



The Experts' Guide to Data-Driven Recruiting

Table of Contents



1. Introduction

2. TA Leaders on Data-Driven Recruiting

- How Wayfair Uses Data to Optimize Its Recruiting Process and Performance
 - What Labor Market Data Can Tell Us About Attracting the Right Candidates
 - Measuring the Success of
 - Your Recruitment Process
 - Recruiting and Retaining
 - Diverse Talent
 - Designing Technical
 - Interviews to Simulate the Job
 - How to Make the Most of
 - Your Recruiting Data
-

3. Conclusion: Getting Data-Driven

4. Contributor Bios

Introduction

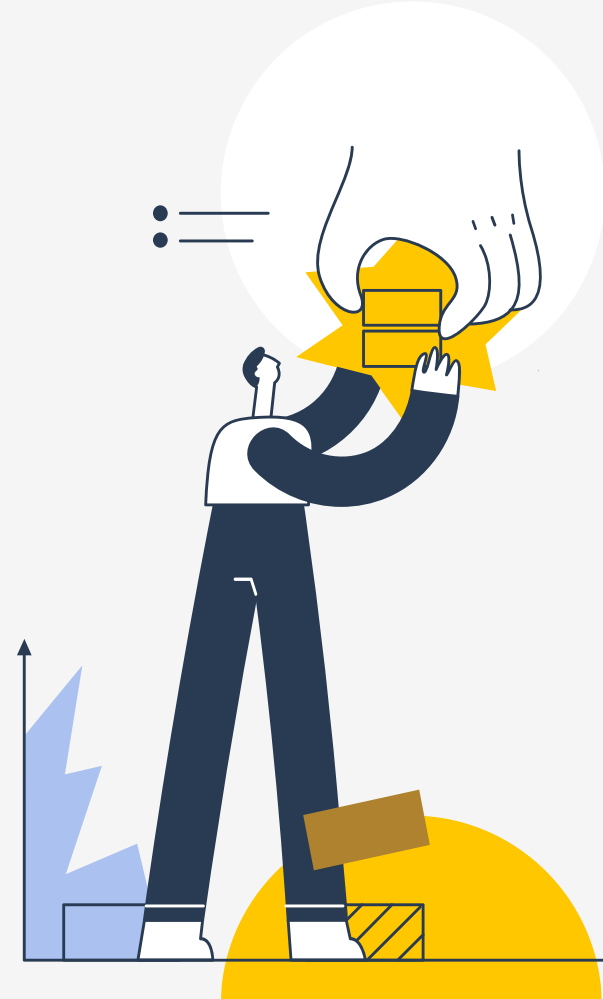
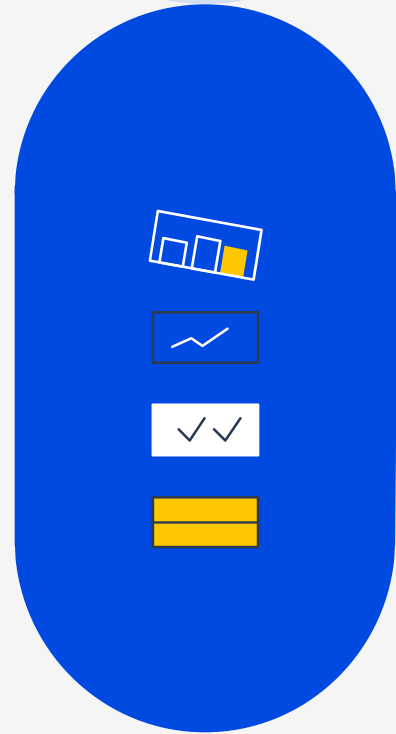
“Data is the new gold”—a bold claim that has now become common sense in the tech industry. If you’re not (yet) using data to drive decisions across all parts of your business, you’re falling behind.

This applies to recruiting, too.

Feeling nervous yet? You’re not alone. A recent survey found that **40 percent** of recruiters are concerned that they don’t have enough data to make fair and unbiased decisions in their work. And **78 percent** feel that having more access to data intelligence tools would help.

