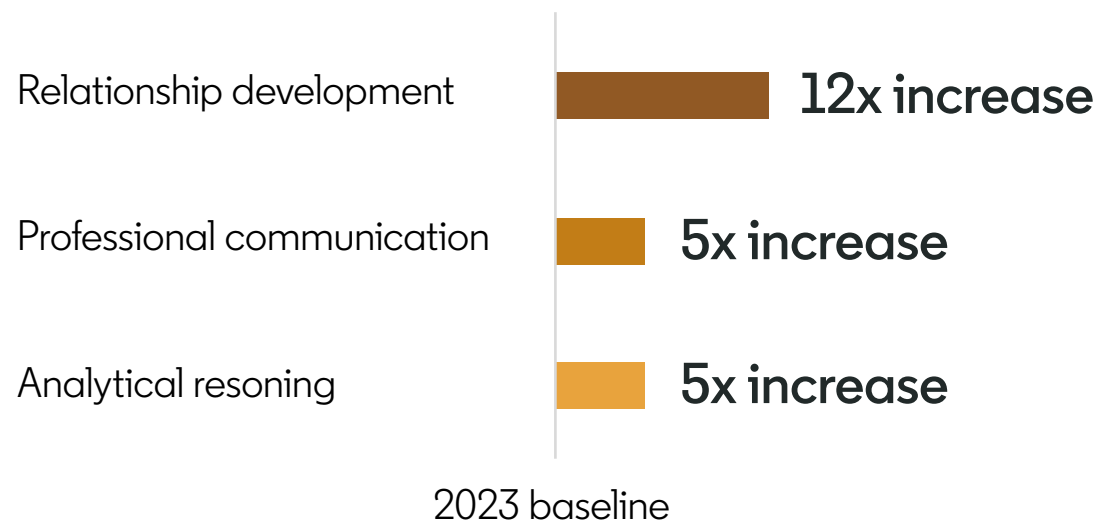
Top skills increasingly required of TA pros

In ANZ, YoY increase of skill requirements on paid job posts for recruiting positions on LinkedIn.

Relationship development **12x increase**

Professional communication **5x increase**

Analytical resoning **5x increase**

2023 baseline

But GAI also presents challenges and risks that TA leaders will have to address, including concerns about data privacy, legal compliance, and even uncertainty about how to get going using AI tools.

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AI is a tool to augment human judgment, not replace it. Successful organisations will find the right balance — using AI to handle routine tasks and consider complex problems, while preserving meaningful human interaction where it matters most."
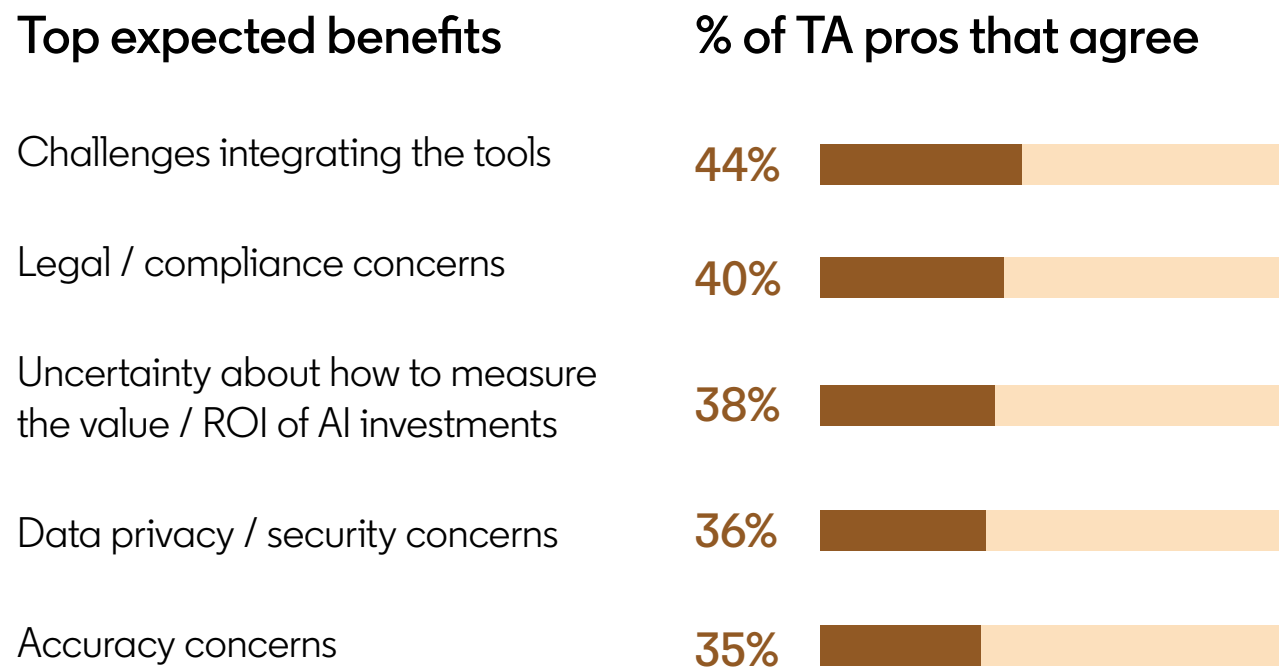
Glen Caythe
SVP, Consulting Principal, Talent Advisory and Digital Strategy at Randstad

