TRENDS IN TALENT ACQUISITION TECHNOLOGY

SEPARATE HYPE FROM REALITY

jobg8

May 7, 2019

Seattle, Washington

REALITY

THIS IS ME

JONATHAN KESTENBAUM

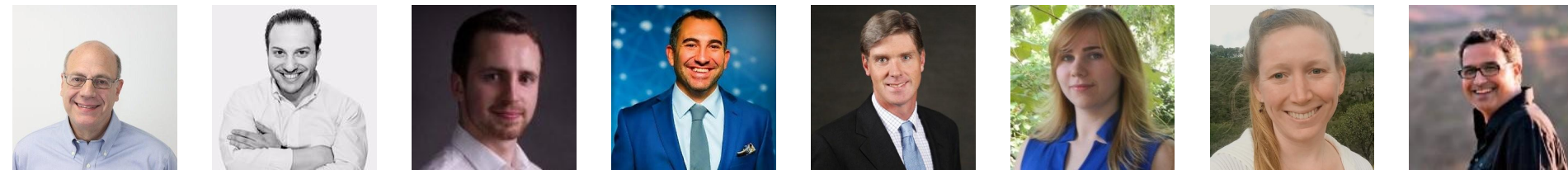**MANAGING DIRECTOR | TALENT TECH LABS**

Lawyer

Investor

Entrepreneur

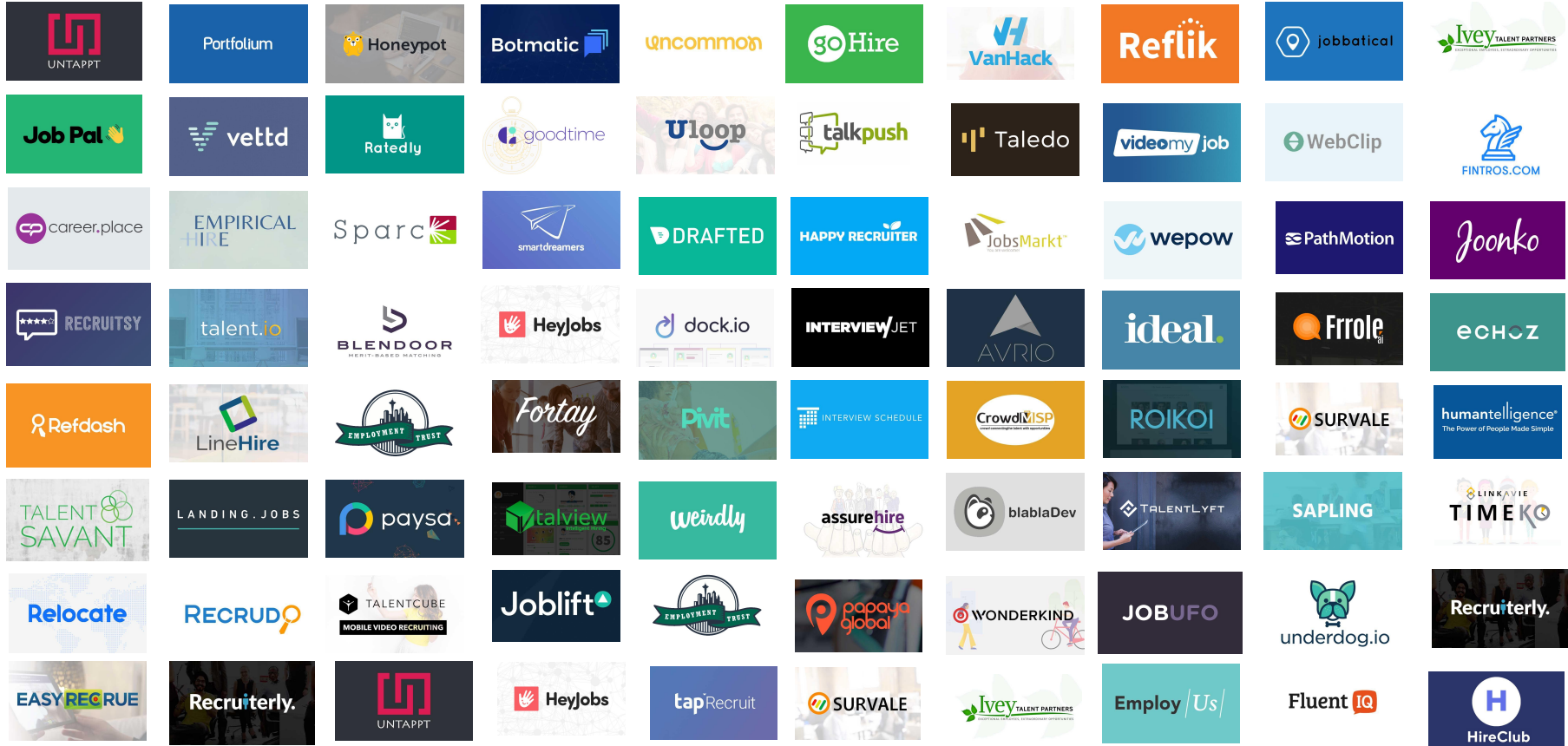Professor

THIS IS TALENT TECH LABS

AS THE FOREMOST THOUGHT LEADER IN THE EMERGING TALENT ACQUISITION TECHNOLOGY SPACE, OUR MISSION IS TO FOSTER INNOVATION, AND THOROUGH COLLABORATION TO ACCELERATE TECHNOLOGIES TO ADOPTION TO IMPROVE THE STATE OF THE ART IN RECRUITMENT

WE TRACK THOUSANDS OF COMPANIES

BUYERS SCORE COMPANIES

THIS ALLOWS US TO IDENTIFY TRENDS

THE ECOSYSTEM

TECHNOLOGY IS PART OF A SYSTEM

1 **TECHNOLOGY**

2 **PEOPLE**

3 **PROCESS**

HYPE

1

THE TALENT ACQUISITION ENGAGEMENT MODEL IS NO LONGER EXCLUSIVELY FOCUSED ON JOB REQS

WE ARE GOING THROUGH A TRANSFORMATION

JOB REQS → PEOPLE
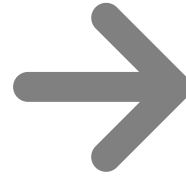
ILLUSTRATIVE EXAMPLES ENGAGEMENT

CAREER SITES

