

White Paper

Making It Count for Candidates: Better Engagement Means Better Hires



The recent volatility in how organizations are hiring doesn't mean you can stop thinking about the quality of your candidate experience.

The bottom line is the same.

Using leading-edge science and HR technology to deliver more personalized and engaging hiring experiences leads to better ROI because it results in a superior employment brand and better performing new hires who stay longer.

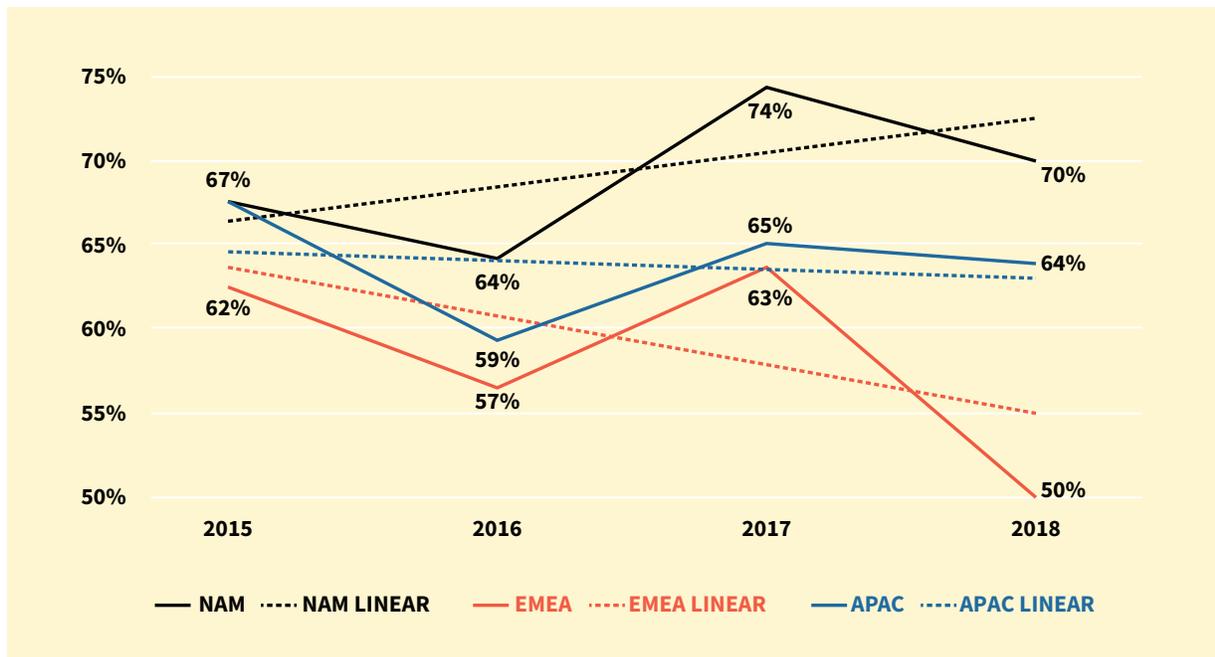
Introduction

Organizations have long struggled to balance the demands of hiring with the need to create engaging and friendly candidate experiences. And globally, the problem is getting worse.¹ This white paper provides an overview of why the traditional hiring process is broken, why we need to care, and how modern HR technology driven by rigorous science and advanced AI techniques can solve the problem by enabling more personalized, engaging experiences that can be delivered easily and at scale.

Many hiring processes remain impersonal and one-sided. Candidates are unintentionally treated as secondary to the seats they are needed to fill by cold and labyrinthine processes that have their roots in transactional database design. You can't expect highly qualified candidates to passively suffer through a series of one-sided hurdles that treat them like bystanders to their own future.

The situation is not getting better. Industry research shows that around the world the candidate experience is in decline, though the trend in North America remains slightly positive.

Figure: Great Candidate Experiences Are Declining



The data paint a clear picture: messy hiring processes lead to a host of negative outcomes, including disillusioned candidates, wasted time for everyone involved, and companies not getting the best human capital.³ A unique research study by Virgin Media partially quantified the cost of irritated applicants: 7,500 candidates in one year cancelled their contracts with the company, costing them over \$6 million.⁴ Qualified candidates face tremendous obstacles trying to be noticed. This is the central paradox of modern hiring: organizations hunger for talented, skilled workers, yet their walls are nearly impossible to scale without help from the inside.

1-2. Talent Board, 2018.
3. Gibson & Koletsky, 2018.
4. Adams, 2016.

Moving From Inquisition to Conversation

Our mental model of how hiring works must evolve. Instead of an inquisition, think conversation. Not evaluation, but exploration. New hires are not expendable cogs in the machine, but valuable additions who bring unique experience and perspective. They will do a job, and some will stay a long time, but many will move on to other roles. This is natural and even desirable. Your company is not General Motors in the 1950s; the days of employees staying until they retire are over forever.

In many ways now, we are all constant candidates. We flow in and out of alignment with those around us. New possibilities and alternatives are forever presenting themselves, and it can be difficult to vet them. Better communicating the essence of new opportunities, coupled with advanced AI-based data analysis, can help us find our way.