This guide is here to help you get started with data-driven recruiting—even if the concept is totally new to you. We’ve brought in seasoned recruiting leaders from top companies like **Indeed, Wayfair**, and others to share their advice on optimizing interviews, leveraging recruiting automation, using data to increase diversity, and more.

**So, take a deep breath.
The experts are here to help.**



TA Leaders on Data-Driven Recruiting

How Wayfair Uses Data to **Optimize** Its Recruiting Process and Performance

Christopher Mannion



For small and medium-sized businesses, recruiting happens with a small team of hiring managers, recruiters, and maybe (if you're lucky!) a recruiting coordinator. For a large enterprise company like Wayfair, recruiting happens on a totally different scale.

With over 16,000 employees serving four markets and a team of recruiters numbering in the hundreds, Wayfair needed a way to optimize the efficiency of its recruiting as the business grew rapidly. That's where Christopher Mannion, Global Head of Talent Acquisition Process and Innovation at Wayfair, came into the picture.

A new perspective on recruiting at scale

Unlike many leaders in the recruiting space, Christopher did not start his career as a recruiter. Before attending business school, he served as an Aerospace Engineer in the UK Royal Navy. It is this engineering background that inspires his approach to optimizing recruiting at Wayfair.

So when Christopher formed a team around improving recruiting processes in 2019, he applied his "operational lens" to identify inefficiencies and develop solutions. The problem his team confronted, however, was a confounding one.

"What we found was that as the [recruiting] team size increased, the actual hiring efficiency went down over time," Christopher explains.

"Even though we invested in a number of different platforms, tools, and resources in order to deliver hires more quickly, we couldn't quite get on top of the demand the business was facing."

An experimental approach to process **improvement**

To address the recruiting process inefficiencies they were seeing, Christopher’s team did more than look at the common metrics like time-to-hire, cost of hire, and quality of hire. They also thought through recruiting at Wayfair from the perspective of how candidates move through the funnel—something Wayfair was already well-versed in doing when it came to thinking about how their customers move through the buying journey.

His team started by looking at one of the recruiting org’s top priorities: increasing Product Manager hires. To do this, they started where a candidate would start on their own application journey—with the Wayfair jobs page. What Christopher and his team saw there were “70 different Product Manager roles, each slightly different.”

What a candidate couldn’t see was that, behind the scenes, all these open Product Manager roles were at widely varying stages and priority levels. Some roles had just opened, while for others, the hiring team was close to closing a candidate. If a candidate were to apply to the latter, they may never make it to an interview—even if they’d be a great fit for a similar open position.

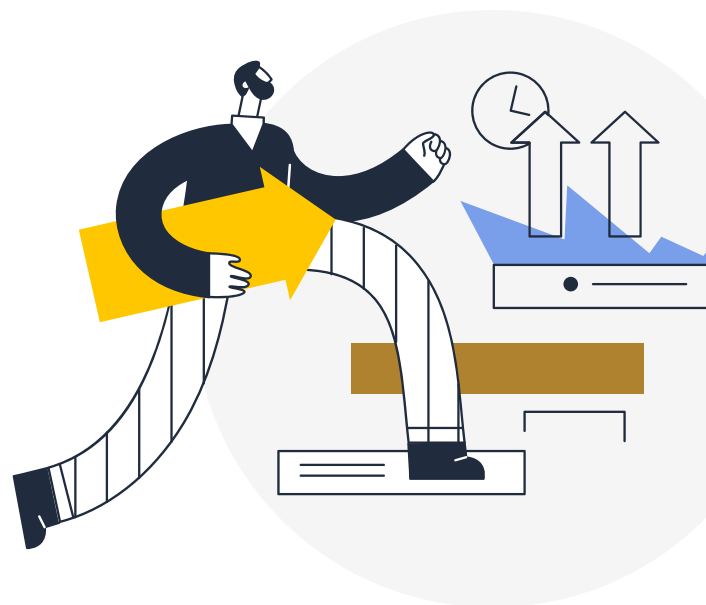
“Many of [these roles] are similar enough that asking a candidate to self-select into which they are the best fit for is potentially not setting them up successfully,” Christopher explained.