CONVERSION OPTIMIZATION

CRM

YOU ARE ON AN INNOVATION CYCLE

1 Unaware

2 Reactive

3 Proactive

4 Active

5 Steady State

REACTIVE

PROACTIVE

UNAWARE

ACTIVE

STEADY STATE
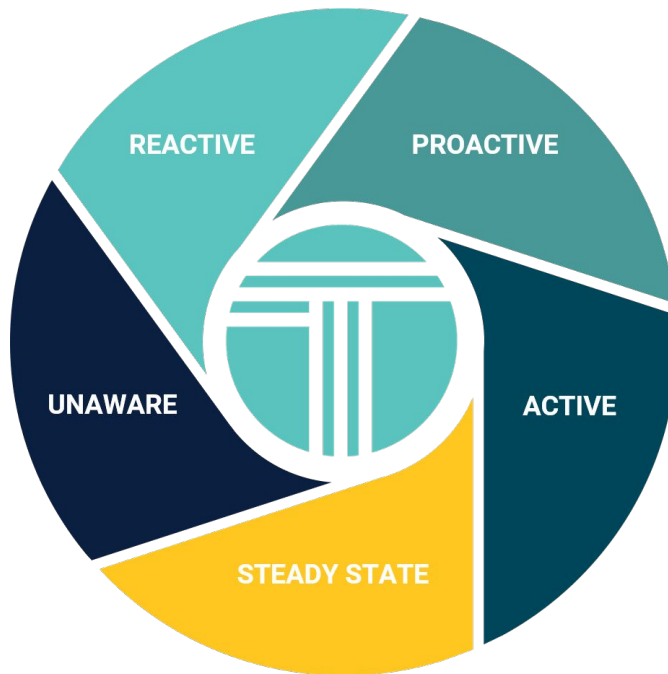
BE AHEAD OF THE CURVE

TAKE ACTION

- **Why**: A 22% increase in utilization of CRMs at the enterprise level. 44% of all companies reported use of a CRM, with the majority of growth coming from large enterprises.

- **When**: You get a large number of candidates that don't fit the role you are hiring for; you don't get enough applications submitted.

- **How**: Look at Career Sites, CRM, Candidate Re-engagement

- **Implementation Impact**: Requires significant process change and take approximately 6 months to implement. At its core the technology provides the pipes, but people will be required to provide the content.

- **Outcomes**: You want to create a better candidate experience and capture passive candidate who will be responsive to you when you do want to extend them an opportunity.