Challenges to GAI in hiring

In ANZ, percentage of TA pros citing the following as among the biggest barriers to using GAI in their recruiting process.

Top expected benefits

% of TA pros that agree

Challenges integrating the tools	44%
Legal / compliance concerns	40%
Uncertainty about how to measure the value / ROI of AI investments	38%
Data privacy / security concerns	36%
Accuracy concerns	35%

"
We will always need recruiters with great interpersonal skills who can communicate and influence powerfully."

Noel Brown
Global Head of Talent Acquisition at HSBC
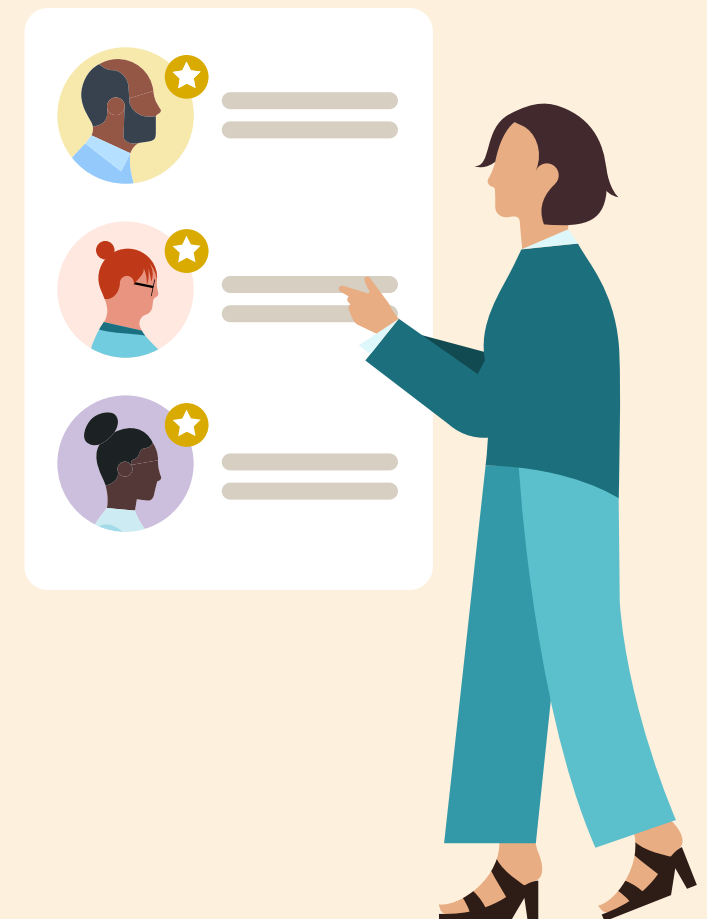
Tips and strategies to integrate AI into your hiring

Help recruiters get comfortable using AI.

For organisations uncertain about where to start, an **AI playground** can provide a low-risk environment to experiment with tools and models. This helps recruiters see how AI can accelerate common tasks, like writing job ads or outreach messages.
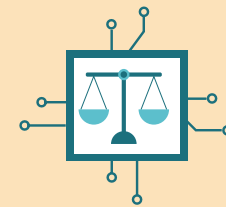
Prioritise responsible AI use.

"Choose tools that align with your company's values, focus on bias mitigation, and ensure your team understands AI's limitations,"advises **Jackye Clayton**, vice president of talent and diversity, equity, inclusion, and belonging at Textio.

Offer targeted training.