So, his team conducted an experiment. Rather than separately listing all open Product Manager positions on the Wayfair jobs site, they opted to list just four. After a candidate had applied, the recruiter would then match them to a specific role.

The result of this experiment? A 50 percent increase in hires per recruiter. On top of that, a better experience for recruiters, who were now able to “source” candidates for specific roles from a larger pool of applicants.

This experiment kickstarted a range of other initiatives that Christopher’s team has launched since then. As his team moves from developing streamlined processes and implementing automation where needed, Christopher looks forward to tackling more ambitious and aspirational projects with his team.

His vision for the future of recruiting operations at Wayfair? “Moving away from making hiring more efficient to really building teams more effectively.”



What Labor Market Data Can Tell Us about Attracting the Right Candidates

Tara Sinclair



When we talk about “data-driven recruiting,” recruiters are usually referring to the kinds of data they see in their daily work: metrics like time to hire, cost of hire, and quality of hire. Because they draw on data they collect about their company’s candidates and hiring processes, metrics like these have obvious relevance to improving how a company recruits.

For economist Tara Sinclair, however, data you collect at your own company is just the tip of the iceberg when it comes to data-driven recruiting. Since 2013, Tara has been a Senior Fellow with Indeed, drawing on Indeed’s large and detailed datasets to study major shifts in the labor market. In this article, Tara shares her insights about what recruiters can learn from labor market data about the challenges they’re facing in recruiting—and how to overcome them.

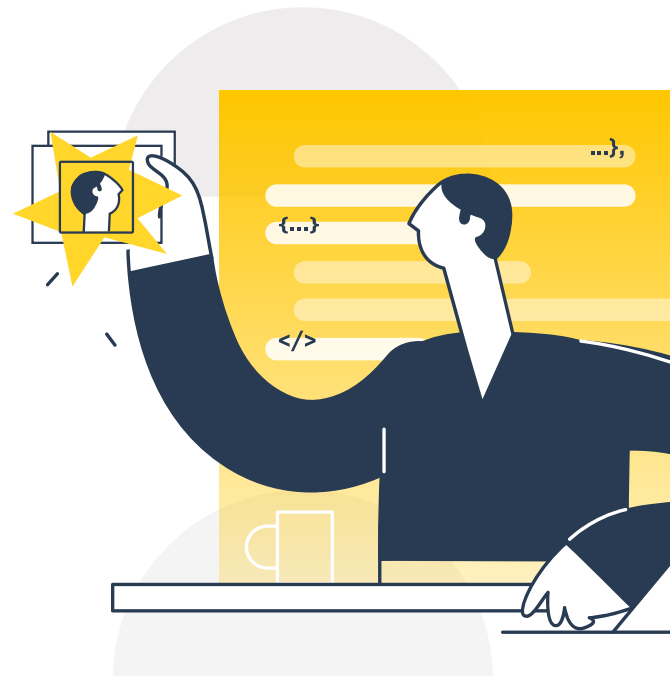
Challenge: Candidate/opportunity mismatch

When times get tough, the problem isn’t just that there are more job seekers than job opportunities. It’s also the case that, in these circumstances, job seekers are less likely to be a good fit for the opportunities that are available. Tara calls this “labor market mismatch.”

This mismatch is especially acute during times of crisis, like the ongoing coronavirus pandemic, and in sectors that are hardest-hit (like arts and entertainment). But the lessons we learn from this challenge are applicable to recruiters in companies across all sectors—even those that are booming.

Tara explains that when employers are having difficulty filling a role, “that suggests there is some aspect of the role they’re not making appealing enough to their target job-seeker to attract them.”