2

MATCHING TECHNOLOGY IS GETTING BETTER DUE TO ADVANCES IN ARTIFICIAL INTELLIGENCE

WHAT DOES THE DATA SAY

YES

NO

NOT NOW
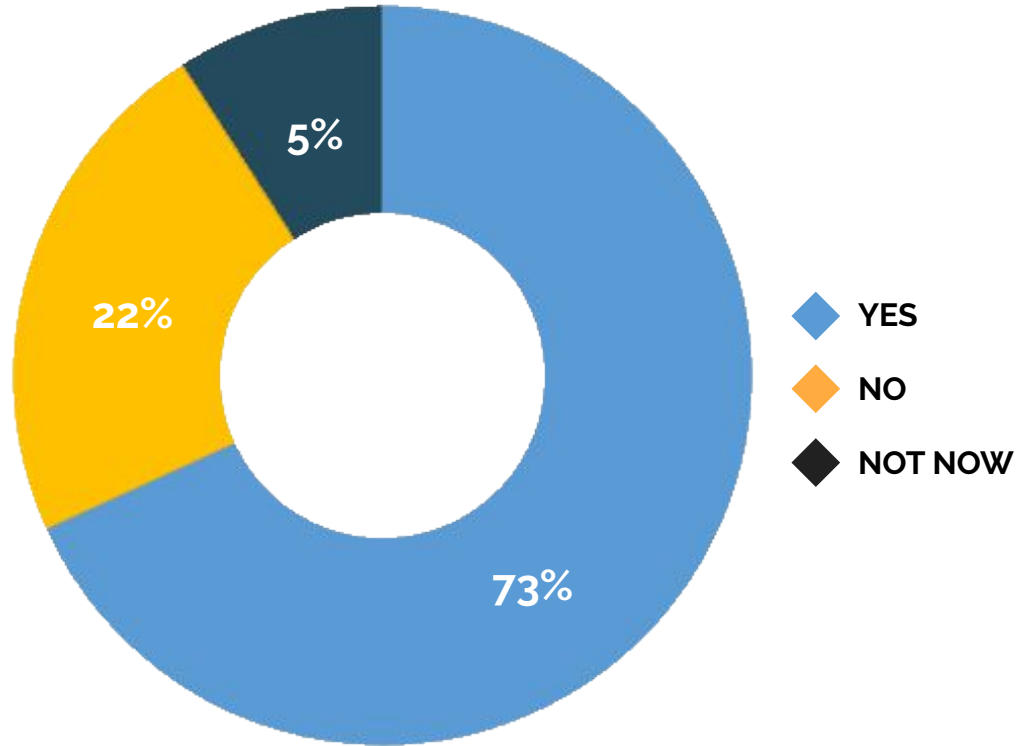
ASPECTS OF AI IN USE TODAY

Machine Learning · Natural Language Processing · Deep Learning · Leveraging Neural Networks
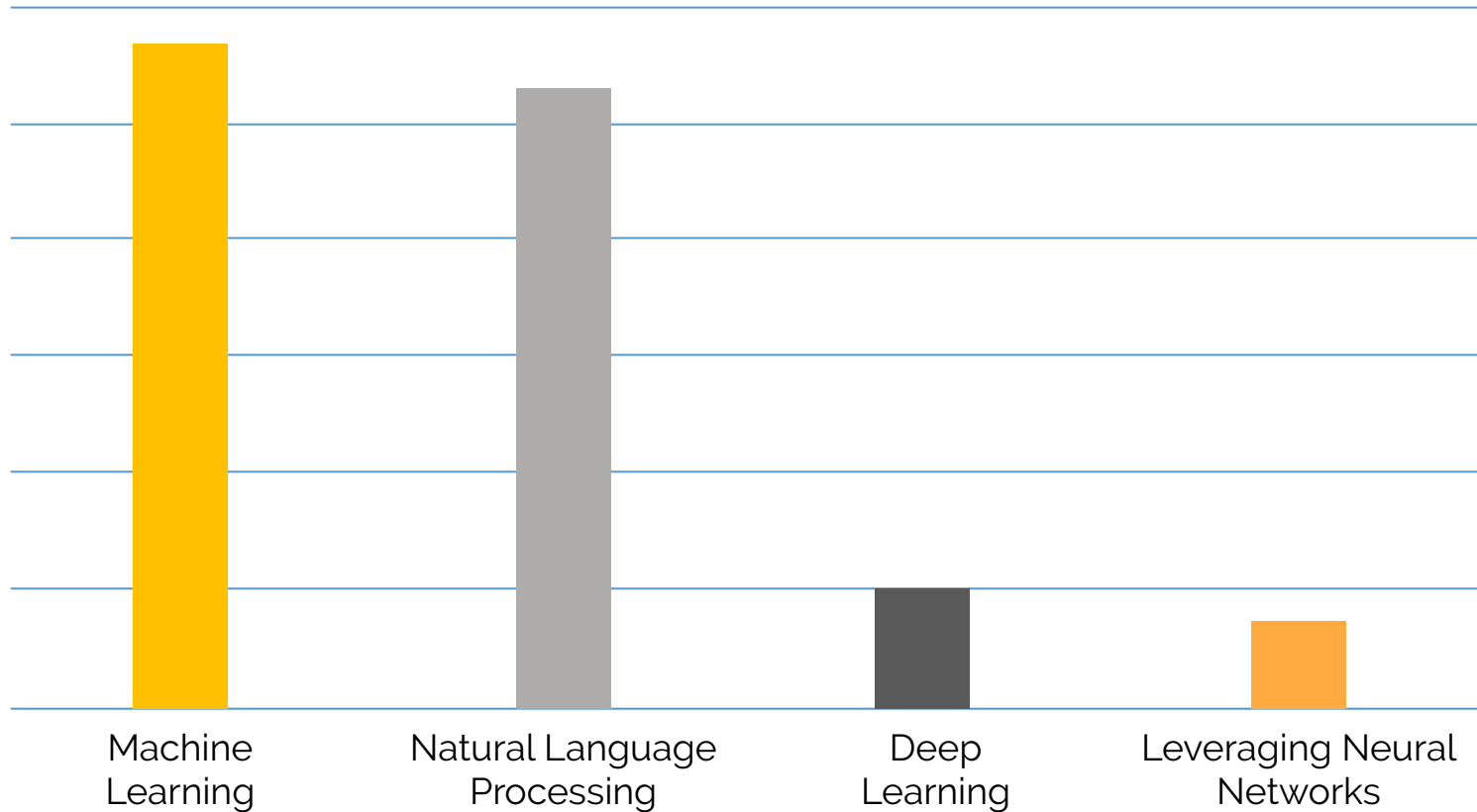
SERVICES AI IS DELIVERING