Offer **courses** on mastering both the ins and outs of using AI in hiring, as well as the soft skills they'll need to succeed.

Establish guiding principles on the use of AI.

LinkedIn, for instance, has **five principles** guiding its AI work: advance economic opportunity, uphold trust, promote fairness and inclusion, provide transparency, and embrace accountability.

Organisations are getting serious about hiring the best possible candidates — and measuring the results

Organisations are getting serious about hiring the best possible candidates — and measuring the results

Hiring the best person for the job has always been a central goal of recruiting, but it's becoming even more important now. Volatile business conditions are amping up demand for quality hires who can adapt to rapid change. **"Maintaining a laser focus on the quality of our hiring process has become more vital than ever,"** said Jude James, vice president of business operations at UST. **"High-quality talent can navigate uncertainty, make informed decisions swiftly, and adapt to new technologies or processes."**

Today's urgency around quality of hire is also a course correction. During the Great Reshuffle of 2021 and 2022, many employers over-indexed on speed, prioritising quick fills over thoughtful decisions. With hiring slowing, the pendulum is swinging back toward quality. Every hire must count — and that means prioritising long-term value over short-term efficiency.

"

AI will transform how we think about quality of hire by enabling more data-driven, predictive, and unbiased decision-making."

Fabien Desmangles
Talent Acquisition Manager at Dassault Systemes

"

To improve quality of hire, focus on building an appealing employer brand that aligns with the expectations and values of your target talent pool."

Jude James
Vice President, Business Operations at UST

Quality of Hire

It's not surprising then, that as many as **87%** of TA pros in ANZ agree it will become increasingly important to **measure quality of hire**. By continuously assessing the value of recent hires, employers can gain valuable insights into the effectiveness of their recruitment process and make necessary adjustments.

For now, measuring quality of hire in ANZ remains notoriously difficult, with only **18%** reporting they feel highly confident in their organisation's ability to do so effectively. But AI is poised to help in measuring the elusive metric with tools that can analyse employee performance data, identify trends, and predict long-term success. In fact, **66%** of TA pros in ANZ believe AI can improve how they measure quality of hire.

Organisations are likewise optimistic about AI's potential to improve their ability to source and hire the best candidates. Siemens, for instance, is using AI tools to gain more accurate assessments of candidates' skills and potential. **"AI-powered tools can analyse vast amounts of data to identify candidates with the highest likelihood of success, offering predictive insights that go beyond resumes and conventional interviews,"** said Salma Rashad, global executive vice president of talent acquisition at Siemens.

66% of TA pros in ANZ **believe AI can improve how they measure quality of hire.**

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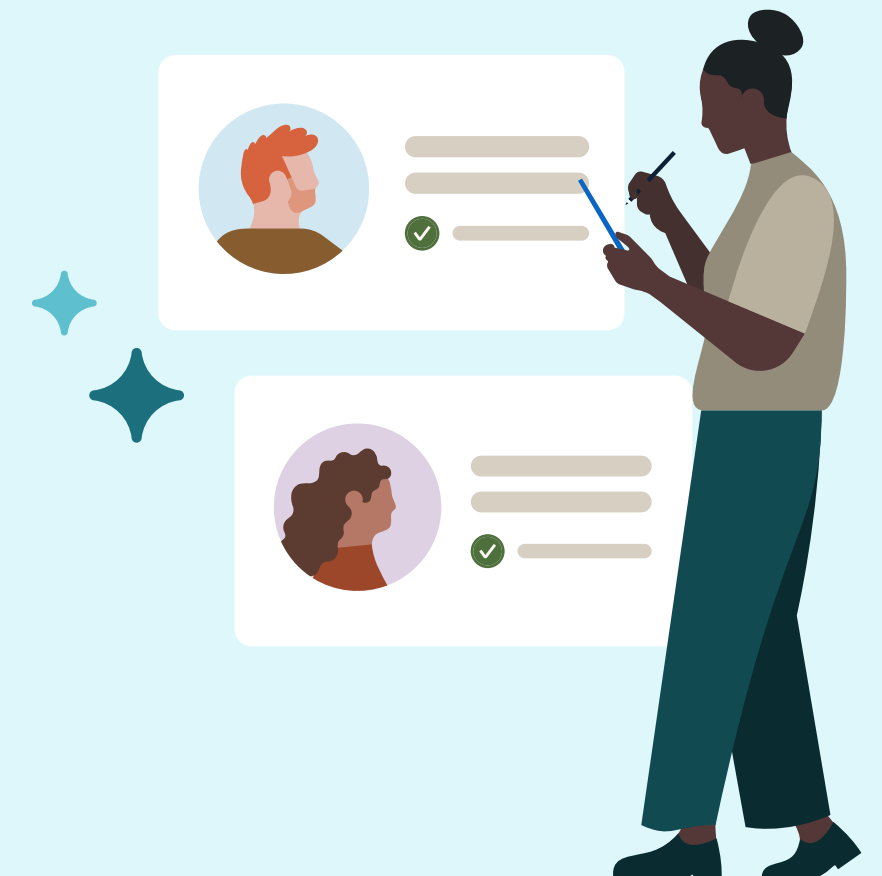
Quality of Hire