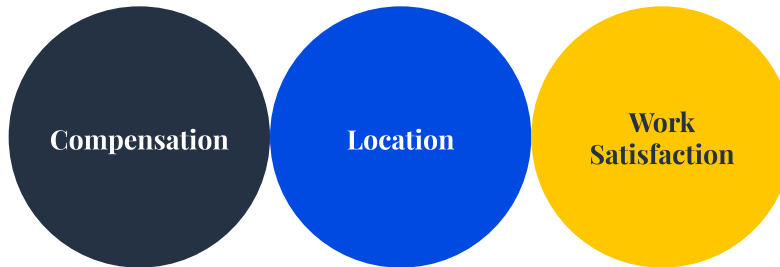
So, what can recruiters do to make their roles a better “match” for their target candidates?



Strategy:

Go back to the basics of what candidates want

When candidates look for a new opportunity, their decision usually comes down to three key factors:



For Tara, attracting the right candidates for your opportunities comes down to these basics. She recommends that employers ask themselves which of these areas they can be flexible on, and which they can work to make more appealing. “Can you flex on the location?” she suggests. “Can you offer more?”

As remote work becomes the new normal, Tara advises recruiters to stay attuned to what candidates are looking for. While remote work is often seen as a “perk” that gives employees more flexibility, after the pandemic, candidates may seek a company that offers them a physical office to work from as a location perk.

If salary and location are non-negotiable in your company, Tara suggests looking at what you can do to increase the satisfaction candidates can expect to get from their work—important for both recruiting and retaining great candidates.

A tried-and-true way to do this is improving the training your company provides to new hires. Tara explains:

“One of the things we consistently see is that if workers invest in their workers and training, that builds a better company culture and better employer brand—it actually helps retain workers.”

Conclusion

All companies will have different needs and limitations when it comes to revisiting the basics for their open opportunities. The good news is that no recruiter and no company needs to do it all. When it comes to attracting candidates, “There are so many features other than just the pure salary,” Tara finds. “Which makes it much more complicated, but it also gives employers a lot of different dimensions to think about making their jobs more appealing.”

Measuring the Success of your Recruitment Process

Sion Perks



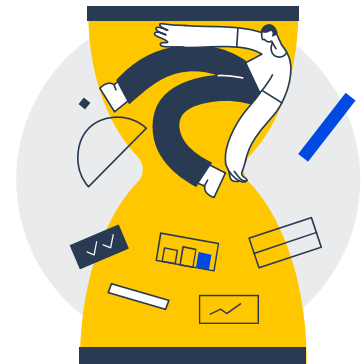
Sion Perks, a recruiter with nearly 10 years of experience, joined LeanData as the Recruiting Lead a year ago with a vision: to build out a recruiting process that is scalable, replicable, and data-driven. LeanData is an industry-leading B2B Revenue Operations platform that operates within the Salesforce CRM to automate the go-to-market process, accelerating organizations' revenue and growth.

In this article, Sion discusses the three key recruitment metrics he finds most important to measure, how you can advocate for using data in your organization's recruiting processes, and improving your recruitment processes through gathering feedback from relevant stakeholders.

Key Recruitment Metrics

01. Time to Hire

"Time to Hire" measures the time it takes for a candidate to move from first entering your hiring process, whether as an inbound applicant or a sourced candidate, to accepting an offer. For Sion, time to hire is a "classic" metric of recruitment success that is crucial for any organization to measure. "It measures the efficiency of any recruiting organization," Sion explains. "Time to hire is just incredibly important."



02. Quality of Hire

Quality of each hire, as its name suggests, is a more qualitative metric of the success of your recruitment processes. Measuring the quality of hire requires recruiters to develop ongoing relationships with both new hires and with hiring managers to better understand the success of your recruiting processes. As a recruiter passionate about fostering relationships, this metric tops the list for Sion in terms of which recruitment metrics to measure. Sion notes, "It's the metric I personally like following most closely."



● 03. Cost to Hire

Finally, cost to hire provides an effective quantitative measure of the success of your recruitment processes. Sion finds that cost to hire is the best way to measure the value of your recruitment tools. His advice?