Matching

Recommendation Engine

Predictive Analytics

Contextual Language Recognition

Facial Recognition

Voice Recognition

Writing Recognition

22

ILLUSTRATIVE EXAMPLES MATCHING

MATCHING SYSTEMS

BE AHEAD OF THE CURVE

TAKE ACTION

❖ **Why**: We see Matching Systems have the greatest room for growth with a current foothold of only 12%. For recruiters who are overwhelmed with too many resumes to review, and for those who can't find candidates buried deep within their ATS, matching systems promise tremendous relief.

❖ **When**: You get thousands of resumes that you don't have time to sort through.

❖ **How**: Look at Matching Systems

❖ **Implementation Impact**: Takes about 3 months to get the M/L model up and running and learning from the data.

❖ **Outcomes**: Recruiters can focus on what they do best: engage candidates that are the best fit for the openings.

3

BOTS ARE NOT DOING A GOOD JOB AT ARTICULATING VALUE

ILLUSTRATIVE EXAMPLES BOTS

CHAT

VOICE

VIDEO

BE AHEAD OF THE CURVE

TAKE ACTION

❖ **Why**: TTL predicts massive growth in the adoption of Bots. Today just 8% of companies report deploying bots and adoption was recorded mostly at large and medium-sized businesses.

❖ **When**: Your recruiters spend too much time on tactical support functions.

❖ **How**: Look at Bots

❖ **Implementation Impact**: The complexity of the implementation depends upon the number of integrations and workflows you create.

❖ **Outcomes**: Bots become an engaging way to collect information through intelligent workflows and across many different point solutions.

4

ASSESSMENTS ARE BEING ADOPTED FOR ENTRY LEVEL ROLES

ILLUSTRATIVE EXAMPLES ASSESSMENT TOOLS

SKILL BASED ASSESSMENT

HackerRank   TRUEUP

BEHAVIORAL BASED ASSESSMENT

career spark   KORU

SIMULATION BASED ASSESSMENT

vervoe   SHAKER

BE AHEAD OF THE CURVE

TAKE ACTION

❖ **Why**: Assessment tools are being more widely adopted in recent years. Adoption of skill and behavioral assessments have each penetrated about 50% of the market.

❖ **When**: You are hoping to optimize or having trouble properly assessing candidates skill sets and fit.

❖ **How**: Look at Simulation-based Assessments, Skill Assessments, Behavioral Assessments

❖ **Implementation Impact**: These can be implemented in less than 2 months.

❖ **Outcomes**: You will have another, usually quantifiable, data point to assess candidates with.