Globally, LinkedIn data reveals that companies whose recruiters use AI-Assisted Messaging are **+9%** more likely to make a quality hire, compared to those who use it the least. The platform insights in this report measure quality of hire as a combination of demand, retention, and mobility — but as we'll see, there's no one-size-fits-all formula.

59% of TA pros in ANZ **believe AI can help improve their quality of hire.**

What are some other ways organisations can boost quality of hire? LinkedIn's new research underscores the crucial role of employer branding. Companies that are known for delivering on certain **candidate priorities** — like the ability to work with talented people — are more likely to make a quality hire.

+9% Companies using **AI-Assisted Messaging** the most are **+9% more likely to make a quality hire** (vs. companies using it least).

Across the globe, employers known for **delivering on certain candidate priorities are more likely to make a quality hire.**

Companies rated highly by candidates for...	are % more likely to make a quality hire
Opportunity to work on innovative projects	→ **+11%** more likely
Opportunity to learn new in-demand skills	→ **+9%** more likely
Flexible work arrangements	→ **+9%** more likely
Highly-talented employees	→ **+9%** more likely
Challenging and impactful work	→ **+8%** more likely
Excellent compensation and benefits	→ **+8%** more likely

Source: LinkedIn Talent Drivers survey as of November 2024 and LinkedIn platform data.
Quality hires are determined by weighing the demand, retention, and mobility within the new hire's first year.
Companies scoring in the top quartile for a given talent driver are compared against companies in the bottom quartile.

The takeaway is clear: employer branding isn't just about attracting talent; it's a proven means to attracting quality hires. Focusing on things that matter to candidates, key talent drivers like flexibility and innovation can give organisations a measurable edge in hiring.
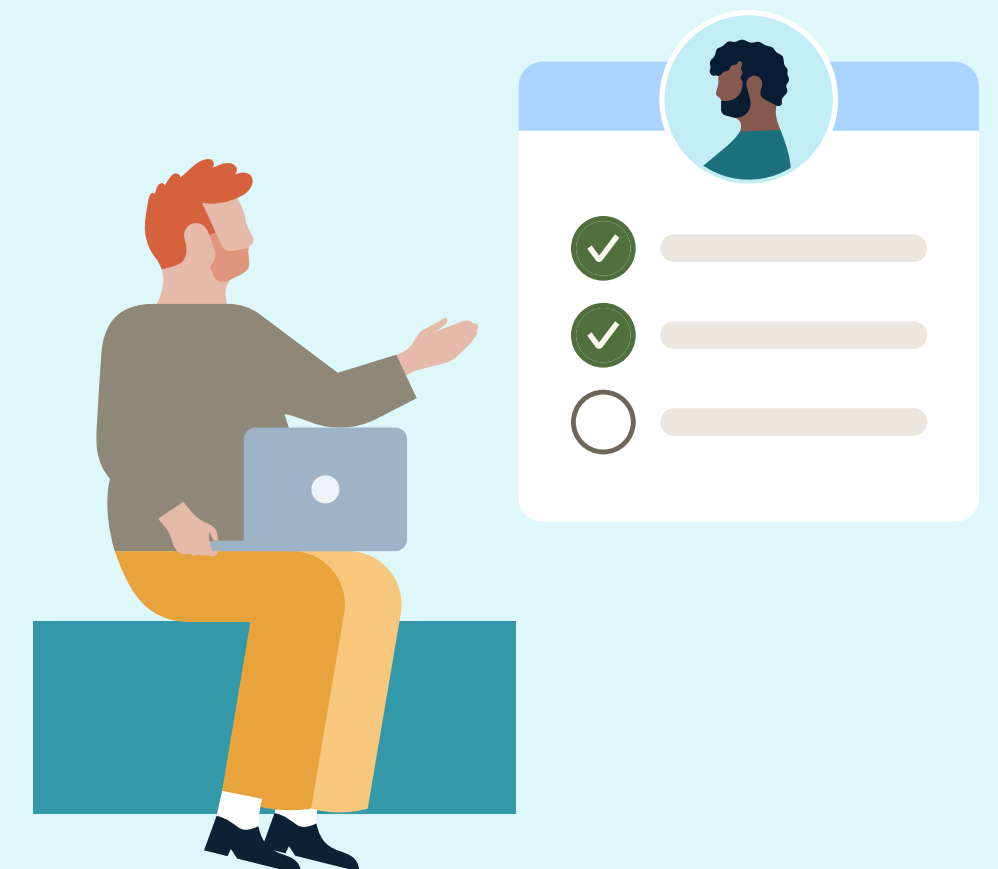
"