“I think it’s important to concentrate on a handful of tools. There’s hundreds of great recruitment tools out there on the market, but having a handful of recruiting tools, spending your money appropriately on those tools, and really understanding which tools are adding value is important. Cost of hire is a good way of measuring that.”

Advocating for Data-Driven Recruiting Processes

Identifying key metrics to measure is a great step if your organization already buys into using data-driven recruitment processes. But, how can you gain your organization’s buy-in to data-driven recruiting if they’re not yet using data to inform their processes?

The answer is finding interesting data and presenting it in a way that highlights its business value. “We’ve all got access to these pretty powerful analytical tools on the recruiting end of things. Most recruiters have access to the reporting functions of whatever ATS they’re using,” Sion says.

His advice to recruiters is simple: “Just play around! Find things that you think are interesting, and once you find those, you can discuss them in meetings and bring them to one-to-ones with your manager.”

Improving Your Recruitment Processes

All data-driven recruitment processes need to start somewhere – and “it doesn’t need to be perfect in its first iteration,” Sion explains. The key is to iterate on your processes through continually seeking feedback from relevant stakeholders. At LeanData, he does this by checking in with both new hires and hiring managers at regular intervals after a hire has been made.

“Continuing to have that relationship with the person you’ve hired and with the hiring manager, and checking in with them after a month, two months, three months, is the most important way of learning how successful the process was,” says Sion. Based on this feedback, Sion recommends improvements to LeanData’s recruiting processes. The result? An iterative process of continuous improvement that creates exceptional experiences for candidates and quality hires for LeanData.

Recruiting and Retaining Diverse Talent

Yordanos Asmare



Yordanos Asmare, the Senior Global Recruiting Manager at Liftoff, has seen the company grow fivefold since she started there four years ago. Liftoff is a mobile app marketing and targeting company that utilizes machine learning to optimize user acquisition and engagement—and it has experienced tremendous growth since its founding in 2012. “I was employee number 55,” Yordanos says. “We’re now 270 plus employees, and a truly global company.”

In this article, Yordanos describes how Liftoff stays competitive when hiring technical talent, the importance of taking a “holistic” approach to recruiting, and why the tech industry needs to reframe how we think about recruiting diverse talent.

Recruiting Holistically

Silicon Valley recruiters are keenly aware of the competition for hiring high-quality technical talent. What allows Liftoff, a startup operating in a saturated market, to compete with the tech giants in hiring for talent? The secret is Liftoff’s “holistic” approach to recruiting and retaining top talent.

When closing candidates, for example, Yordanos explains that her team presents an offer “in a holistic manner,” where candidates “really get to see what they would be coming into—the role, team, product work, financial picture, expectations, growth path, and more.” As part of the ramp-up and onboarding processes, Yordanos and her recruiting team check in regularly with new hires. Liftoff new hires also participate in a mentorship program with more seasoned team members, where they are given, as Yordanos puts it, “opportunities to fail early on and learn from those mistakes.”

Yordanos credits the success of Liftoff’s recruiting to its end-to-end and human approach, which focuses on establishing trust and credibility with candidates early in the hiring process, and then building on this once they join the team. “We are bringing in a human being, not a qualification on a resume,” she explains.

Attracting and Retaining Diverse Talent

Yordanos' holistic vision for recruiting doesn't just allow her team to attract top talent. It also speaks to a timely issue in the startup world: how to make tech more diverse and inclusive. For Yordanos, making a difference in diversity isn't about numbers, though. It's about making your workplace an environment where employees feel empowered to succeed.

"For me, where we should be starting is, 'how do we improve equity and inclusion in the tech industry?'" Yordanos says. Rather than focus on quantitative diversity measures, she recommends looking at the structure of support, ownership, and growth your company offers to new hires. Retaining diverse talent requires that your team members feel ownership over their work and that they have "a voice at the table"—it's not enough to just be in the room.