5

FREELANCE PLATFORMS HAVE EMERGED TO SERVICE A NEW CATEGORY OF TALENT

THE TECHNOLOGY INVOLVED

YOUR COMPANY

TEMPORARY LABOR MARKETPLACE

FREELANCE MANAGEMENT SYSTEM

VENDOR MANAGEMENT SYSTEM

FREELANCER #1
FREELANCER #3
FREELANCER #2
FREELANCER #8

FREELANCER #5
FREELANCER #6
FREELANCER #17
FREELANCER #4

STAFFING FIRM #1
STAFFING FIRM #3
STAFFING FIRM #2
STAFFING FIRM #8

STAFFING FIRM #5
STAFFING FIRM #6
STAFFING FIRM #17
STAFFING FIRM #4
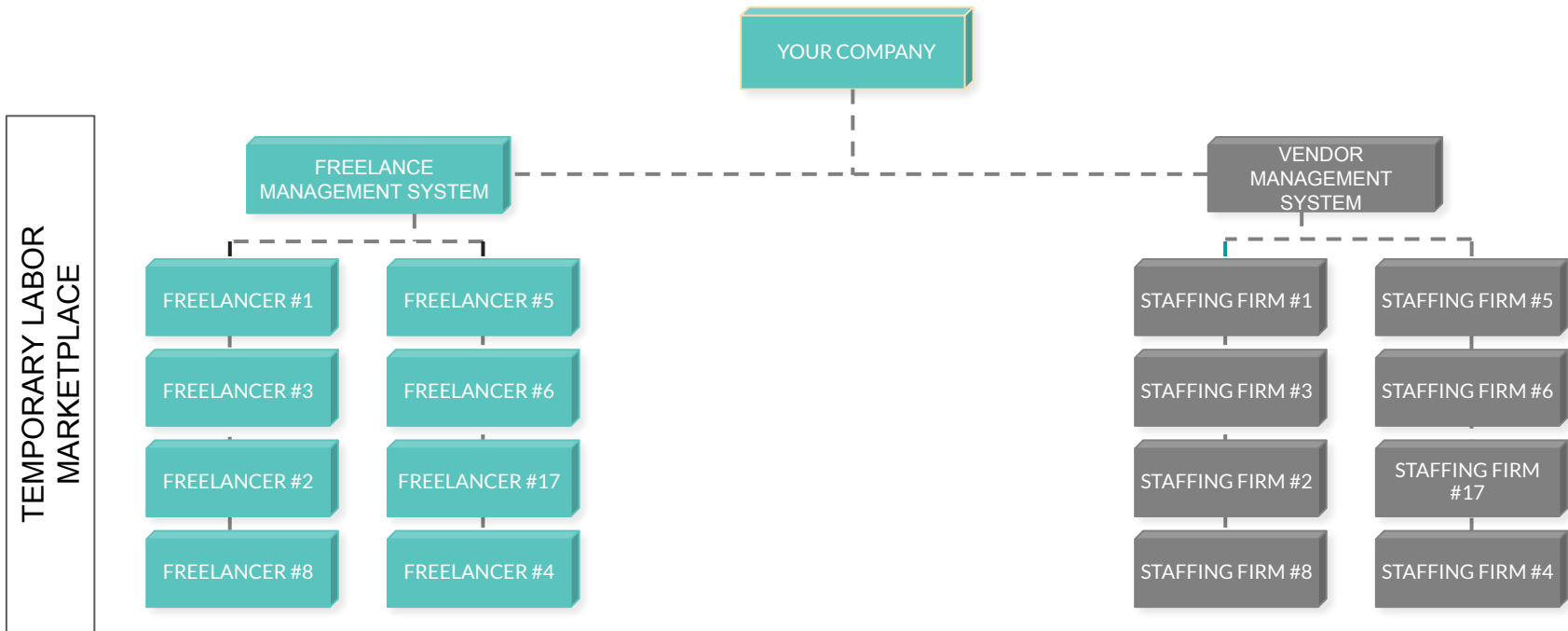
ILLUSTRATIVE EXAMPLES FREELANCE

FREELANCE MANAGEMENT SYSTEMS

BE AHEAD OF THE CURVE

TAKE ACTION

❖   **Why**: In the right scenarios, TTL see's massive growth coming for Freelance Platforms, as they only penetrate 5% of the market currently

❖   **When**: You are starting to hire a freelance workforce or have a large population of alumni, or referrals that you want to keep visibility on.

❖   **How**: Look at Freelance Management Systems

❖   **Implementation Impact**: If it's used at the manager or business unit level then implementation is short. If it is used at scale to give VMS-like visibility on spend and compliance issues then it will likely take much longer.

❖   **Outcomes**: You will be able to hire gig workers at scale.

ENVISIONING THE TA FUNCTION OF THE FUTURE

https://talenttechlabs.com/future

QUESTIONS

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