Understanding what makes top performers awesome at their jobs is the first step to improving quality of hire."

Ana Recio
Vice President, Global Talent Acquisition at Uber

Tips and strategies to measure and improve your quality of hire

Devise a strategy and stick to it.

Uber, for instance, created a three-part framework for improving and measuring quality of hire:

1. Develop success profiles, i.e. the common attributes of the best performers at the organisation

2. Create an assessment process that uses these standards as a benchmark for evaluating candidates

3. Validate the quality of your hires with post-hire surveys of hiring managers.
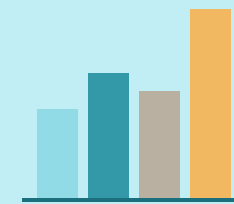
Find the quality of hire measurement method that's right for your organisation.

Quality of hire is typically calculated as a combination of other metrics, the most common in ANZ being job performance ratings (which 67% of TA pros use), new hire retention (58%), and hiring manager satisfaction (55%), according to our survey. No matter which metrics you use, the most important thing is to measure them consistently.

Explore AI tools that can help improve quality of hire.

LinkedIn, for example, is experimenting with using AI tools to record and analyse transcripts of interviews conducted by recruiters. Using this information, LinkedIn can determine the areas that need improvement and ultimately lead to better quality of hire.

Bolster your employer brand.

Make sure you're highlighting what candidates care about. Does your organisation offer opportunities to work on innovative projects? Do your employees get to learn in-demand skills? Spell these out clearly in your branding and in your candidate communications.

Skills-Based Hiring

As employers strive to fill skills gaps, skills-based hiring is gaining steam

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Skills-based hiring – the practice of hiring based on candidates' skills, rather than their degrees or their job history – is becoming an increasingly important priority in a rapidly shifting economy. As employers strive to keep up with advances in technology, they're seeking employees who have certain skills — including AI skills — to fill skills gaps.

In fact, **96%** of TA pros in ANZ believe accurately assessing a candidate's skills is crucial for improving quality of hire. And in fact, LinkedIn data shows that companies with the **most skills-based searches are +12% more likely to make a quality hire globally**.
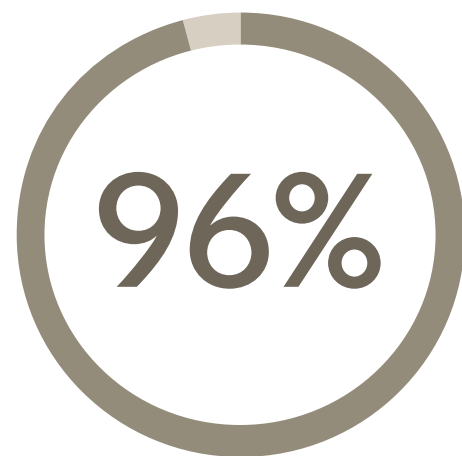
96% of TA pros in ANZ believe **accurately assessing a candidate's skills** is crucial for **improving quality of hire.**