We envision hiring as mutual exploration, in which both parties learn more about each other and come to a shared understanding. And it must be an emotional connection as well as logical. One-sided evaluations and attempts to “sell” the job have no place anymore. Many organizations believe longer hiring processes lead to candidate drop out, but this is false.⁵ You may have to make compromises to your process to meet candidates where they are, on their terms, rather than on yours.⁶ Our own published research shows candidates drop out from processes that they receive no value from, but they greatly appreciate experiences that allow them to better understand the job and organization and how they might fit in and contribute.⁷ For example, Bank of America implemented a redesigned assessment process for certain jobs and in one year reduced candidate assessment time more than 4,500 hours, enhanced candidates’ understanding of the roles, increased new hire retention leading to \$6.8 million in cost savings, and improved new hire performance.⁸

5. Hardy, Gibson, Sloan, & Carr, 2017.

6. Ferrell & Gibson, 2018.

7. Gibson & Koletsky, 2018.

8. SIOF, 2015.



How Do We Enable Personalization and Engagement?



It is easy to suggest that organizations should provide a personalized and engaging experience for their candidates but decidedly less easy to carry out. Why is it so difficult? Because hiring processes typically consist of a series of disconnected point solutions connected by disjointed handoffs from one vendor to another. They have been engineered with the organization rather than candidate at the center. It's all about getting the information they need rather than considering what the candidate needs to make a decision. While these processes were originally designed to be logical and efficient, today they result in frustration for candidates AND recruiters. On top of all this, recruiters

are paid to fill seats, not to go back and forth with 1,000 unsuccessful candidates explaining why they were not selected.

And so, while we know organizations should be providing frequent communication to candidates, informative and candid information about the positions, and a whole lot more, it is practically difficult or impossible for recruiters to put these ideas in to action in a widescale and standardized manner.

Until now.

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A Personalized Yet Scalable Candidate Experience

The practical application of deep learning and other advanced AI techniques to pre-hire assessment and interview technology is enabling vastly more effective, efficient, and fair hiring processes.

Here's how:

- **Measuring What Matters.** Data from the entire hiring process is collected and housed in a common location. Putting all the data from each candidate together allows AI and other machine learning tools to process and make sense of the data like never before. Data from one part of the process can now be used to inform what happens further into the process.
- **Scalable Assessment and Interviews.** Candidates are presented with various exercises designed to elicit responses that are predictive of success in the job. These may be assessments or simulations, video interviews, or various other tools. The platform allows for easy tailoring and configuration of the candidate experience to ensure it is maximally relevant and engaging for the candidate. At the same time, information candidates are seeking is shared back to help enable their own decision.
- **Teaching the Machine.** Outcome data is also collected for each successful candidate, once they have started the job. This data – job performance metrics, ratings, and more – is then used to further train the predictive models used on future

candidate data. In this manner, the system improves over time and is always tied to clear, specific business results so that talent acquisition professionals can take the guesswork out of hiring. Further, tying pre-hire data to post-hire outcomes allows us to ensure that there is no bias in the hiring decision – algorithms continuously monitor all the data to ensure that every individual has an equal opportunity.

A thoughtfully designed, data-driven hiring platform enables a variety of elements tied to a meaningful candidate experience. As shown in the table below, there are seven primary drivers of a good candidate experience, which can be broken down into process and experience factors. **Process factors** include the ease of use, length of the process, setting realistic expectations for what the process will be like, and communication from the hiring organization. **Experience factors** include candidate engagement, how informative the application process is, and a meaningful opportunity for the candidate to demonstrate their skills. These aspects allow a true emotional connection to be made. In the past, it was conceivable to accomplish each of these goals through expensive custom software and workflow creation. The modern platform makes it simple and fast to deliver all of these factors so that we can insure an engaging candidate experience for all organizations, regardless of size or resources.

	1	2	3	4	5	6	7
	Ease of Use	Length of Process	Expectation Setting	Communication	Engagement	Informative	Opportunity to Perform
RIGHT	Simple, intuitive	What's necessary to be relevant to the job	Transparent	Frequent	Two-way, immersive	Preview of job/culture	Chance to show skills
WRONG	Complicated	Too long or short, not necessarily related to job	Obscure, ambiguous	Limited	One-way, impersonal	Lacking details of job/culture	No chance to show skills

Rather than making life's inevitable transitions difficult, let's make them easier. Let's help individuals find compatible organizational homes where they can thrive. Let's stop "selling" our job opportunities – showing all the shiny bits and concealing the rust. Let's tell it like it is and approach each candidate with humility and curiosity. In the quest to attract top talent, this is how you infuse your company with the vibrancy and passion you need to win.

Modern Hire: Make Hiring Personal

Modern Hire is the new name for the merger between Montage and Shaker International. We've created an all-in-one enterprise hiring platform that enables you to continuously improve hiring results through more personalized, data-driven experiences for candidates, recruiters, and hiring managers. The Modern Hire platform combines trusted science and technology to predict performance, ensure fairness, and automate workflow—enterprise-wide. It includes AI, predictive analytics, assessment, interviewing, and scheduling technology in a single SaaS solution that integrates with leading HCM systems.

Discover how we're helping 47 of the Fortune 100 make hiring personal to continuously improve experiences and results.

On the web at modernhire.com



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