What does this mean for recruiters? Start by looking at your requirements of "must haves" and "nice-to-haves" for new roles. Yordanos advocates for taking a critical look at what you're looking for in your candidates and why. With each requirement, ask yourself, "Why do we need this and how do we assess it?" and, "Are there skills that could be bridged through training?" It's also important to keep in mind that "access" (to elite universities, for example) and "talent" are not the same thing.

Conclusion

Recruiting for diversity isn't about "lowering the bar" for some candidates, Yordanos explains. Rather, a holistic approach to recruiting that focuses on retention is the key to building out a team of diverse and high-quality talent.

A data-driven approach allows recruiting teams to see the big picture impact of their work for key indicators like retention and diversity. "Data-driven doesn't just mean using numbers for one aspect" of recruiting, Yordanos clarifies. "It's the comprehensive analysis and understanding that matters in terms of establishing Key Performance Indicators."

"If you integrate data into every step of the recruiting and hiring process, it can surface things that will surprise you – and make the team more efficient."

Designing Technical Interviews to Simulate the Job

Tigran Sloyan



At the end of the day, all companies want the same thing from their recruiting team: to find and hire the candidates who will perform best on the job. One way to achieve this is to have candidates actually do the job and see how it goes. Some companies are doing this with “test-drive hires”—they hire new employees for a 30-day contract before considering them for a permanent position.

Trial hires, however, are not a great fit for every company. For a small startup, an unsuccessful trial hire might cause more harm than good. And it’s a lot to ask of candidates, too. The top technical talent you’re looking for may not want to leave their current position for a temporary contract position with your company.

So what’s the best alternative? Turn your interviews into simulations of the job, says CodeSignal CEO and Co-Founder Tigran Sloyan.

Why Interviews Should Be like Simulations

A great example of interviews that are run like simulations is the process of auditioning to join an orchestra. A “candidate” for an orchestra isn’t asked how they might hypothetically play a piece of music, or what they would do if they messed up mid-performance. Instead, they’re asked to show—not tell—by actually playing a piece of music for a panel of judges.

Even better, orchestra auditions are often blind, meaning judges don’t see the person auditioning. They only hear them. The musician shows judges how well they’d perform on the job by actually doing the job.

Interviews with software engineers should be more like orchestra auditions, Tigran explains. “For a software engineer, what you look like has nothing to do with how well you’re coding and building things.” Instead, technical interviews should test candidates’ abilities to actually perform the tasks required of the job.

How to Improve Your Technical Interviews

How can you make your interviews more like simulations while also creating a great candidate experience? Tigran believes that it comes down to creating an interview process that approximates the job as closely as possible within a constrained time frame and setting.

It also means having consistency in how you conduct interviews to ensure all of your candidates are being assessed against the same standard. Without a consistent process and objective criteria for evaluating candidates, “biases start going wild,” Tigran says.

He recommends three ways to make your technical interviews more like simulations:

Do a pair programming review

Most software engineers work in a Git-based environment. They are used to committing their code, receiving feedback, and then making changes in a back-and-forth process. But, re-enacting this process exactly would take several days—too much time for a hiring process.

Instead, use a pair programming review activity in your coding interview: have your candidate write some code, and then have the interviewer provide feedback and ask questions. Here, you can see how the candidate responds. Do they take feedback well? Do they listen to what the interviewer said? All of this should be taken into consideration alongside their coding skills.

Use the best tools

Software engineers will do their best work when they’re provided great tools that enable them to do that work. Investing in an assessment platform that provides a realistic IDE (including features like autocomplete and a REPL environment that allows them to interact with their code) allows you to better simulate the job in your interview process.

Give candidates a take-home assessment

Asking a candidate to complete a long and complex coding task during the interview may not be the best way to assess their skills. For one, this can be a nerve-wracking experience. ‘But even more importantly, it does not realistically simulate the job of a software engineer.’



“A lot of great candidates get unnecessarily filtered out because they get nervous when someone is watching them.”