+12% Companies with the **most skills-based searches** are **+12% more likely to make a quality hire** (vs. companies with no skills-based searches).
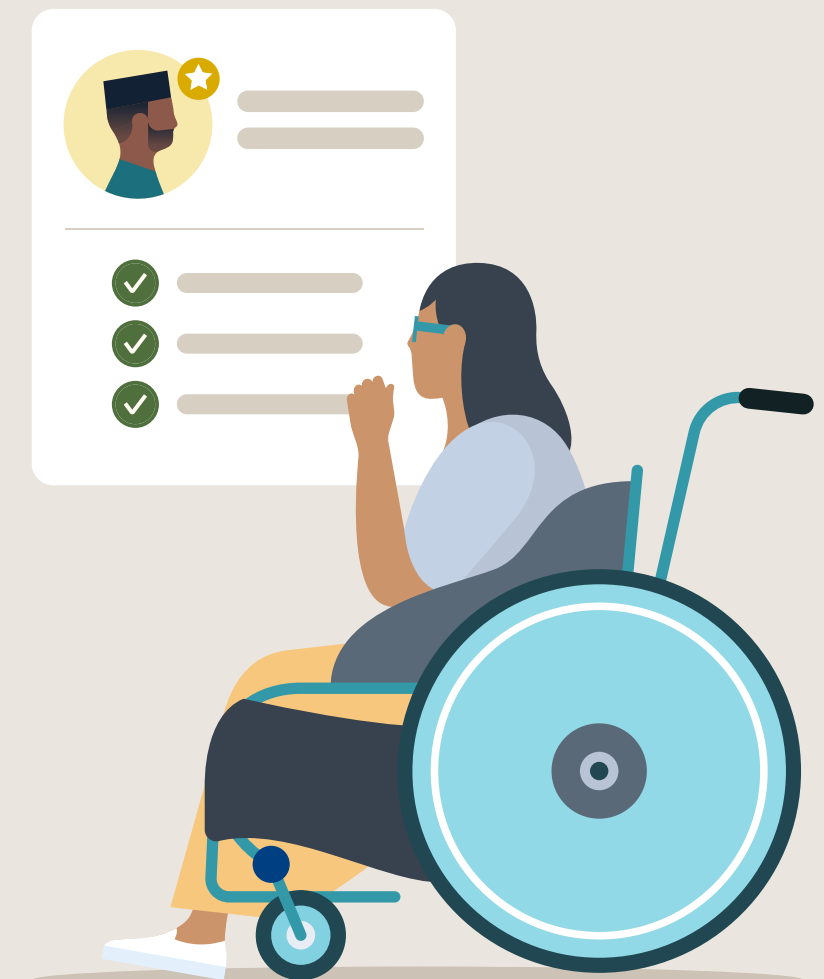
Skills-based hiring can be challenging and time-consuming – but AI is poised to change that. AI tools can help recruiters analyse resumes to uncover skills, automate skills assessments, remove bias from the hiring process and more.

At the same time, as AI automates basic recruitment tasks, recruiters will have more time to focus on skills-based hiring. Among TA pros already integrating or experimenting with GAI across the globe, **35%** say the time saved by GAI goes towards candidate screening, while **26%** say they use the time saved to focus on skill assessments.

By focusing on what candidates can do — not just where they've been — skills-based hiring unlocks untapped potential. Not only does this approach expand access to talent, it drives better alignment between candidates and roles, translating into more quality hires and long-term success. It's no wonder that employers are increasingly dropping degree requirements: Globally in 2023, 26% of paid job posts on LinkedIn didn't require a degree, compared to 22% in 2020 — a difference of 4 **percentage points** that translates into a **+16% increase**.
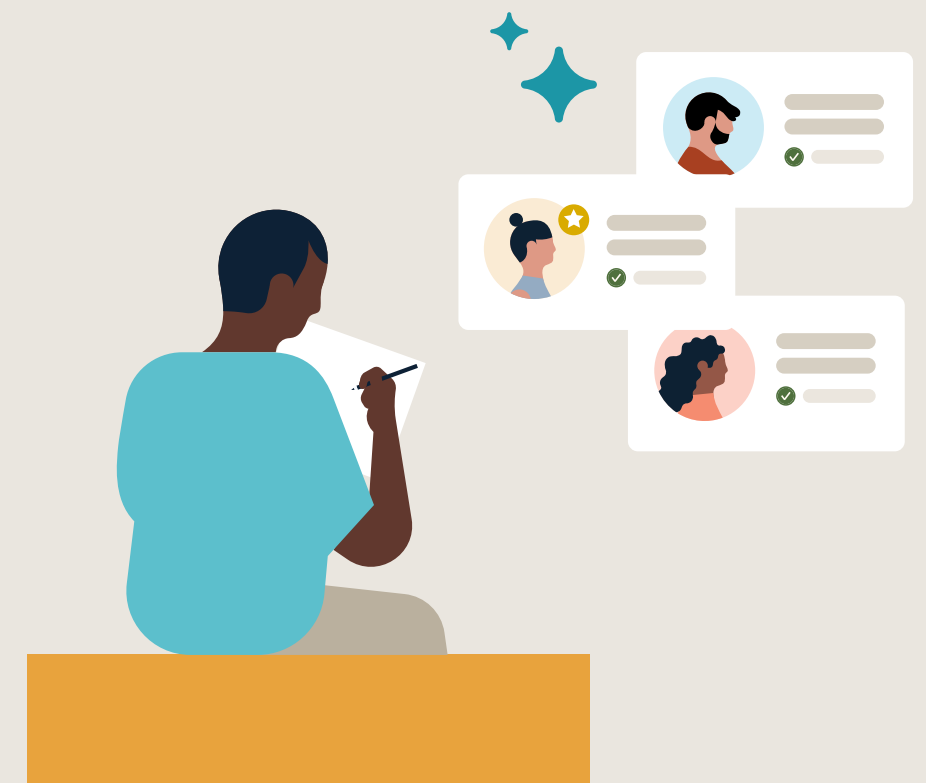
"

The more we can leverage AI to assess your skills and match you with different jobs so that you can be successful, to me that's exciting."
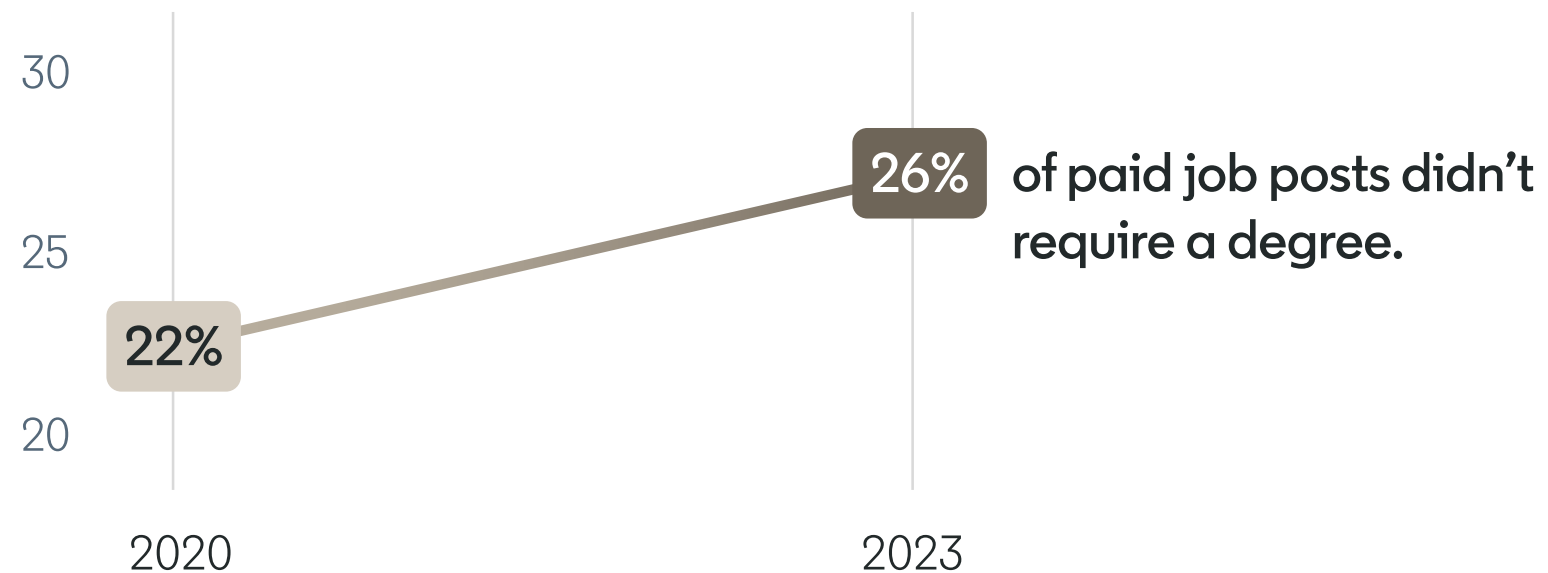
Eric Dozier
Executive Vice President, Human Resources and Diversity at Eli Lilly

Increase in job posts without degree requirements

Share of paid posts on LinkedIn that didn't require a professional (bachelors or higher) degree.