With a take-home assessment administered via a platform like CodeSignal, your hiring team can review the candidate’s work and their process. Later, they can discuss the assessment with the candidate in the interview.

When you treat your technical interviews like simulations, you get the best of both worlds. For your company, you’ll have an effective and unbiased process for identifying and hiring the best candidate for the job. And for your candidates, they’ll have a positive recruiting experience that leaves them with a great impression of your company.

How to Make the Most of Your Recruiting Data

Benjamin Encz



Using data to inform your recruitment decisions makes for better hires, eliminates bias, and reduces cost to hire, among other benefits. Most recruiters today have access to a wealth of data about their recruiting processes. If they use an applicant tracking system (ATS), more data is being collected automatically than they may even realize! Having the data, however, is just the first step. Just as crucial is knowing how to interpret the data and translate it into actionable insights.

That’s the problem Benji Encz, Founder and CEO of Ashby, is committed to solving. Ashby is a platform that helps recruiting ops teams optimize their processes with advanced analytics and automation modules. In this article, Benji explains the importance of collecting quality data about your recruiting, what recruiting ops teams need, and why recruiting data is often under-utilized—as well as how to overcome this problem.

Collecting Quality Data

To really analyze and make the most of their data, recruiting teams need to first make sure they are collecting high-quality data. When Benji works with recruiting ops specialists, one of the first things he notices is challenges with the quality of the data itself: data that isn't tracked or tracked inconsistently, and data that hasn't been cleaned, for example. (What is clean data? It's the gold standard for data analysis and means that the data are valid, accurate, complete, consistent, and uniform.)

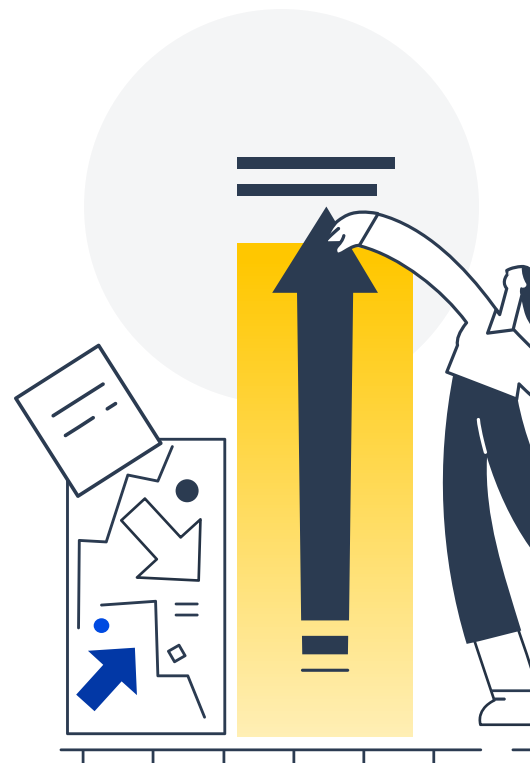
The good news? If you use an applicant tracking system (ATS), lots of useful data are being collected consistently and automatically already. "If you think about recruiting and the tools that are used, a lot of structured data is captured," Benji says.

"By using an ATS, you're already tracking all the structured data. You have a lot of data available."

What Recruiting Ops Teams Need

To really analyze and make the most of their data, recruiting teams need to first make sure they are collecting high-quality data. When Benji works with recruiting ops specialists, one of the first things he notices is challenges with the quality of the data itself: data that isn't tracked or tracked inconsistently, and data that hasn't been cleaned, for example. (What is clean data? It's the gold standard for data analysis and means that the data are valid, accurate, complete, consistent, and uniform.)

The good news? If you use an applicant tracking system (ATS), lots of useful data are being collected consistently and automatically already. "If you think about recruiting and the tools that are used, a lot of structured data is captured," Benji says.



How to **Make the Most** of Your Recruiting Data

Truly understanding and drawing insights from your recruiting data can be a challenge. Even bringing in a business analyst or data scientist to interpret the data for your recruiters may not produce the best results. There's a specialized way of analyzing data in recruiting; analysts need to understand the recruiting process inside and out to deliver useful insights that actually make a difference for recruiting teams.

The trouble is that many recruiters do not feel empowered to analyze the data for themselves, either—even if they want to. A recent study found that 71 percent of recruiters say they need intelligent tools to process data for them. With tools like Ashby, recruiting ops teams and even recruiters themselves can easily access pre-canned reports and metrics to make sense of recruiting data. “It makes all of this data a lot more accessible,” Benji explains.

Conclusion

Making the most of your recruiting data isn't just about consistently capturing quality data. It also requires you to have the right tools to make sense of your data and translate it into business impact. One way to do this is to empower your recruiting ops teams and recruiters to explore recruiting data themselves with domain-specific analytics tools.

Combine quality data, great tools, and a recruiting team empowered to use their data, and you're well on your way to optimizing all of your recruiting processes.



Conclusion:

Getting Data-Driven

This guide has shared advice from recruiting leaders at top companies like Indeed, Wayfair, and more. The contributors approach the topic of “data-driven recruiting” from a variety of angles—from making the most of the recruiting data collected by your ATS, as Benji Encz explains, to Yordanos Asmare’s recommendation to leverage data to better retain diverse talent.

Across all of these perspectives, there are a few core takeaways for recruiting:

● You already have access to more data than you realize.

Does your recruiting team use an applicant tracking system (ATS)? You can download data from there that will provide rich insights toward key recruiting metrics. Do you interview or survey candidates about their experience with your hiring processes? That’s data, too. You may be surprised by how much data is just a few clicks away.

● Data is crucial to reducing bias in hiring decisions.

Done well, data-driven recruiting allows you to hone in on candidates who possess the skills that really matter for the job (rather than just candidates who went to very prestigious schools, or who are lucky enough to know the right people). This is crucial to increasing diversity on your teams.

● Recruiting automation tools will help you easily capture more data (and make your life easier).

The right recruiting tools can deliver incredible value to your team. A scheduling automation tool, for example, can help you capture more data on time-to-fill, reduce recruiters’ time spent on scheduling (freeing them up to focus on relationship-building), and ultimately improve candidate experience. It’s a win-win-win.

Ready to learn about how CodeSignal can help transform your technical recruiting processes to be fairer and more data-driven?

LET’S TALK

Contributor Bios

● Yordanos Asmare



Yordanos Asmare heads up global hiring at Liftoff, including recruiting operations and programming. She is also a founding member of Liftoff's DEI Advisory Committee. Before joining Liftoff, Yordanos worked as a technical recruiter at a number of successful Bay Area startups, including Reddit.

● Benjamin Encz



Benjamin Encz is CEO and Co-Founder at Ashby, a platform that helps recruiting ops teams perform at optimum capacity with advanced analytics and automation modules. Before founding Ashby, Benji worked as a software engineer and Director of Engineering at startups in both Germany and the Bay Area.

● Christopher Mannion



Christopher Mannion served as Global Head of Talent Acquisition Innovation and Analytics at Wayfair before founding his own company, Meander, in Spring 2021. Christopher drew from his background in operations and process optimization to develop a wildly successful recruiting analytics program at Wayfair.

● Sion Perks



Sion Perks holds over 10 years of experience in recruiting and is currently Senior Manager of Recruiting at LeanData, a revenue operations platform. Sion is passionate about building and iterating data-driven recruiting processes in collaboration with recruiters and hiring managers.

● Tara Sinclair



Tara Sinclair is a Senior Fellow at Indeed and Professor of Economics and International Affairs at George Washington University. Tara's research leverages Indeed's jobs data to inform her research on how employers hire during changing labor market conditions.

Tigran Sloyan



Tigran Sloyan is CEO and Co-Founder at CodeSignal, the first company to develop a fair, automated skills-based assessment platform used as a standard for technical recruiters and employers. Tigran is also the founder of the #GoBeyondResumes non-profit movement and an active member of the Forbes Technology Council.