26% of paid job posts didn't require a degree.

22%

30

25

20

2020   2023

But while organisations are increasingly focused on skills-based hiring, implementing this approach effectively requires more than just good intentions. Employers will need a well-thought-out strategy that includes identifying skills, assessing candidates, and structuring the hiring process.

"

We have more information than ever before, greater insights on our own workforce, the labor market, and the skills we need to enable our growth strategy."

Noel Brown
Global Head of Talent Acquisition at HSBC

"

Hiring without relying on experience opens up a vast pool of talent, bringing an abundance of thought diversity, unique capabilities and perspectives into the organization."
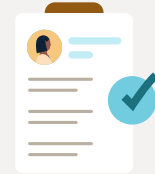
Salma Rashad
Global Executive Vice President of Talent Acquisition at Siemens

Tips and strategies for skills-based hiring

Make the most of AI.

Use AI tools to **analyse the skills** required for success in each role. These insights can help refine job descriptions, ensuring they attract candidates with the right capabilities.

Find new ways to evaluate candidates' skills.

These might include **skills assessments**, problem-solving exercises, and simulations of on-the-job experiences to see candidates' skills in action. For example, Siemens uses task-based assessments from **Arctic Shores** to gauge adaptability, problem-solving, and technical competencies.

Standardise interviews.

Standardise interviews with **structured protocols** that focus on evaluating skills rather than relying on intuition. This approach not only ensures consistency but also minimises bias.

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Conclusion

Final thoughts

Adapting to the age of AI might seem daunting. As sweeping changes transform the workplace, recruiters will need to learn new skills, harness new technologies, and be willing to embrace new strategies.

But while AI poses challenges, it also presents an extraordinary opportunity for talent professionals. By mastering AI tools, recruiters can step into the role of strategic talent advisors, showcase their value, and help shape the workforce of the future.

Methodology

Survey data

LinkedIn Research surveyed 1,271 recruiting professionals in management seniority roles or higher (1,019 corporate recruiting pros, 252 search and staffing pros). Survey respondents are LinkedIn members who were selected to participate based on information in their LinkedIn profile and qualified based on survey responses. This survey was conducted in four languages across 23 countries in September 2024.

Platform insights

Platform insights for this report were derived from the billions of data points generated by the 1 billion members in over 200 countries on LinkedIn today. Talent acquisition (TA) professionals are LinkedIn members with a recruiting role. To measure the growth of TA pros learning AI skills, we compared the number of skills explicitly added by members over a 12-month period (October 2023 to September 2024) against the previous 12-month period (October 2022 to September 2023). AI skills include AI literacy skills, which made up the great majority of what TA pros were learning (as opposed to AI engineering skills). **Learn more here.**

For skills increasingly mentioned in paid job posts for recruiting roles, only skills explicitly mentioned in a job description are included. The odds ratio (e.g., 54x increase in relationship building skill requirements) is calculated as the share of job posts that require a particular skill in the last 12 months (Nov 2023 - Oct 2024) vs. the share of job posts requiring that same skill in the preceding 12 months (Nov 2022 - Oct 2023).

For quality of hire analyses, we measured quality by giving equal weight to three measures: demand (whether the hire was in high demand, i.e., top 25% of members receiving InMails from recruiters within 1 year before hire); retention (whether the hire stayed at least one year at the company of hire); and mobility (whether the hire moved to a second role within the company within a year of the initial hire). Note: these are the best metrics available via LinkedIn platform data, though calculating quality of hire at your own company is typically calculated with internal data.

Conclusion

Companies using AI-Assisted Messaging the most are those within the top quartile, measured by the share of all InMails sent that were AI-assisted. Companies with the most skills-based searches are those who have a disproportionate share (25% or more) of recruiters within the top quartile for performing searches on LinkedIn using the skills filter.

Employers known for delivering on certain candidate priorities are those within the top quartile as measured by LinkedIn's Talent Drivers survey, which asks members how well they think companies provide various benefits to employees. Talent Drivers data includes responses on over 1,250 companies as of October 2024.

For the paid job postings without degree requirements, this report follows the same methodology found here with data from the complete calendar years of 2020 and 2023.

Acknowledgments

This report was informed by insightful interviews with recruiting leaders around
the world, to whom we owe our sincere thanks, including: