

Staffing Technology Report 2022

Insights from over 100 staffing firms.

In Partnership with



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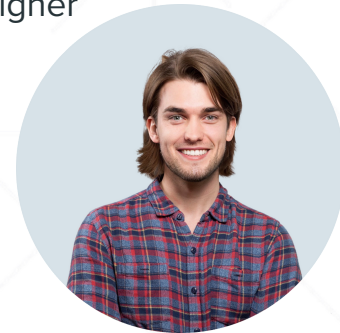
Introduction

The staffing industry continues to see improvements in various areas, which is no doubt largely thanks to the increased number of tech and software solutions permeating the HR space in 2022.

AI, chatbots, automation, cloud computing, app-based screening and tracking portals, along with remote conferencing tools, and virtual interview formats, have all contributed to increased candidate engagement and improved client ROIs this year.

That said, many challenges still remain in the staffing sector. Most notably, there has been a marked shift in terms of candidate expectations, as more people demand work from home or other remote working conditions, as well as higher salaries that are commensurate with inflation.

Our research examined dozens of metrics this year, and the key takeaways are insightful, informative, thought-provoking, and, most importantly, actionable. We hope the data contained herein will positively inform your strategies throughout the remainder of 2022 and beyond.



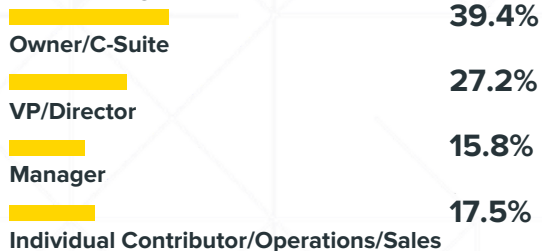
Jan Jedlinski
Co-Founder & CEO, Candidate.ly
& World Staffing Summit

Report Demographics

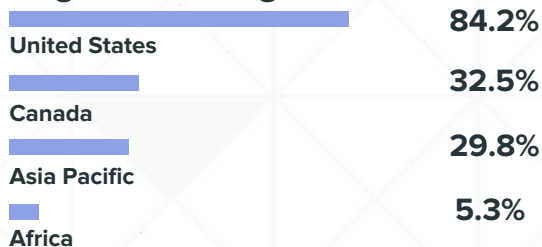
Company size



Seniority:

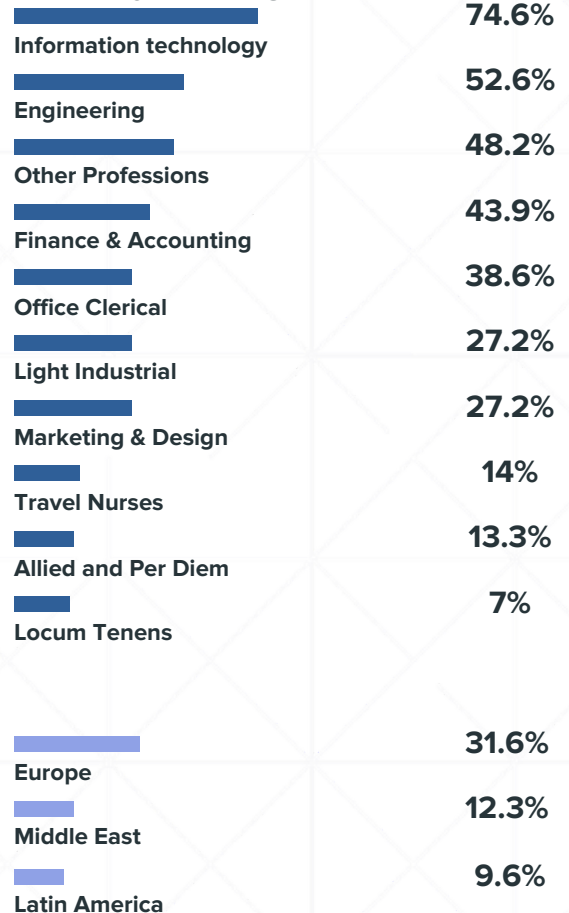


Regions serving:



114 respondents

Industry serving:



Among mid market and small staffing firms, revenue decreased from 2020 to 2021

Even though the revenue decreased, most firms expect that 2022 will be a great year for revenue growth.

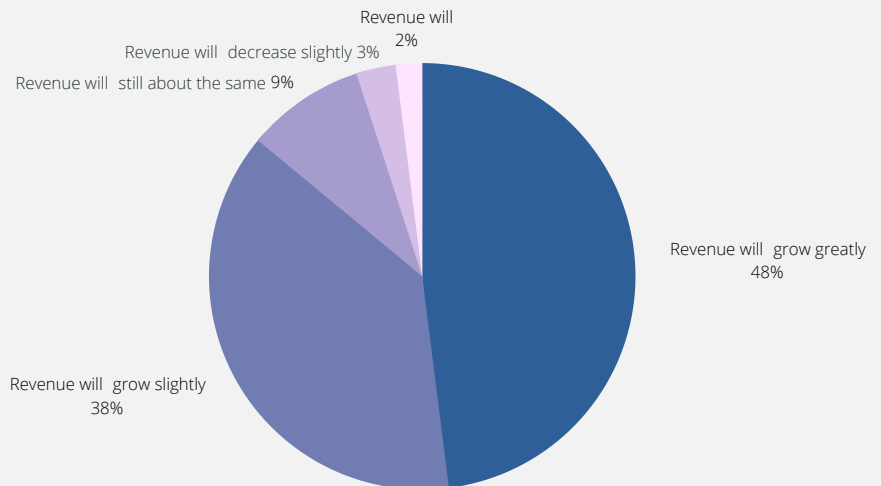
Staffing Firm Revenue Growth

Spending decreased among smaller & medium sized staffing firms—particularly the very smallest firms. Even though the average revenue increased by nearly 16% this was heavily motivated by the largest staffing firms and for the most staffing firms revenue decreased.

Even as smaller staffing firm revenue decreased somewhat from 2020 to 2021, most firms expect that 2022 will be a great year for revenue growth. Only 5% of firms expect revenue to decrease from 2021 to 2022.

Statistic	2020 (USD)	2021 (USD)	Year-Over-Year Change
Average	350,498,000	405,136,000	15.6%
25th Percentile	250,000	150,000	-40.0%
Median	12,000,000	9,500,000	-20.8%
75th Percentile	59,000,000	50,000,000	-15.3%

What are your expectations for revenue growth at your firm in 2022 compared to 2021?



Staffing firms are emphasising growth in various forms.

Staffing firms are focused on increasing revenues, but there is also an emphasis on increasing client fill rates and expansion.

What are your Firm's top 3 priorities for 2022?

70.2%

Grow revenue

49.1%

Grow net profit

25.4%

Increase fill rates at existing clients

24.6%

Expand geographically

21.1%

Improve client NPS

9.6%

Decrease time to fill

7.9%

Increase redeployments

23.7%

Launch new business line or occupational vertical

6.1%

Purchase / implement a major technology system (e.g. ATS or Deployment Platform)

20.2%

Digital transformation / increase technology investments or offerings

16.7%

Improve candidate NPS

6.1%

Other

Staffing Companies & Technology Adoption

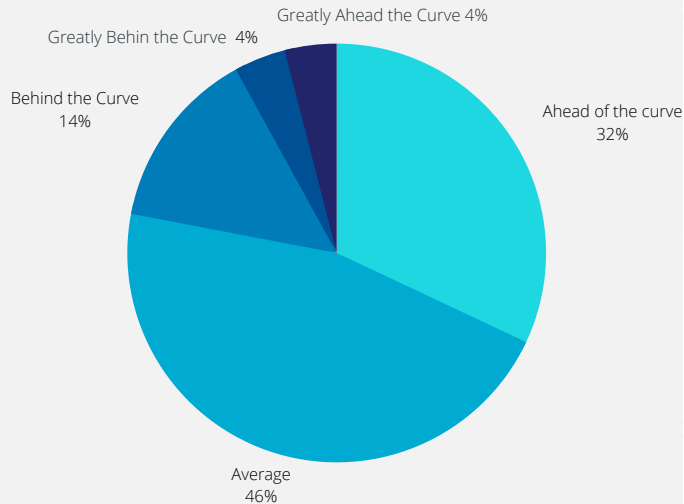
Staffing operators feel like their staffing firm is average or above in technology adoption.

Staffing Firms at the Vanguard

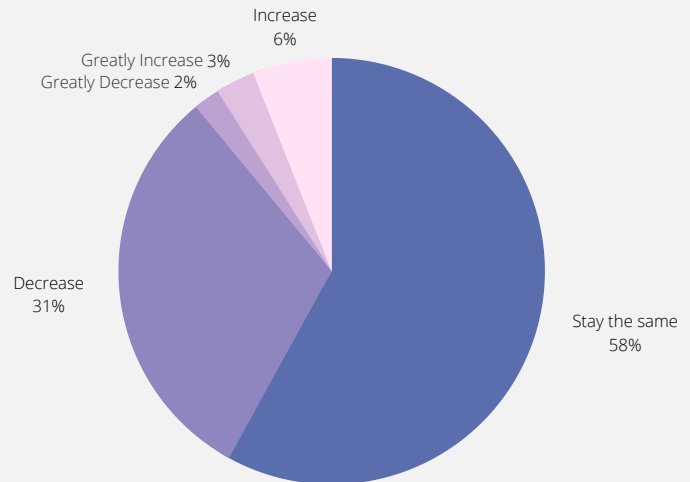
We might expect that in practice, staffing firms would be distributed evenly among those that are technologically behind the curve, on pace, or ahead of the curve. Yet, not many firms feel that they are behind the curve (just under 20%). Most firms feel that they are forward-looking, but it is important for them to consider ways in which they stack up.

Giving credence to how many staffing firms view themselves as ahead of the curve or on pace with technological changes, most firms expect to maintain or increase their current level of technology spending.

Where do you see your company compared to others?



Do you expect your firm to spend more, less or the same on technology?



Staffing firms see each other as the biggest threat

Yet, firms also fear their clients handling their own recruitment need through internal technologies and sourcing.

Which of the following do you feel pose the biggest threat to your staffing firm?

51.8%

Other staffing firms (e.g. competition)

34.2%

Direct sourcing (clients sourcing their own temporary workers via technology)

26.3%

Clients' internal sourcing capabilities

23.7%

Online staffing platforms

21.1%

Government legislation / regulations

22.8%

Increased prevalence of remote working arrangements

15.8%

Artificial intelligence -- "Smart" recruiting systems

8.8%

Recruiter Marketplaces

18.4%

Growth of VMS / MSP

3.5%

Other

The biggest challenges: filling orders & automation

Staffing firms also struggle with acquiring new clients and candidate drop off remains a persistent problem.

What are the biggest challenges facing your staffing firm?

33.3

Filling orders at existing clients

32.5%

Automating staffing and recruiting processes / increasing recruiter and sourcer efficiency

28.1%

Acquiring new clients

25.4%

Candidate drop off in application process

21.1%

Leveraging technology effectively / digitising staffing processes

7.0%

Assessing candidate skills and capabilities

7.0%

Fraud in the application process

7.0%

Redeploying candidates

16.7%

Maintaining or growing gross margins

13.2%

Differentiating your offering/staffing company from competition

6.1%

New online or digital staffing competitors

1.8%

Decreasing demand for your firm's services

1.8%

Other

Tremendous potential in automation & digitizing staffing processes

These areas will shift the day-to-day burden substantially away from individual recruiters, so they can focus on important tasks.

What are the biggest opportunities for your staffing firm?

63.2%

Automation

50.9%

Digitizing staffing processes

32.5%

Increased prevalence of remote work arrangements

27.2%

Reskilling

23.7%

Online staffing platforms

21.9%

Direct sourcing (helping clients source their own temporary workers via technology)

21.1%

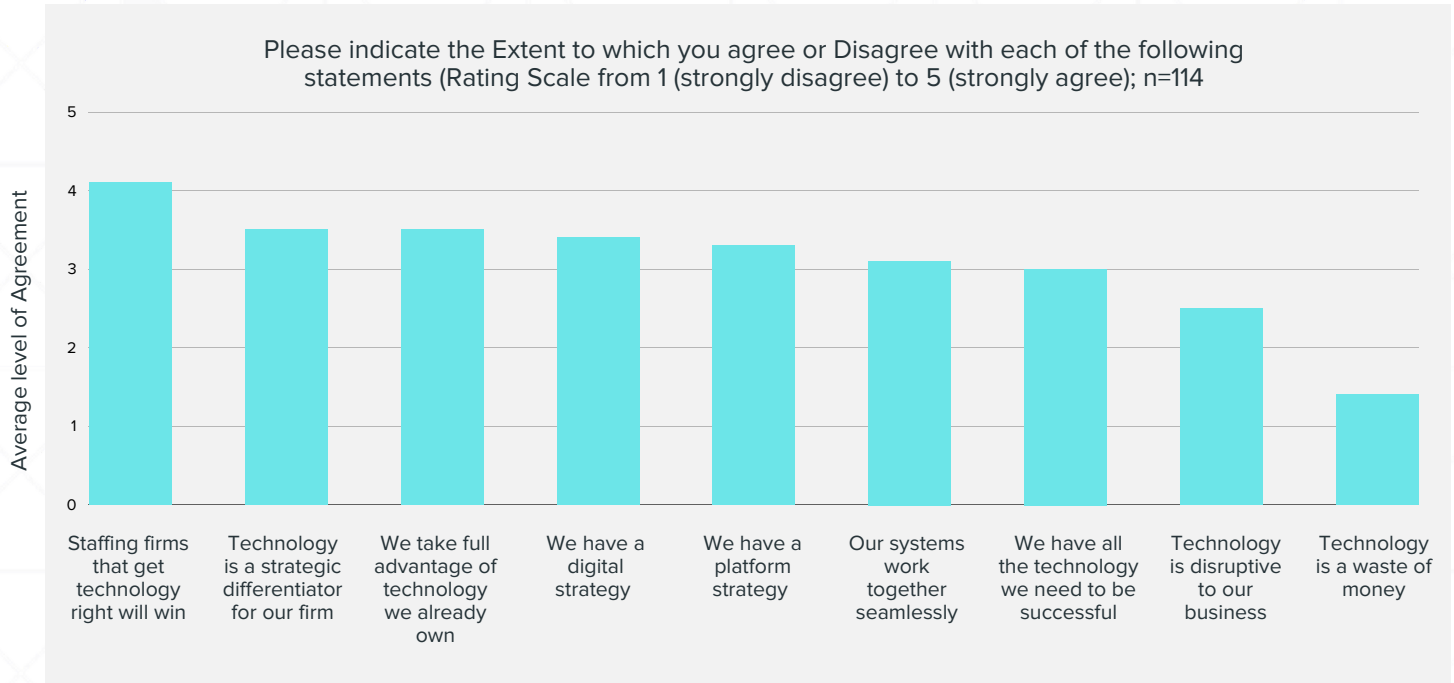
Launching or expanding an MSP offering

Technology is key for future success

Most staffing firms believe that those with the right technology will achieve more.

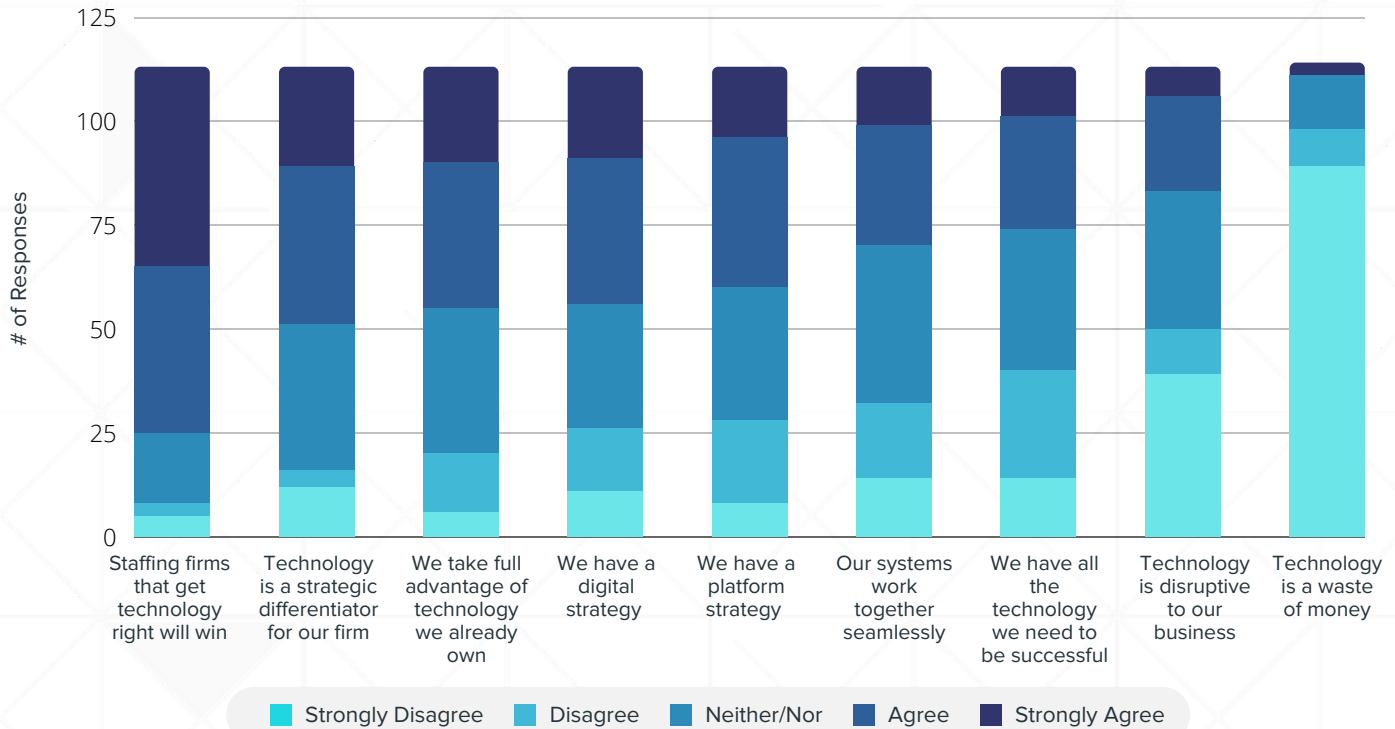
Perspectives on Strategy and Technology

- Staffing firms are big believers in the impact of technology on the differentiation and the bottom line.
- Few firms see technology as ineffective, and on average, these firms feel that there is room for more tools in their tech stacks.



Perspectives on Strategy and Technology

- Over ¾ of the respondents in the survey strongly disagree that technology is a waste of money, while over ¾ feel that firms that get technology right will win.
- Technology has to be treated as a key business strategy for staffing firms.

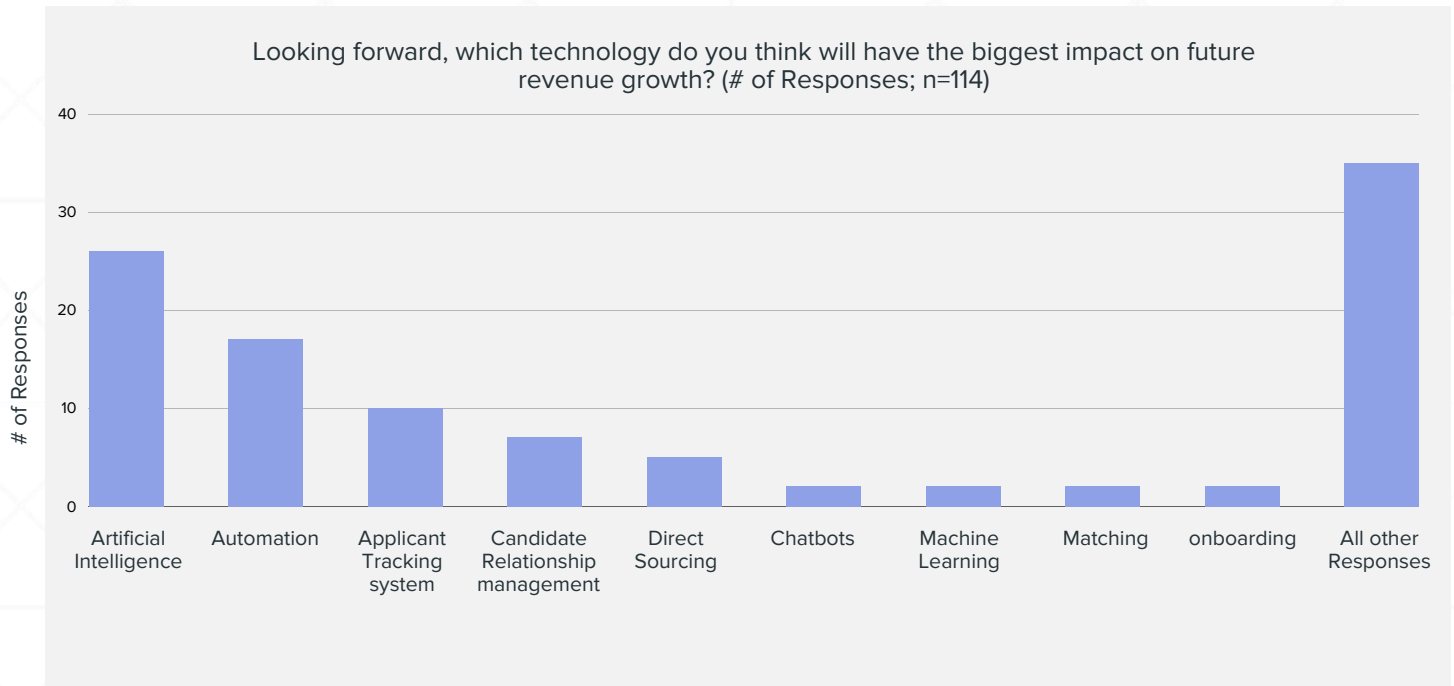


AI & automation are the beacons of hope

Looking forward, staffing firms believe that AI & automation will have the biggest impact on future revenue growth.

Impacts on Future Revenue Growth

We will see below that staffing firms aren't yet getting great ROI out of automation tools, though clearly they see potential in them in the future: AI and automation were the two most popular responses for tech that will impact future revenue.



Bullhorn & LinkedIn stand out from the rest.

Bullhorn and LinkedIn are reported to have the greatest impact on the bottom line of performance for staffing firms.

Vendors That Stand Out from the Rest

Bullhorn and LinkedIn are the top performing technologies for staffing firms, though firms have a wide variety of high-performing tools mostly unique to their circumstances.

Which vendor has had the biggest impact in driving bottom line performance at your organization? (# of Responses; n=114)



Evaluating existing technology capabilities

Technology plays a major role for the future performance of staffing firms. How do staffing firms evaluate their current tech stack?

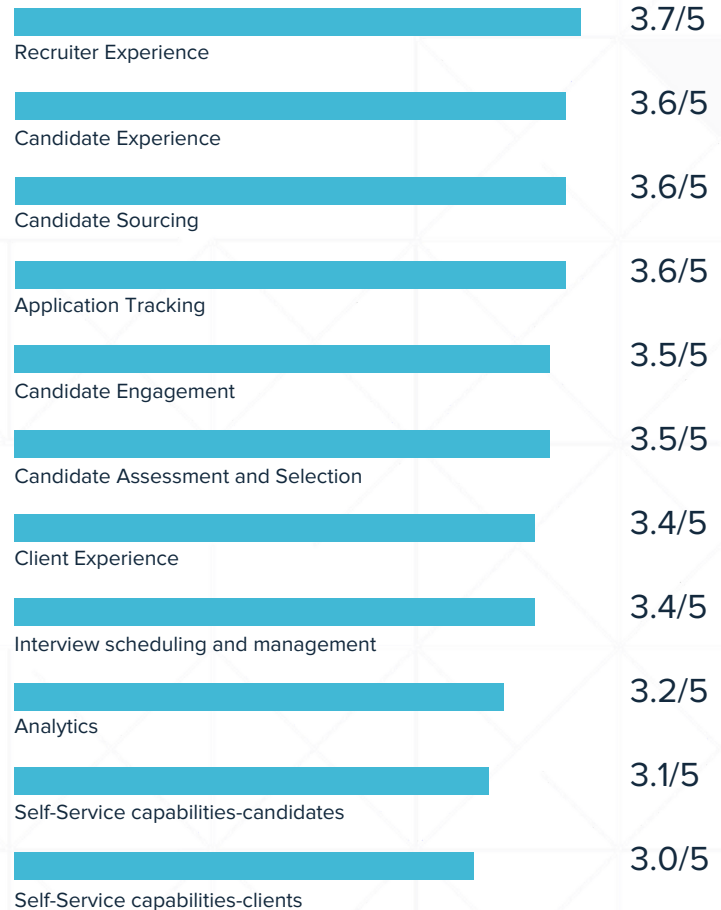
An overview

Staffing firms rate their existing technology capabilities between average and good. Firms feel most confident about the recruiter experience they provide, while they feel least confident in their self service capabilities for both clients and candidates.

We will go through each category individually and try to look behind the rating, and give insights on how staffing firms can boost their capabilities.

3.4/5

points is the average rating for existing technology capabilities



Recruiter experience

Many staffing firms are confident about their recruiter experience, but some are lacking.

Recruiter experience

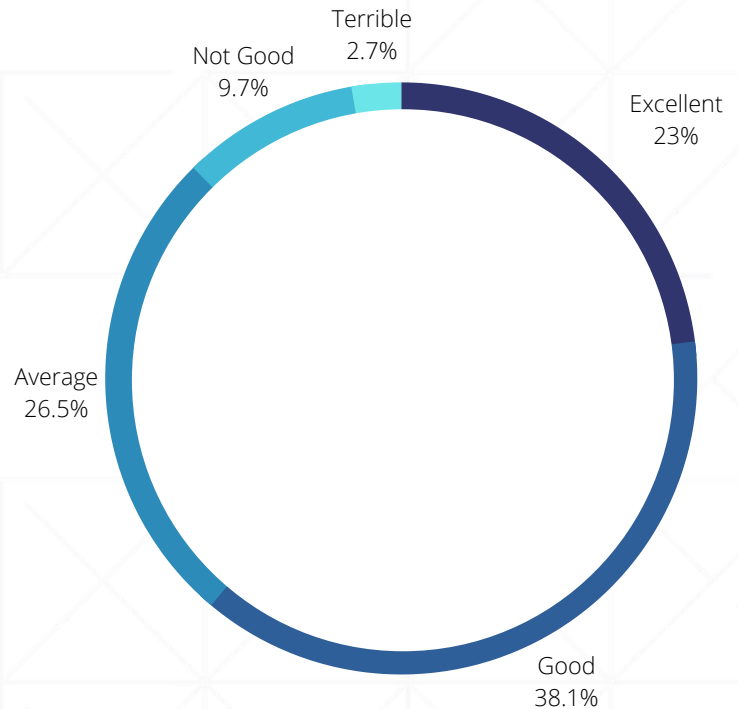
In today's recruiter shortage it is critical to offer good recruiter experience. It seems like this alerted many companies to invest heavily into this field. Over 60% think that they offer an above average experience for recruiters.

Of course, most recruiters will not report that they provide terrible service. Studies indicate that there is a discrepancy between the numbers reported by recruitment firms and the experiences reported by candidates.

3.7/5

points is the average rating for existing technology capabilities around recruiter experience

Recruiter experience Capabilities - Ratings



5 ways staffing firms can improve the recruiter experience

Flexible workspace & hours

A Harvard Business study shows that 88% of knowledge workers say that when searching for a new position, they will look for one that offers complete flexibility in their hours and location.

Conduct regular pay reviews

As an employer, it's your responsibility to ensure your employees are fairly compensated for their work.

Provide productivity tools

Recruiting jobs require lots of administrative work, much of which can become burdensome.

Reward recruiters for their effort

Recognizing your recruiters' achievements is a great way to make them feel valued and promote productivity throughout the workforce.

Help with their professional development

Most workers want to know that they're on the road to achieving great things in their careers. Without professional development opportunities, they may start to feel downhearted and unmotivated.

[Read more tips about recruiter experience here.](#)

Candidate Experience

As technology continues to expand in the sector, candidates are reporting better experiences across the board

Candidate experience

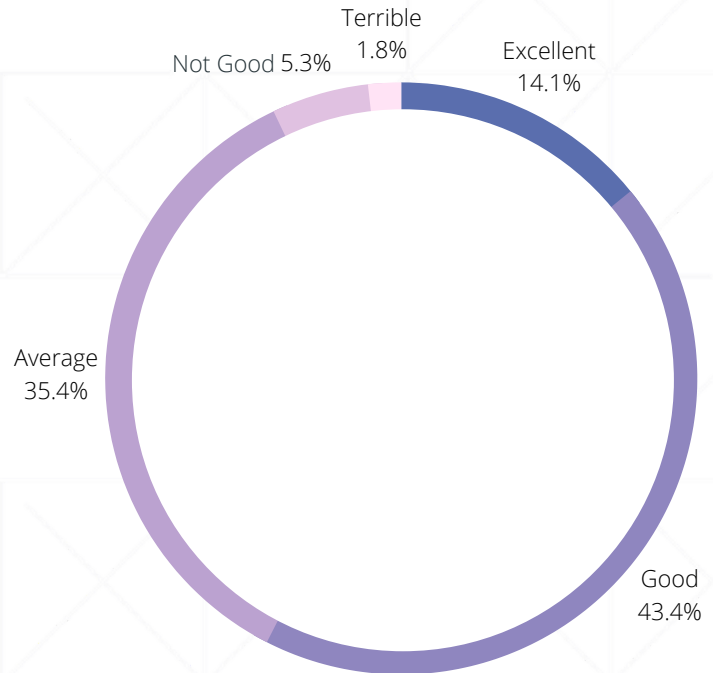
In terms of technology, the vast majority of candidates graded their overall experience with recruitment processes as either average or better than average, indicating that recruitment tools and technology are improving in the sector, at least in terms of UX.

This makes sense as new software solutions continue to be released in the HR space, and existing tools are updated and improved.

3.6/5

points is the average rating for existing technology capabilities around candidate experience

Candidate experience Capabilities - Ratings



5 ways staffing firms can improve the candidate experience

Maintain strong communication

Candidates want to know that you're doing everything in your power to secure their future. Try to check in regularly to keep them updated and answer any questions they may have.

Prioritize honesty

Openness and honesty are fundamental if you want to keep candidates on your side. Don't wait with providing bad information.

Don't ask for too much of their time

Job seeking often involves completing lengthy and time-consuming application forms.

Try to avoid overburdening your candidates by only asking for the information you genuinely require.

Ask for feedback

The relationship between a candidate and their recruitment firm should be a two-way street. By asking for feedback, you can ensure that they are happy with your service.

Stay positive

Sending upbeat and supportive communications will ensure candidates stay motivated throughout their job search.

[Read more tips about candidate experience here.](#)

Candidate Sourcing

Sourcing continues to be a challenge as more candidates are searching for remote and virtual positions.

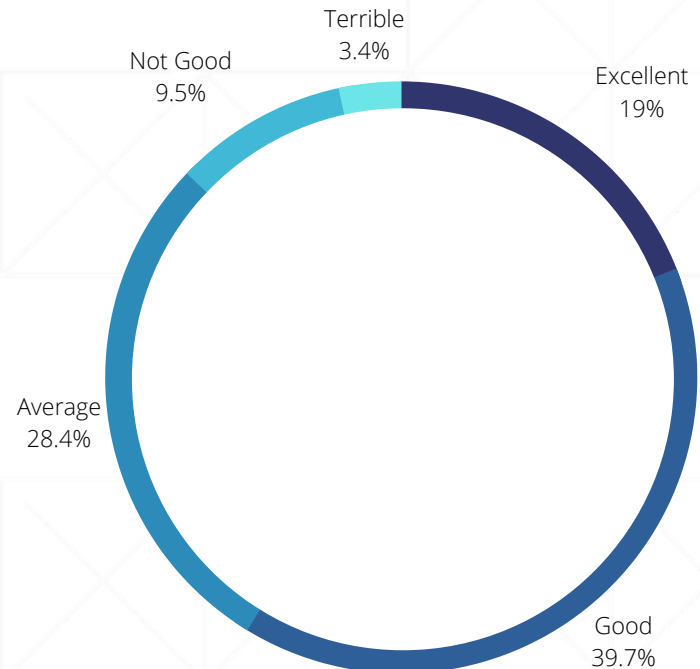
Candidate sourcing

Sourcing continues to be a challenge in the staffing industry. Key challenges are candidate suitability, qualifications, and job expectations. More insight is needed, although it appears there is a shift taking place with respect to traditional working arrangements as more candidates are seeking remote and work-from-home opportunities. Some employers are adapting, but others report feasibility issues.

3.6/5

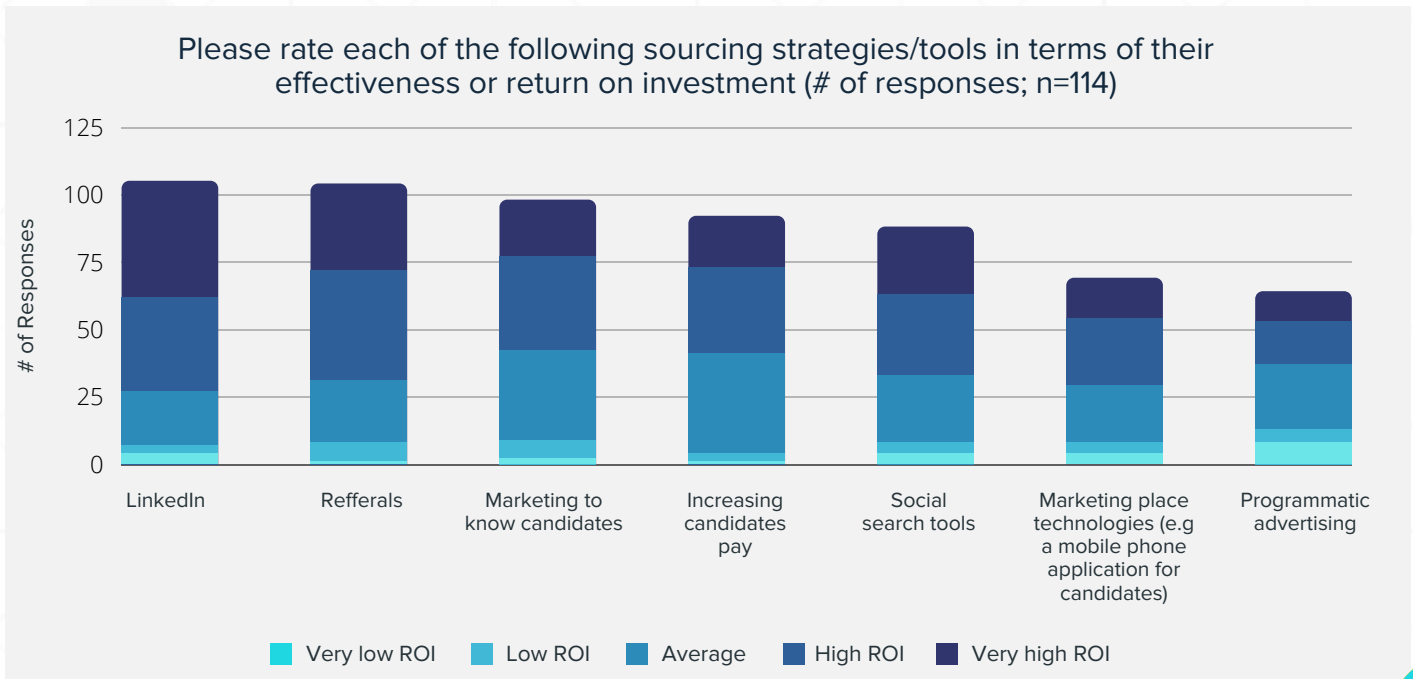
points is the average rating for existing technology capabilities around candidate sourcing

Candidate Sourcing Capabilities - Ratings



Benefits from Sourcing Strategy and Tools

- LinkedIn has substantially more respondents getting very high ROI out of it than other strategies and tools.
- Social search tools also have many major proponents, but they have their share of detractors relative to other strategies and tools.



How to improve your candidate sourcing strategy

Perform A/B Tests

First, you must send personalized general templates to your candidates. Then, take it one step further by diversifying your messages and seeing which tone and wording generate the highest response rates.

Don't Get Salary-Based Tunnel Vision

Focusing too much on salary could give a candidate the wrong idea and make them feel like you're undervaluing them. Veer the focus away from gaps between a prospective hire's current role and this new job opportunity

Prioritize Engagement

Meaningful interactions with candidates should be a top priority in candidate sourcing, including wishing them well in their new role or sending a birthday message.

Always Maintain Transparency

Maintaining transparency with candidate sourcing ensures no misunderstandings between talents and their potential new organization. They'll know what to expect (such as compensation and job responsibilities), and your clients can coordinate timely job interviews.

[Read more tips about candidate sourcing here.](#)

Applicant Tracking

New software and SaaS solutions have led to significant improvements in applicant tracking processes.

Applicant Tracking

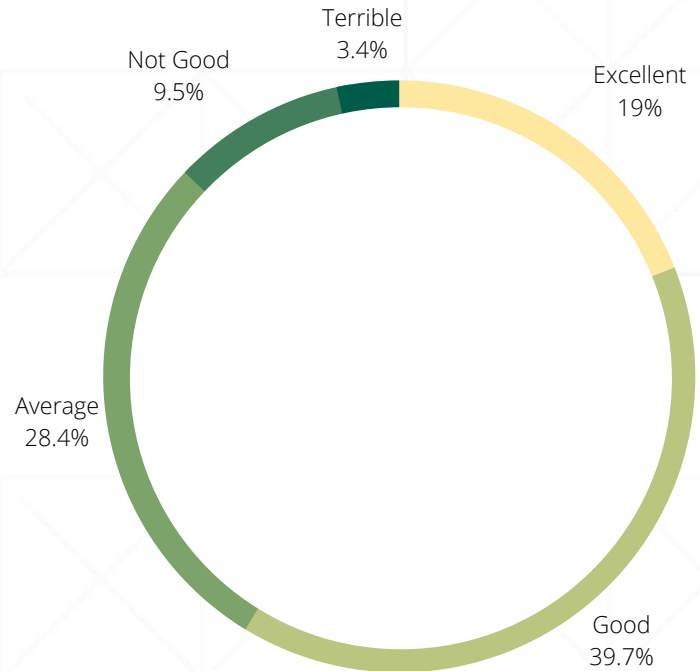
Tracking is an area that has seen ongoing improvement over the past number of years, and this year is no exception.

Software and cloud applications continue to appear on the market and have allowed recruiters to make significant progress in these areas as automation tools allow for enhanced capabilities, and cloud networks provide secure storage portals for application data.

3.6/5

points is the average rating for existing technology capabilities around candidate sourcing

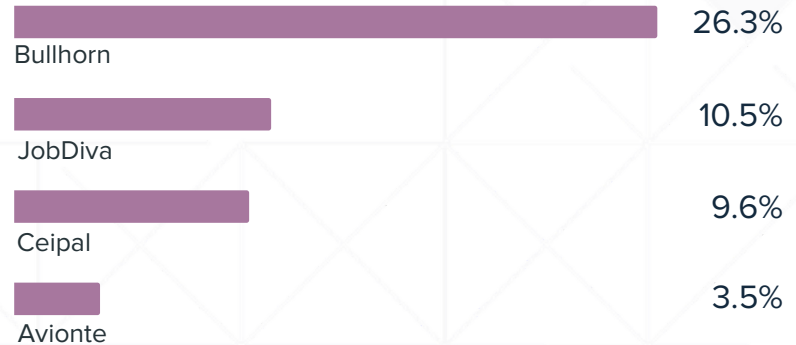
Applicant Tracking Capabilities - Ratings



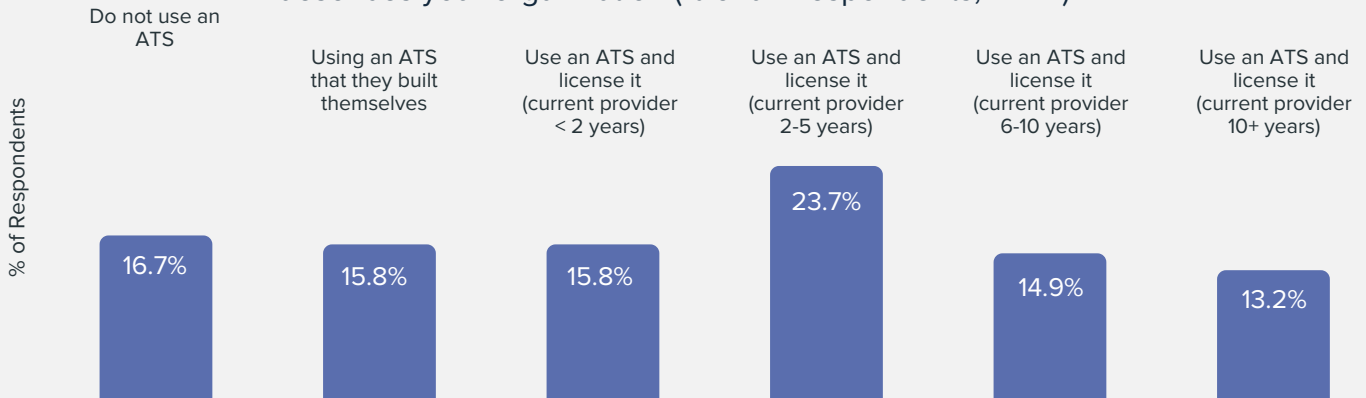
Applicant Tracking System Usage

- Most staffing firms use an applicant tracking system, and just over half have used their current ATS for at least two years.
- Yet roughly 17% of staffing firms report not using an ATS at all.

Top 4 most used ATS:

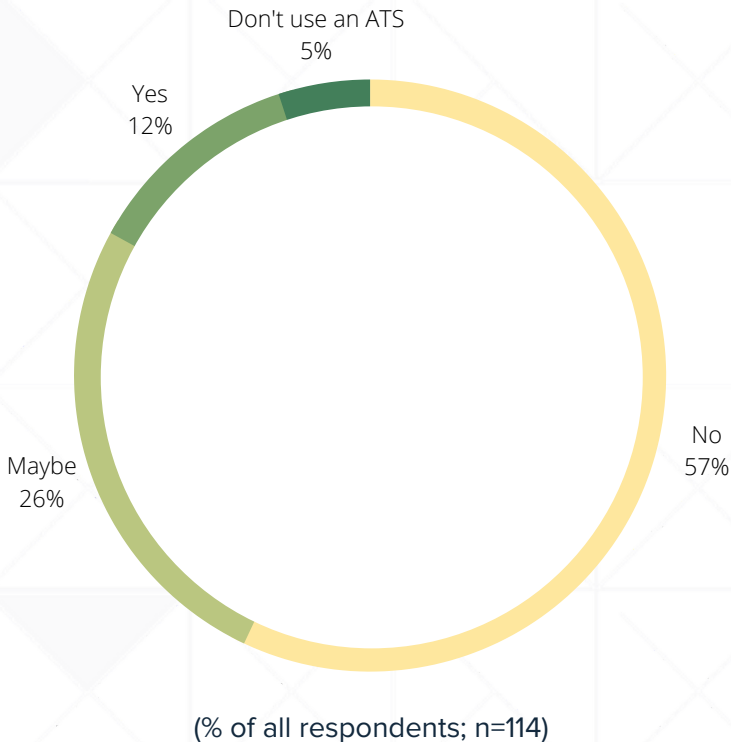


Evaluating staffing firm applicant tracking systems: Select option that most closely describes your organization (% of all Respondents; n=114)



Satisfaction with Applicant Tracking Systems

- The majority of staffing firms are content with their current applicant tracking systems.
- Only 12% of firms report being set on changing their ATS in the next year, while just over ¼ of firms are weighing whether to change their ATS.



Are you planning on switching applicant tracking system providers in the next 12 months?

Must-have features for applicant tracking systems

Receiving and sorting applications

Most ATSs offer the ability to receive applications via email or through an online form. The system will then parse the resumes and sort them based on predetermined criteria. Gone are the days of manually reviewing each resume.

Career page hosting

One of the first features to look for is the ability to host your career page on the ATS. This will save you time and money by eliminating the need to create and maintain a separate career website.

Interview schedulers

Most ATSs offer an interview scheduler that can be used to schedule and confirm interviews with candidates. This will save you the time and hassle of manually scheduling interviews.

Client management tools

A client portal is a great way to keep your clients updated, submit candidates, receive faster feedback and having live analytics.

It is important (if your ATS doesn't have a client portal) that you need to choose a client portal that integrates with your ATS.

[Read more about must have features of your ATS here.](#)

Candidate Engagement

Video conferencing and remote interviews have increased candidate engagement and responsiveness.

Candidate Engagement

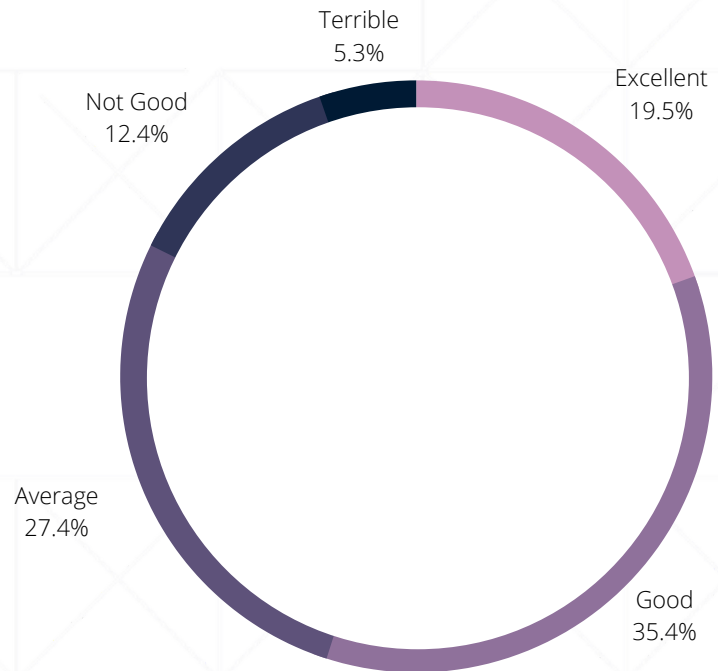
Engagement levels are up year over year. This is no doubt due to the increased number of remote and virtual tools, interviews, and onboarding processes that have flooded the market over the past few years.

Due to the fact that candidates no longer need to attend most interviews in person, it has become easier and more convenient to interview, which has led to a significant increase in candidate engagement.

3.5/5

points is the average rating for existing technology capabilities around candidate engagement

Candidate Engagement Capabilities - Ratings



Improve your candidate engagement strategy

Respond faster

A delay in response from the recruiter can negatively affect the process. To improve candidate engagement, you have to respond faster or you might lose a qualified individual.

Be transparent about the process

One of the reasons candidates feel disengaged from the hiring process is due to a lack of information. Candidate engagement will improve when recruiters share all the necessary information with the applicants.

Share information about the organization

From a candidate's point of view, every application has to be customized to the needs of the company. This will be easier if the recruiters share all the necessary information about the firm, what they're working on, the company culture, etc.

Get feedback from the candidates

You can improve the candidate experience by getting feedback from the applicants whether or not you decide to hire them. This will bring to light any loopholes or pain points in the process.

[Read more tips about candidate engagement here.](#)

Candidate Assessment & Selection

Shifting priorities continue to cause challenges around candidate assessment and selection for the staffing industry.

Candidate Assessment & Selection

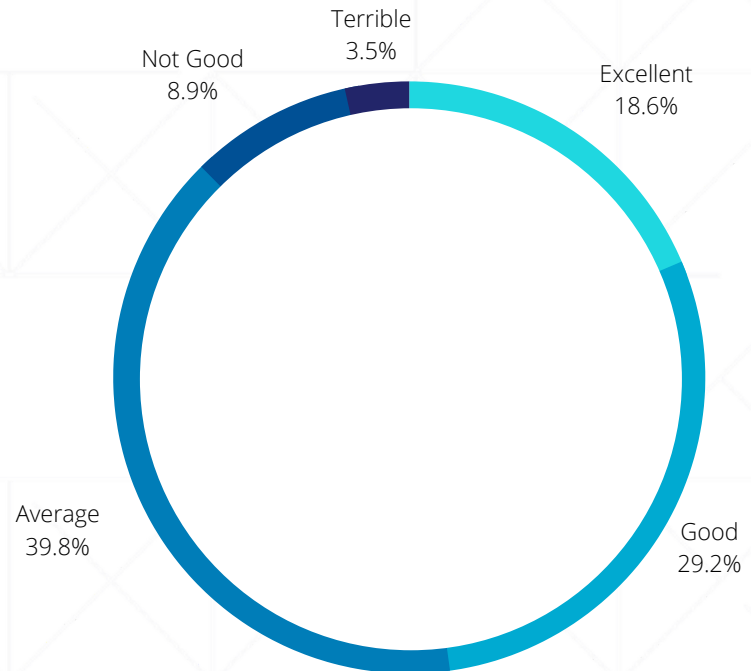
Assessment is always challenging, but this year the data indicates that recruiters have struggled in this capacity, with the majority of respondents indicating that the selection experience was only average or worse.

This could be due to the shifting demands candidates have for working conditions or because more employers now favor skills-based qualifications and experience rather than traditional university education.

3.5/5

points is the average rating for existing technology capabilities around Candidate Assessment & Selection

Candidate Assessment & Selection Capabilities - Ratings



The 4 best candidate assessment & selection tests

Skills tests

These tasks will analyze whether the candidate has the required skills to perform their job.

Knowledge tests

These are tests that measure the domain knowledge of candidates, whether it's a technology, platform, or sector.

Personality tests

Another method for screening candidates, these will figure out their perception, intuition, thought process, and social skills.

Cognitive tests

These are vital to understanding how the candidate will cope with real-life scenarios at the workplace.

[Read more tips about client experience here.](#)

Client Experience

Most clients are achieving a positive ROI with new hires as the recruitment landscape continues to evolve rapidly.

Client Experience

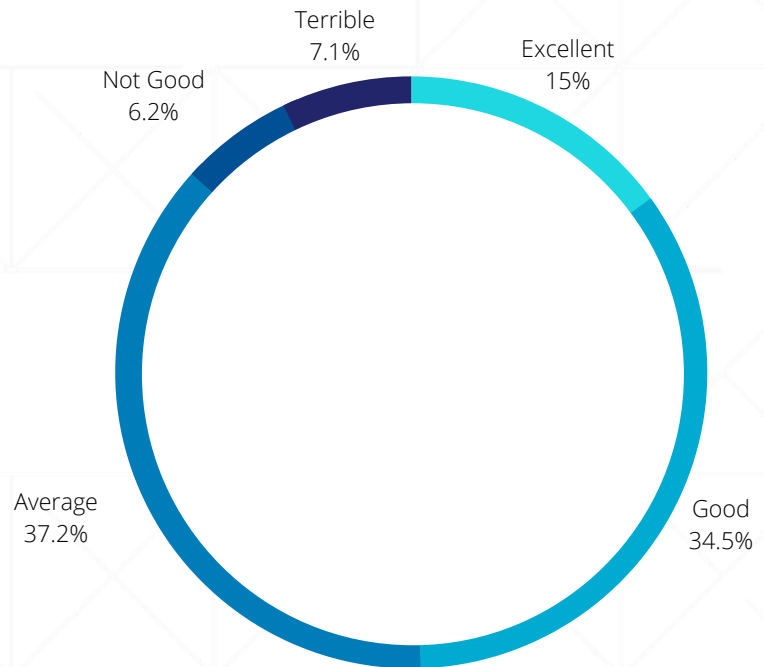
All things considered, the data is trending towards favorable in terms of client experience this year, with the majority of clients saying their overall results were either average or good.

This indicates that following the recruitment process, most candidates tended to be suitable, skilled, and well-suited to the positions that they were recruited for.

3.4/5

points is the average rating for existing technology capabilities around Client Experience

Client Experience Capabilities - Ratings



How to improve your client experience

Transparency

Providing clear and transparent information about the progress of your candidate search will help clients keep their operations running smoothly and arrange timely job interviews.

High Efficiency

In today's highly competitive business environment, clients require speedy and efficient recruitment services.

As a staffing firm, you can boost efficiency by investing in automated recruitment technologies, maintaining strong communication channels with clients, and asking clients for timely feedback about candidates.

Personalization

As you're probably well aware, every organization is unique and requires workers with highly specific skills and personality traits. As such, taking the time to familiarize yourself with clients' requirements will ensure you match businesses with suitable candidates, and vice versa.

On-demand Services

In an increasingly automated world, it's vital you offer on-demand services that deliver quick results for clients. As such, it's worth investing in automation technologies to help streamline your candidate pipeline and allow clients to use self-service features.

[Read more tips about client experience here.](#)

Interview Scheduling & Management

Automation tools and new technologies have facilitated improved interview scheduling and management modalities.

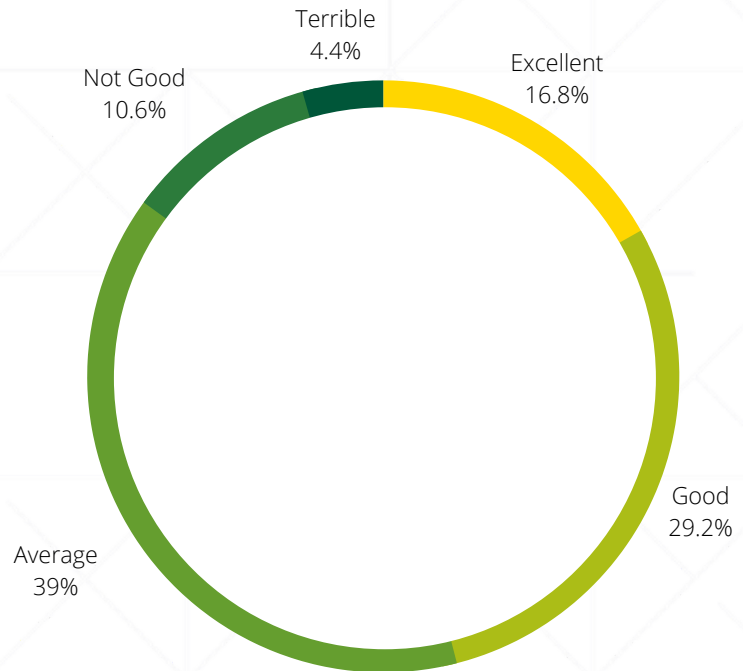
Interview Scheduling & Management

Scheduling and management are two areas that haven't seen much change over the past few years. New tools and remote technologies continue to be released, which make it easier for recruiters, clients, and candidates alike to attend interviews remotely, which has resulted in higher engagement and smoother processes than were common with in-person interviews prior to 2019.

3.4/5

points is the average rating for existing technology capabilities around Interview Scheduling & Management

Interview Scheduling & Management Capabilities - Ratings



Analytics

Recruiter and client analytics continue to improve in scope and accuracy as AI and automation tools permeate the industry.

Analytics

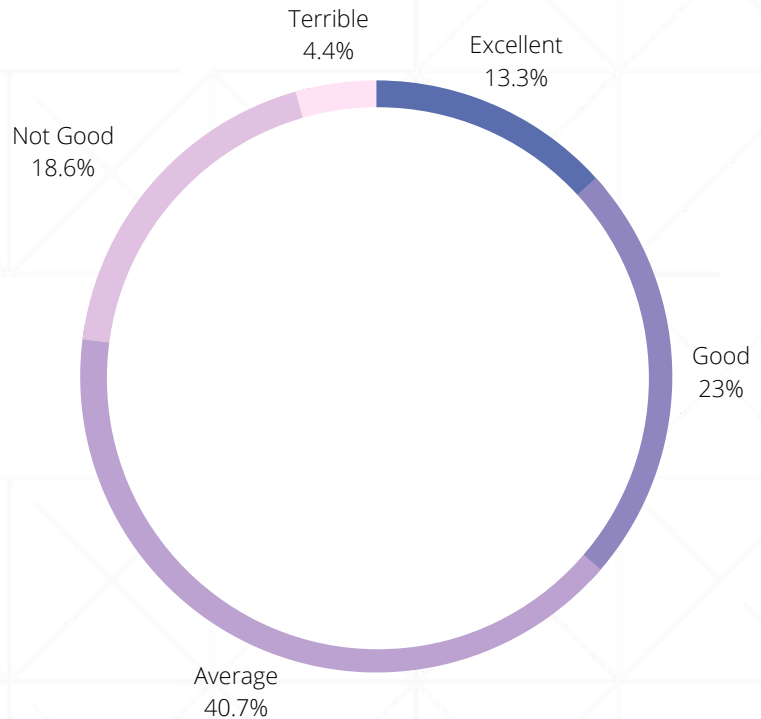
The overall field of analytics continues to improve as AI and other technology enable more accurate quantification in the HR space. Automation has also made a noticeable impact as more filters and screening criteria continue to permeate the available tools on the market.

This has led to an uptick in both recruiter and client productivity as it becomes faster to sort through applications submitted at high volume.

3.2/5

points is the average rating for existing technology capabilities around Analytics

Analytics Capabilities - Ratings



Analytics every staffing firm should track

Profitability

Perhaps the most obvious metrics to track are gross margin and gross profit. These figures will tell you how much money your business makes throughout the year, highlighting any potential cashflow issues at an early stage.

Fill rate

A fill rate represents the proportion of total job orders that your firm has successfully fulfilled. If your fill rate is low, your team members may not be spending enough time promoting individual candidates.

Time-to-fill

This metric assesses how long it takes your team to fill vacancies. The longer it takes to fulfill clients' needs, the more money you waste on advertising and staffing. A poor time-to-fill rate could indicate that you need to improve your advertising materials or adopt more industry-specific strategies.

Redeployment rate

This metric assesses the proportion of workers leaving certain assignments who are redeployed by your firm to another assignment. A high redeployment rate suggests that your candidate retention strategies are strong and profitable.

[Read more what metrics you should track here.](#)

Self Service Capabilities Candidates

New tools enable candidates to perform self-service tasks that previously required the oversight of an HR professional.

Self-Service Capabilities Candidates

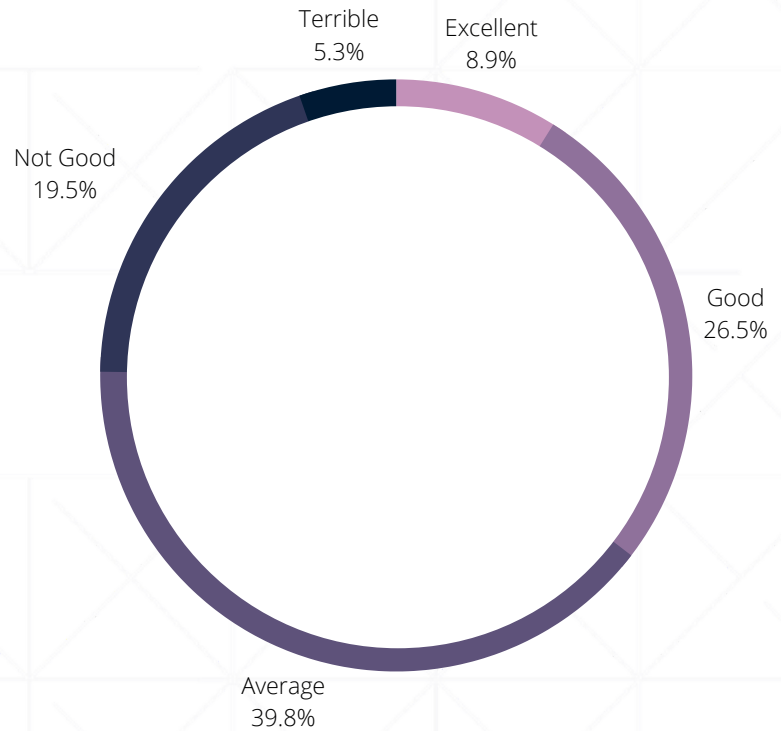
Self-Service is another area that has seen a small improvement this year as more tools and technologies are available that enable candidates to perform many traditional HR-related tasks virtually via web or cloud-based applications as well as software-based apps and tracking portals.

This trend will likely continue in the coming years as SaaS companies continue to permeate the industry.

3.1/5

points is the average rating for existing technology capabilities around Self Service Capabilities Candidates

Self-Service Capabilities
Candidates - Ratings



Why staffing firms should offer self-service solutions to their candidates

We All Want to Do More Online

Candidates want to be able to browse for information whenever they want to, and they want to have control over the process.

Candidates “Interview” Companies Too

The interview and hiring process used to be very one-sided and employer centric. However, these days, candidates spend as much time as their potential employers investigating a company’s reputation, what they do, what their financial situation looks like, and even when they’ve been in the news.

Less Hands-On Work Required

Well-designed and well-run self service capabilities will automatically filter and refine results based on applications received. It can do the early shortlisting for your team before they ever have to look through all the unsuitable resumes to find the gems.

Modern look and feel

Let's face it; No one wants to work for an old school firm these days. Offering self-service capabilities to your candidates differentiates you from others.

[Read more tips about self service here.](#)

Self-Service Capabilities Clients

Software advances have allowed clients to improve their onboarding efficiency while automating self-service tasks.

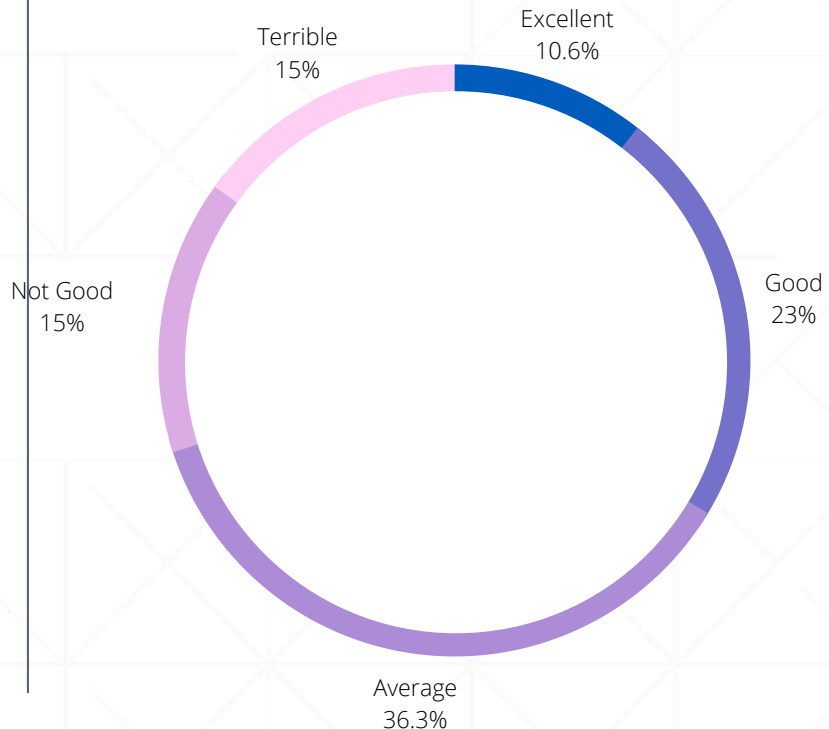
Self-Service Capabilities Clients

Self-Service has improved for clients as new technology has enabled companies to automate much of the recruitment process. AI bots and cloud networks like client portals have played a large role in this expansion, as much of the work that formerly required human attention can now be dispatched at pre-defined intervals. That said, there continues to be room for improvement in this area as 25% of respondents reported having a bad or terrible experience.

3.0/5

points is the average rating for existing technology capabilities around Self Service Capabilities Clients

Self-Service Capabilities Clients - Ratings



Why staffing firms should offer self-service solutions to their clients

Showing top candidates on the company website

Staffing firms can feature the most promising candidates on their website to increase the candidate's visibility. The candidates' data should be anonymized to protect their privacy.

Regular updates on new candidates

Sometimes clients might not have the time to sift through mountains of possible candidates, aren't in a hurry to choose a candidate, or simply haven't found the right one despite a thorough search. Show them your new candidates without them having to lift a finger.

Client portal

The quicker and easier clients can find the information that they want, the higher their customer satisfaction and brand loyalty. It also means that employees of the staffing agency are freer to do what only they can do, meaning that the staffing agency enjoys higher productivity, efficiency, and profitability all around.

Don't lose the human touch

Technology can help you automate a lot of tasks, but it is important that your clients feel that there is a person taking care of their needs.

[Read more tips about self service here.](#)

Technology Effectiveness and Return on Investment

As technology improves in the sector clients continue to report net gains and positive ROIs with new hires.

An overview:

Technology continues to improve, and as it does, the effectiveness of app-based recruitment and onboarding processes is accelerating exponentially. Artificial intelligence (AI), chatbots, virtual conferencing, cloud computing, and automation are all factors contributing to the enhanced effectiveness of client screening processes, which is directly correlated with candidate suitability and ROI.

3.5/5

points is the average rating for existing Technology Effectiveness and Return on Investment



Applicant Tracking System

Applicant tracking continues to improve as automation tools become the new normal in the staffing industry.

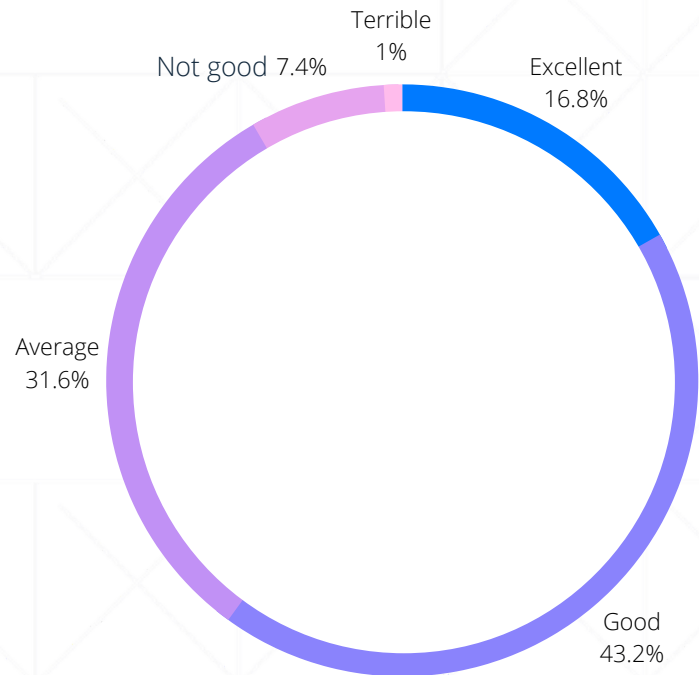
Applicant Tracking System

The effectiveness of Applicant Tracking Systems continues to improve thanks to technological advances made in the space. Much of the manual tracking that was common several years ago can now be automated, which enables clients and recruiters to stay organized with where applicants are in the onboarding process. Cloud computing software has also played a role as HR firms can rely on datasets being backed up at regularly scheduled intervals.

83%

of teams have some kind of ATS in place

Rate ATS on its effectiveness & ROI



Tips from the Talent Tech Labs team

Industry specialization

Industry specialization can be an important factor for many staffing firms. Different occupations have different workflows and sourcing requirements, which often require specialized technology features to support.

Broader Technology Infrastructure

For some firms, having an ATS that works within a broader technology infrastructure / ecosystem is critical. The most common examples include Microsoft Azure / BI and Salesforce.

Depth of integration capabilities

An increasingly important consideration for your ATS is depth of integration capabilities and marketplace partners. In a world where technology is moving faster and faster, the ability to leverage cutting edge technology and have it work seamlessly with your core system of record is paramount.

Interview Scheduling

SaaS applications have enabled recruiters to optimize interview scheduling efficiency in multiple verticals.

Interview Scheduling

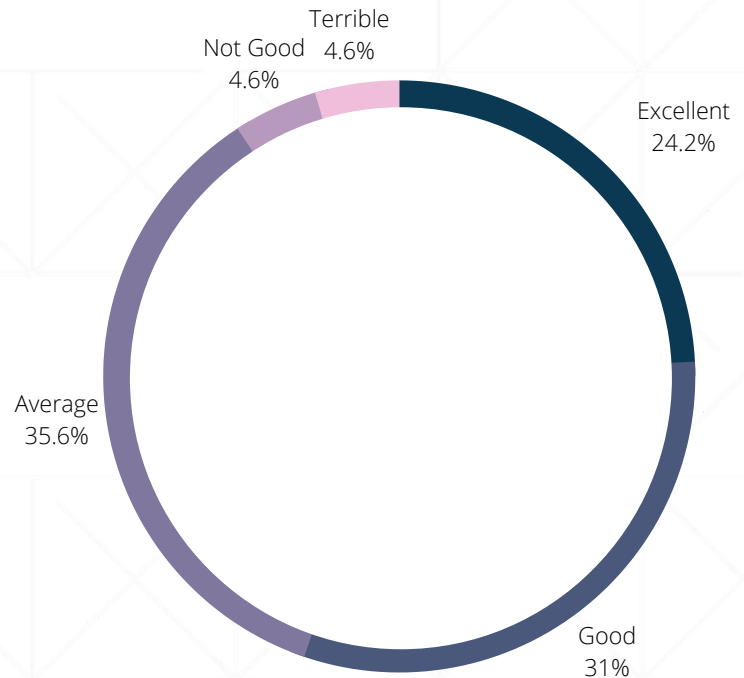
Tech tools and automation have led to significant advances in both interview scheduling engagement and efficiency.

By enabling staffing firms to schedule and keep track of interviews via web tools, recruitment agents have been able to optimize their workflows and maintain an organized pipeline of candidates from first contact with a candidate through assignment.

76%

of teams have some kind of interview scheduling tool in place

Rate interview scheduling on its effectiveness & ROI



How to schedule an interview faster for your candidate

Leverage technology

Use technologies like Calendly, Talview or Prelude to your advantage and make the interview scheduling process more efficient at a large scale.

Provide speedier access to candidate information

Recruiting applications allow you to streamline processes and do away with time-consuming paper-based organizing.

Schedule a follow-up interview immediately

Schedule a follow-up interview immediately, as candidates are likely to be interviewed by many companies at the same time.

Reduce the number of emails

Reduce the number of emails you send to applicants. Include all relevant information in your initial email to prospects to foster positive candidate experiences and prevent fielding a barrage of clarification queries.

[Read more tips about interview scheduling here.](#)

Tool tips from the Talent Tech Labs team

Talview

Talview provides a number of core features that work together to support interview management, and included in this suite is an interview scheduling tool built on artificial intelligence to handle intricacies of scheduling. Its versatility makes it a good solution for various recruitment challenges including managing large-scale interview scheduling.

Prelude

Prelude is a platform for managing complex interview scheduling at scale. The tool simplifies the scheduling process across all parties, decreasing time to hire and freeing up administrative bandwidth for higher value tasks.

Social Search

Social search recruitment methodologies are trending upwards as LinkedIn and Bullhorn lead the charge.

Social Search

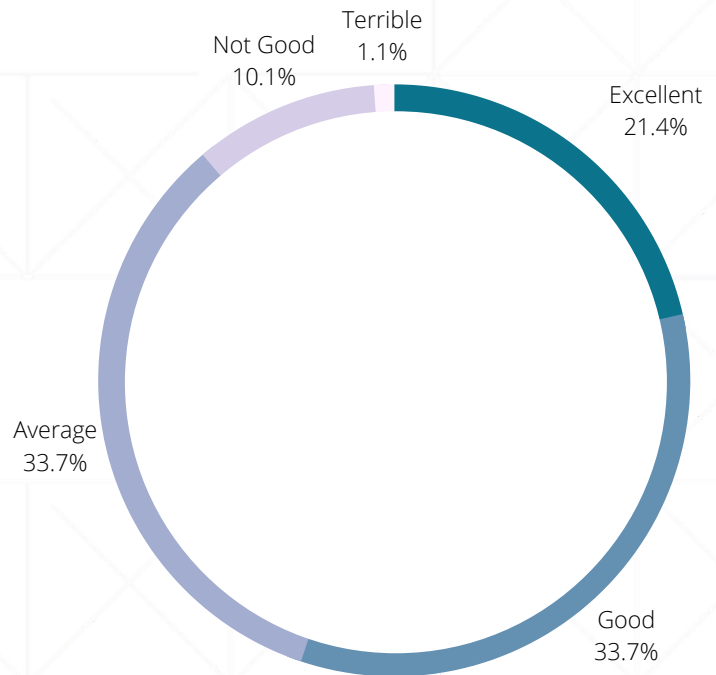
The recruitment process has undergone significant changes over the past few years, but this reform was particularly pronounced this year, with more staffing firms sourcing qualified candidates on social platforms such as LinkedIn.

This strategy has proven to be effective for both recruiters and clients. The numbers show that staffing firms found social search recruitment methodologies to be both effective and sustainable.

78%

of teams have some kind of social search tool in place

Rate social search on its effectiveness & ROI



Tool tips from the Talent Tech Labs team

HireEZ & Seekout

HireEZ and Seekout are two powerful Social Search tools that have aggregated more than 800 million candidate profiles into a searchable database, replete with contact info. The pain points the company is trying to solve are how to find more qualified candidates and how to efficiently engage them, and Talent Tech Labs thinks that they generally do a good job at both. The primary difference is how the tools leverage AI; HireEZ's AI learns from recruiters' decisions while Seekout uses a skills & keyword-based heuristic. Both offer a new way to search and source passive candidates.

Recruiter Marketplaces

Marketplaces are gaining a foothold in the industry as candidates search for options to traditional job boards.

Recruiter Marketplaces

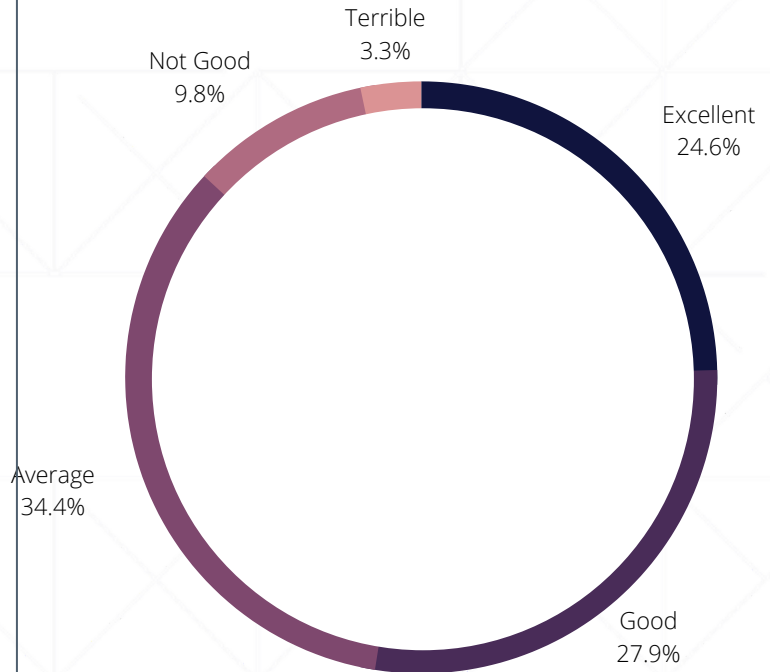
Recruiter marketplaces were another homerun for staffing firms in 2022, with the majority of respondents reporting that their experience with these platforms was either good or excellent.

This trend indicates that more qualified candidates are turning to marketplaces as opposed to the traditional classified ads and online job boards, which dominated the industry throughout the 2010s and previously.

54%

of teams use some kind of recruiter marketplaces.

Rate recruiter marketplaces on their effectiveness & ROI



Tool tips from the Talent Tech Labs team

BountyJobs

BountyJobs was one of the earliest firms in the recruiter space, and we believe the category leader by overall volume of placements. The players in this category tend to focus on one of three offerings: the network of recruiters it brings, contingent staffing, or the enterprise agency management technology and tools used to actually manage all the vendors that submit candidates. Bounty Jobs does all three, though Talent Tech Labs thinks its strength is its vendor management capabilities for enterprise clients.

Visage

Visage is a modern take on Recruiter Marketplaces, leveraging a combination of sourcing technology, AI, and human sources to provide staffing firms with qualified candidate profiles against open job requisitions at a fixed fee per profile.

Labor Market Intelligence

Conflicting data continues to cause a divide across various sectors in terms of labor market intelligence.

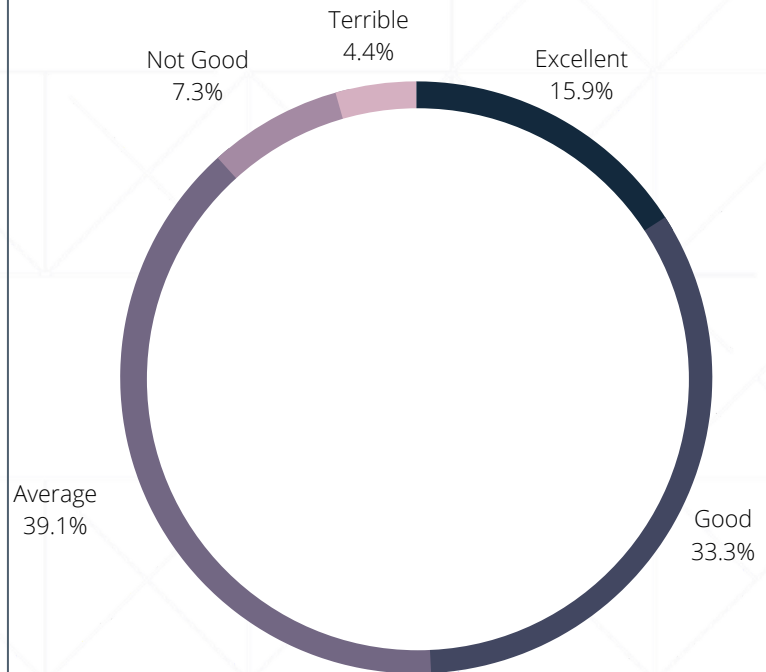
Labor Market Intelligence

There is some divide in terms of the quality of labor market intelligence tools available in 2022. This could be the result of conflicting sources of data across various sectors, or it could indicate that there are broader changes occurring across multiple industries, which are causing a disconnect between clients, recruiters, and qualified candidates.

61%

of teams have some kind of labor market intelligence tool in place

Rate labor market intelligence on its effectiveness & ROI



Tool tips from the Talent Tech Labs team

Lightcast (formerly Emsi)

Lightcast is an established labor analytics provider with historical roots in research and economic modeling, serving as a productive tool for midsize and large enterprises with strong U.S. footprints. Staffing companies can find value in Emsi as a way to better consult prospects and clients. Its comprehensiveness in U.S. labor market information fills a key need in an organization's external data and benchmarking toolset.

TalentNeuron

TalentNeuron is one of the market share leaders for Labor Market Intelligence tools. TalentNeuron is unique in multiple ways. First, it has one of the most global footprints on the market, offering insights into countries not covered by other LMI Providers. TalentNeuron also offers full-service research expertise where the TalentNeuron team conducts custom research around key issues where data is not readily available. It is a valuable tool for businesses looking to understand talent trends, competitor insights, and workforce planning on a global scale.

Deployment Platforms

Deployment platforms are achieving unprecedented success as new tools and technologies emerge.

Deployment Platforms

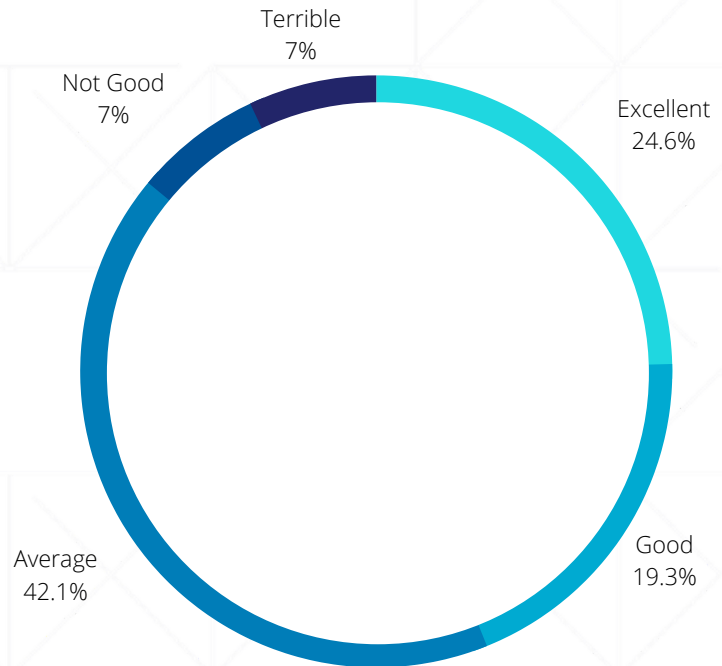
As could be expected, there was an uptick in deployment platform utilization across the board in 2022. This is likely due to new SaaS solutions reaching the market and broad adoption by staffing and recruitment firms in various verticals.

Moving forward, it's likely that digital deployment tools will continue to gain a foothold in the industry as they save time and optimize HR workflows and dispatch protocols.

50%

of teams have some kind of deployment platform in place

Rate deployment platforms on their effectiveness & ROI



Tool tips from the Talent Tech Labs team

TimeSaved

TimeSaved is designed for staffing firms with at least 5,000 candidate profiles in their ATS. The company's internal tech stack/architecture is modern and scalable, providing a solid foundation on which additional features and functionalities can easily be built. The product architecture is sound, and the management team comes from the industry.

WorkN

WorkN is among the most mature/sophisticated in the market. The company has some of the deepest integrations capabilities in the market, and has operational expertise and benchmark data to share with clients to help deploy the software successfully. Finally, the firm has a novel solution for handling staffing firm-specific candidate profiles: staffing firms each have their own tenant (i.e., candidates aren't shared across staffing clients), but candidates only manage a single profile attached to their email. This kind of solution is appropriate for staffing firms that have a sufficient volume of business in on-demand or shift-based work.

Programmatic Advertising

Programmatic advertising failed to reach it's potential in 2022 but has a clearly defined path to improvement.

Programmatic Advertising

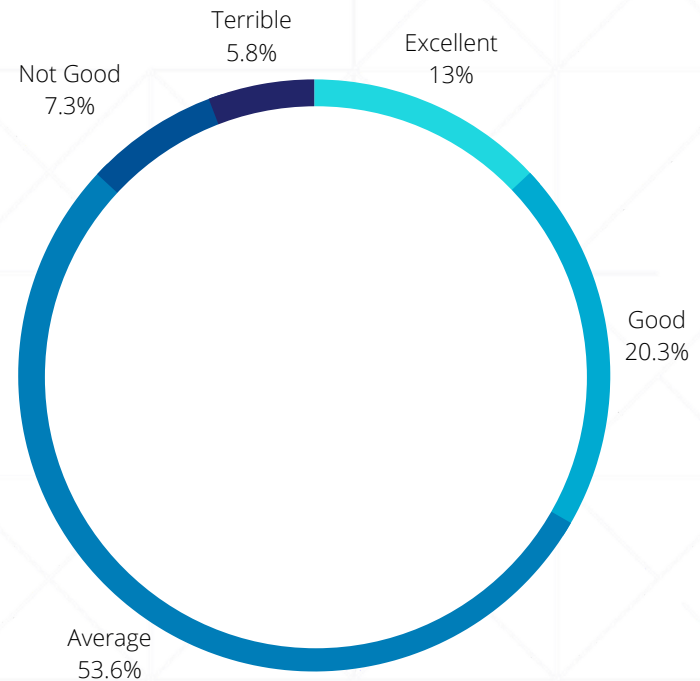
Programmatic advertising was an area that has proved to be an area of opportunity in 2022, with the majority of respondents reporting that their experience with this sort of advertising was mediocre or worse.

This is due to the advent and rise of alternative marketing schemes such as social searching. It remains to be seen if this is a trend or only a short-term holdup that will be improved upon in the coming years.

61%

of teams have some kind of programmatic advertising tool in place

Rate programmatic advertising on its effectiveness & ROI



Everything you need to know about programmatic job advertising

Understand marketing

Research about best practices in advertising and understand the basics about performance marketing.

Create your programmatic advertising goals

As with everything in digital marketing, having clear goals from the beginning is crucial. To do this, you should make use of the available data to identify the kind of advertising awareness you want and to create an efficient plan that will enable you to identify both short- and long-term objectives.

Understand your audience

Even though programmatic advertising depends on robots and algorithms, it still has a human element.

Assign knowledgeable marketers

The next step is to assign knowledgeable marketers to plan, manage, and optimize your purchasing. In order to achieve maximum performance, you must ultimately discover the ideal balance between automation and wise human involvement.

[Read more tips about programmatic advertising here.](#)

Tool tips from the Talent Tech Labs team

PandoLogic

PandoLogic is a market leader in programmatic advertising with a high user satisfaction rating compared to other programmatic solutions. It provides a robust amount of analytics providing transparency into where spend is going, how ads are performing, effectiveness of each media channel, and candidate progress. Its special sauce is using AI to determine job ad mix, which abstracts away much of the difficulty in getting a programmatic solution up and running effectively.

Recruitics

Recruitics is a robust tool that is well suited for clients with larger recruitment budgets and more jobs to fill who require dedicated help. The firm has the necessary technology in place to run programmatic campaigns as well as the expertise to advise clients on job marketing strategies and traditional media marketing, and deliver real-time data to support the results. Talent Tech Labs has heard mostly positive feedback from Recruitics' clients.

Matching Systems

Matching systems were mostly unsuccessful this year due in large part to algorithmic shortcomings.

Matching Systems

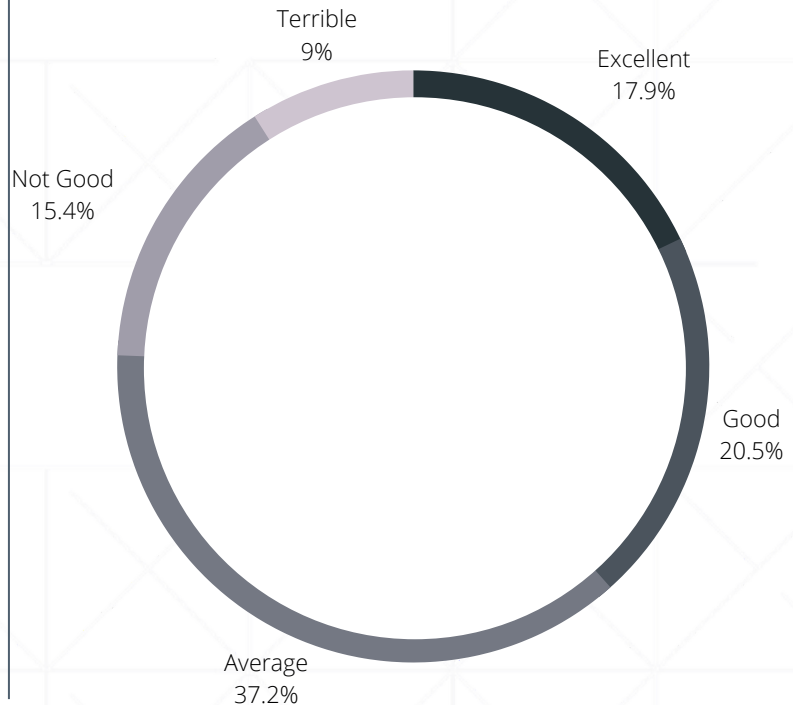
Unlike other technological solutions in the staffing industry, AI algorithmic matching systems were largely unsuccessful in 2022. The majority of respondents reported that they had a lackluster experience with this sort of recruitment.

This could be due to a number of factors, including a lack of industry-wide oversight, or the absence of industry-wide standards with respect to the algorithms used by recruitment matching systems.

68%

of teams have some kind of matching system in place

Rate matching systems on their effectiveness & ROI



Tool tips from the Talent Tech Labs team

Sovren

Sovren is a staple in the parsing landscape and has a strong matching product. While the Matching Systems sub-vertical is mainly focused on sorting through high volume, top of the funnel applications, there is increased focus on how these systems can be leveraged to increase diversity hiring; Sovren's product is adept in both. The product is suitable for companies of all sizes. Sovren is a particularly strong solution for working through high volume hiring situations and those with a strong interest in DE&I.

HiringSolved

HiringSolved is one of the leading pure-play matching & ATS / CRM rediscovery providers for staffing firms in the space. It offers a sophisticated, robust matching solution. The platform is enterprise-ready and capable of being launched on a global scale. The solution is very sophisticated with deep two-way integrations, a robust algorithm, and customized AI that is automatically created with no client work needed. Its algorithm has extensive AI and ML and semantic matching capabilities and will test for bias in scoring and sourcing.

Chatbots

Chatbots are not yet capable of replacing human interactions in any substantial capacity.

Chatbots

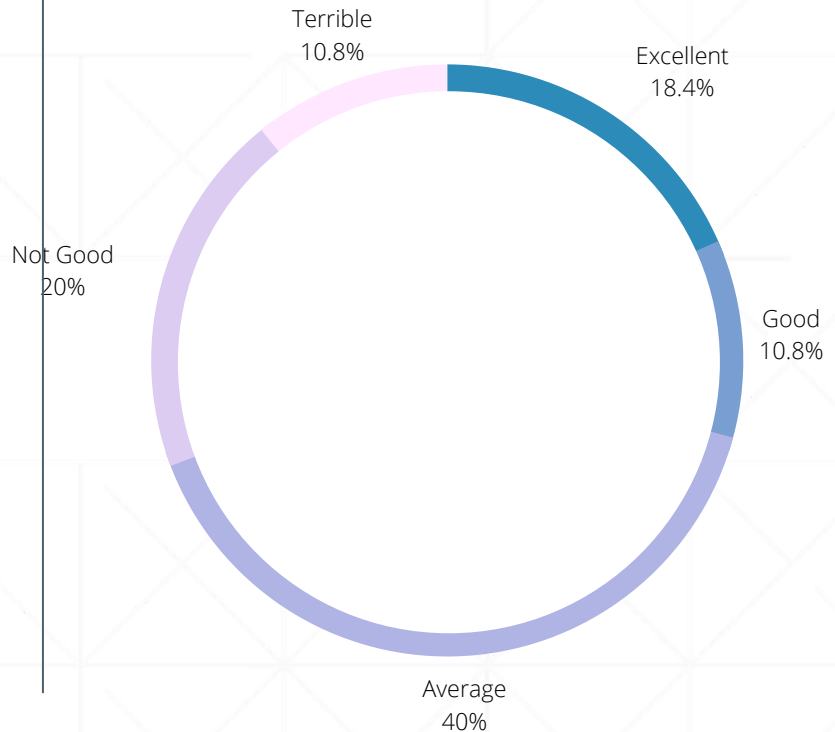
Chatbots were widely unsuccessful in 2022, with the majority of firms reporting that they didn't have good results with these AI-based tools. Chatbots are still in their infancy and, as such, are unable to respond effectively to complex inputs put forth by candidates.

Although chatbots do provide 24/7 support, their capabilities are limited, and they are not yet able to replace qualified human HR staff in any real capacity.

57%

of teams have some kind of chat bot in place

Rate chatbots on their effectiveness & ROI



[Read about Candidate.ly's thoughts on Chatbots.](#)

Tips from the Talent Tech Labs team

Sense

Sense has a robust AI-driven chatbot that serves as a component of its candidate communication suite, using natural language processing to establish human-like conversations, as well as the ability to screen and schedule candidates. It integrates with the ATS to allow recruitment teams to track candidate conversations within the ATS. Sense has become a major player in candidate communication technology, and it has high satisfaction scores among its clients.

Staffing Engine

Staffing Engine is the Recruiting Acceleration Platform that enables staffing firms to scale the number of conversations they can manage and become available on-demand 24/7 to

make sure they never ghost an opportunity. With Staffing Engine you'll be able to combine conversational bots, AI and meeting booking to speed up their recruiting lifecycle and grow faster

Olivia by Paradox

Olivia by Paradox is a best in class option compared to that of more rudimentary niche players and extension products born out of ATS or CRMs. It supports the highest level of integration to unlock all chatbot use cases (like profile rediscovery and proactive sourcing) and data analytics. The technology is particularly effective for large companies that are interested in leveraging conversational AI in the pre-employment recruiting process (particularly those hiring in volume for hourly and faster cycle work).

Job boards

Job boards remain the industry standard and achieved the highest scores from both clients and candidates.

Job boards

Job boards continue to be the leading mechanism for sourcing qualified candidates in 2022.

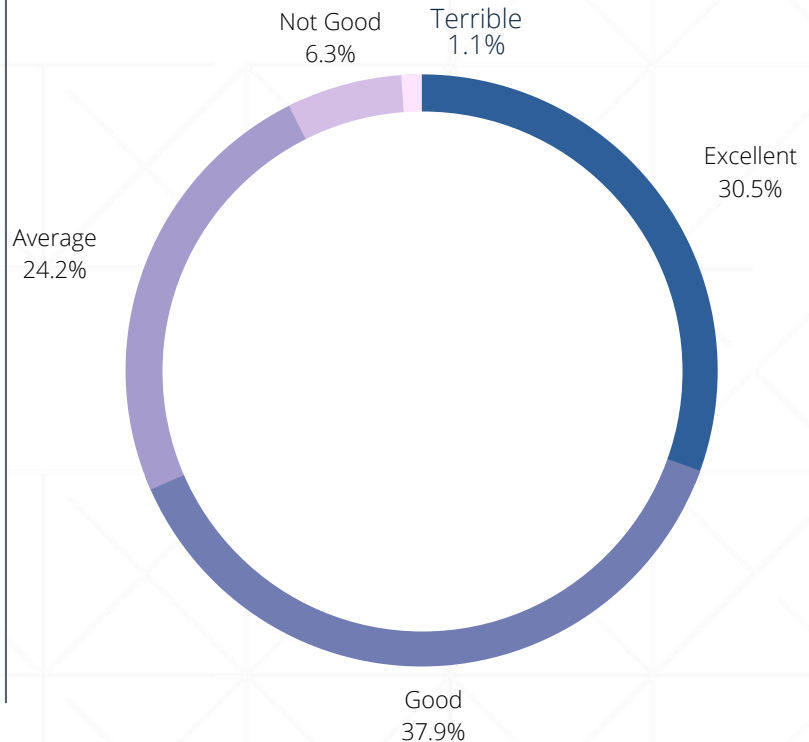
Although recruitment marketplaces and social searches are gaining a foothold, staffing firms and candidates still reported the highest levels of success and satisfaction when using job boards.

It will be interesting to see how this metric changes in the coming years.

83%

of teams have some kind of job board in place

Rate job boards on their effectiveness & ROI



How to Post Jobs Successfully

Use a sophisticated job board

We recommend using a board that is easy to use, SEO-friendly, and esthetically pleasing. Some platforms also feature special alerts that let jobseekers know when a recruiter or employer has posted a potentially exciting role. Such functionality could significantly improve the number of candidates who apply for the roles you post.

Post on different job boards

While it's certainly beneficial to have a company-run job board, it's worth posting jobs across a range of popular sites, including LinkedIn and Indeed.

Spend time writing your copy

Try not to rush when crafting a copycrafting copy for a new job. Remember to proofread your copy carefully and try to highlight the benefits of working with a given client. It's also worth conducting some SEO research before submitting your job.

Don't beat around the bush

Job posts that refrain from providing vital information such as salary or location are not likely to attract many candidates. Try to be as upfront as possible in your posts to avoid wasting anyone's time.

[Read more tips about job posting here.](#)

Tips from the Talent Tech Labs team

LinkedIn & Indeed

There are thousands of job boards in the market today, though many staffing organizations tend to have direct contracts with a handful. LinkedIn and Indeed continue to dominate this space, and while these tools continue to deliver candidates and have high rates of satisfaction, use typically comes at a steep cost.

Monster

Monster is a global leader in connecting people and jobs. Every day, Monster aims to make every workplace happier and more productive by transforming the way employers and candidates find the right fit. For 25 years, Monster has worked to transform the recruiting industry.

Dice

Dice's tech-focused career marketplace enables direct, meaningful connections between recruiters and technologists. The connection tools, unrivaled matching capabilities, and branding opportunities speed up the vetting process, reduce time-to-hire and establish trust, making it easy to build a talent pipeline for current and future roles.

Online Staffing Platform Capabilities

Online platforms are making gains in the sector as more candidates are searching for work remotely.

Online Staffing Platform Capabilities

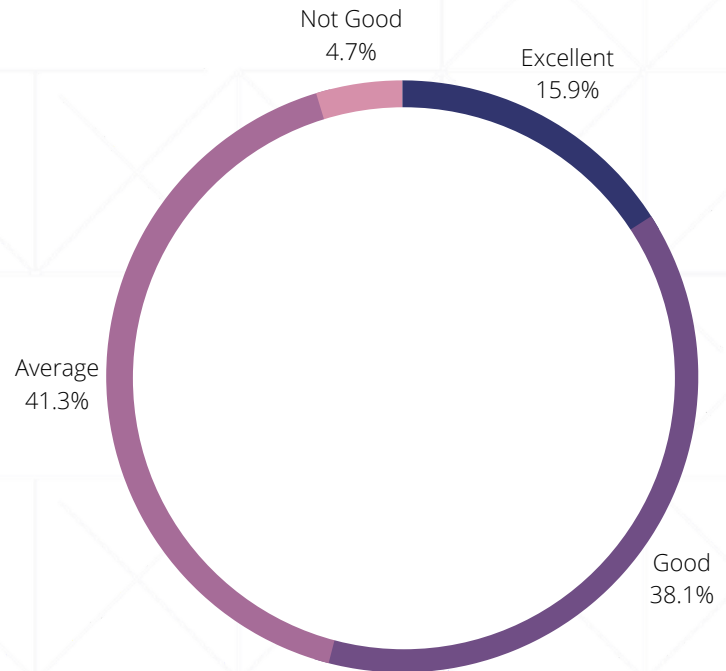
As technology progresses and innovative SaaS solutions enter the recruitment space, online staffing platforms continue to improve, which has led to better UI/UX experiences among candidates.

Overall engagement with staffing platforms is also up this year as more recruitment firms adopt these emerging solutions.

55%

of teams have some kind of online staffing platform in place

Rate online staffing capabilities on their effectiveness & ROI



How traditional staffing firms can become online staffing firms (without losing the human touch)

Use automation

By automating as much of the staffing process as possible, companies can free up time that can be spent on more important tasks, like developing relationships with clients and candidates.

Offer a digital-first experience for candidates

More and more job seekers are using online tools to research companies and apply for jobs.

In order to stay competitive, staffing firms need to offer a digital-first experience for candidates.

Offer self-service for clients

Self-service recruitment portals are another way to make your staffing firm more competitive.

By giving clients the ability to post jobs, track candidates, and manage their hiring process online, you can save them time and hassle.

[Read more tips about online staffing here.](#)

Tool tips from the Talent Tech Labs team

General Thoughts

The online staffing category is both a threat and an opportunity for staffing firms. Marketplace technology and new service delivery models offer new revenue opportunities and growth areas for firms willing to take the risk, while tech-first upstarts are becoming increasingly competitive with traditional staffing agencies.

Candidate.ly

Candidate.ly is a new client portal for Bullhorn with already over 200 users. It makes the submission process more efficient with automations and takes the guesswork out of the submission process with live analytics.

The technology can be fully branded for staffing firms.

Trusted Health

Trusted Health is offering a new breed of platform for finding and hiring contingent nurses. The company has grown significantly driven by high demand for healthcare workers, its ability to attract nurses via technology and candidate-first experience, and expansion into workforce management tools such as a healthcare-specific VMS.

Wonolo

Wonolo positions itself as a candidate first platform, with over 1 million people finding work through the platform. It serves many industries, and it has raised over \$100 million in capital, demonstrating its prospects for continued growth in the space.

Texting

Text-based correspondence is growing in popularity as younger generations enter the global workforce.

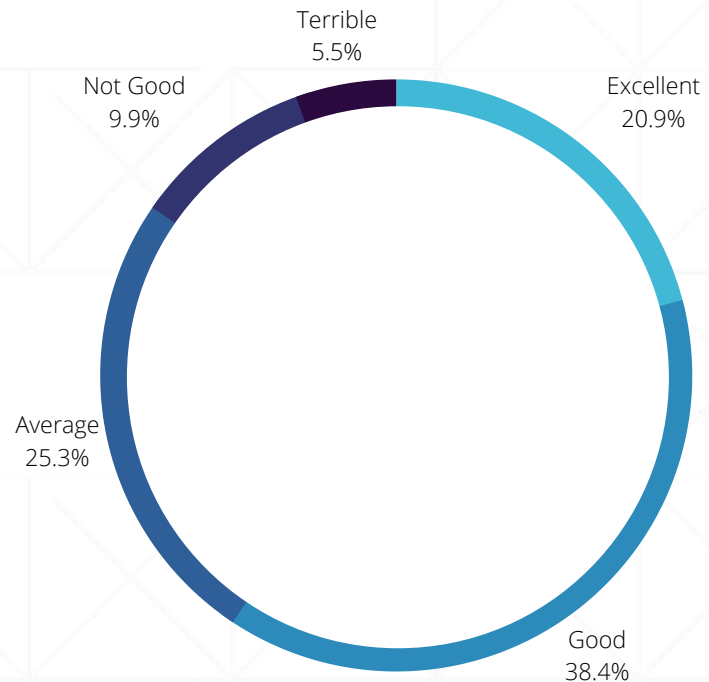
Texting

Text-based correspondence was largely successful in 2022, with most respondents reporting good results with this sort of communication. This makes sense as more candidates than ever before are searching for career prospects via their smartphones. In fact, there has been a shift towards digital communication, virtual conferencing, and text-based interviewing in recent years. As such, this is another trend that seems poised to continue moving forward.

80%

of teams have some kind of texting tool in place

Rate texting on its effectiveness & ROI



Why you should add text messages to your recruiting mix

Gain permission

Generally, people don't give out their mobile numbers as readily as their email. Abuse that trust, and the effectiveness of texting starts to decline.

Use it sparingly

Even after gaining a candidate's permission, you should only send texts for certain types of communications. More personal messages like thanking a candidate for attending an interview or asking a contractor how they are finding their new position are also ideal for texts, provided they aren't constant.

Be mindful of content

Succinct professionalism should be top of mind when crafting a text message. You want it to be to the point and written in a friendly, courteous, and respectful way.

Take a systematic approach

Continually engaging your candidates through text necessitates a systematic approach. You need to identify exactly which types of communication you will send and how often you'll send them. You need trial and error to find the right formula for your candidate base.

[Read more tips about texting here.](#)

Tips from the Talent Tech Labs team

Use your ATS capabilities

Texting is increasingly being offered as a core part of a broader recruiting suite, which means staffing firms should measure the capabilities and costs of a standalone tool versus what they might get in their native ATS or CRM. Bullhorn offers texting as an example.

Zipwhip and Cloudcall

Zipwhip and Cloudcall are two texting technologies that have relatively wide use in staffing and good user feedback. Both offer additional services and serve industries outside staffing, but are reasonable bets for a staffing firm looking for a texting provider.

TextUs

TextUs also has some of the highest satisfaction scores among its clients, based on Talent Tech Labs research. It provides a centralized solution to texting throughout an organization, allowing team members to manage various conversations in one space, as well as manage conversations among different numbers for the same clients in one space. It offers a conversational SMS capacity, which helps businesses to run campaigns using personalized messaging.

Candidate Relationship Management

CRM tools are becoming widespread but still leave much to be desired according to industry insiders.

Candidate Relationship Management

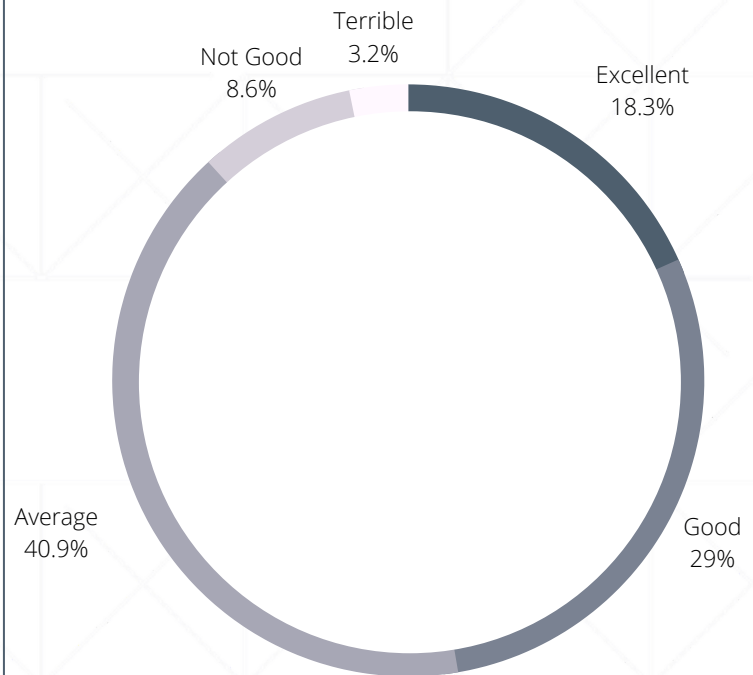
Candidate relationship tools are now built-in to most applicant tracking software. However, most staffing firms, clients, and candidates reported that their experience with these tools was average in scope.

Of course, this is dependent on the recruiter as well as multiple other factors, including the industry, the applicant, the means of recruitment, and the specific applicant tracking software used.

82%

of teams have some kind of CRM in place

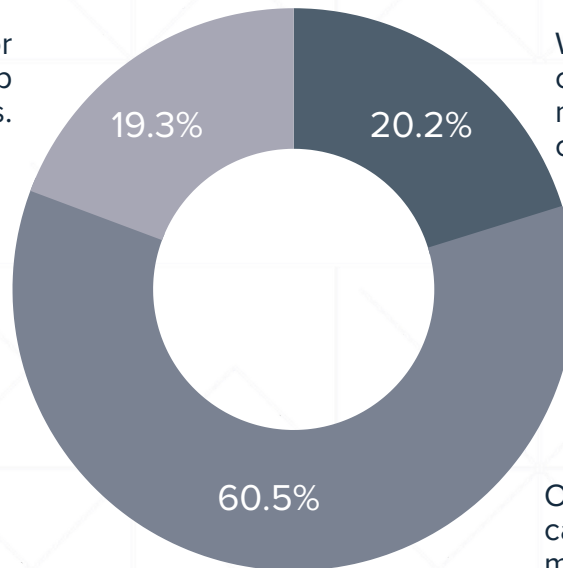
Rate CRM on its effectiveness & ROI



How Prevalent Are Candidate Relationship Management Systems?

- Most staffing firms use an applicant tracking system that has candidate relationship management capabilities.
- However, roughly 1/5 of firms have adopted a CRM separate from their ATS, and about the same proportion of firms do not use a CRM at all as part of their HR tech stacks.

We use a separate vendor for candidate relationship management capabilities.



We do not have candidate relationship management capabilities.

Our ATS includes candidates relationship management capabilities.

Tips from the Talent Tech Labs team

General Thoughts

CRMs often require a substantial investment, and require setup and active management to realize ROI. While these tools can be powerful and enable entirely new business strategies, it is important to make sure that the tools are properly leveraged and managed to ensure that they deliver expected results.

Clinch

Clinch is a powerful and cost-effective CRM which has features for marketing automation, talent pooling, candidate rediscovery and career sites.

Eightfold.ai

Eightfold.ai has built a Talent Intelligence Platform that uses AI and ML to manage the total candidate lifecycle. It plugs into existing private data stores such as ATS, HRIS, and performance management, and it also pulls publicly available data such as blogs, LinkedIn profiles, GitHub accounts to power its CRM capabilities. Its goal is to become recruiters' all-in-one solution, a centralized system of record for talent data. Its advanced technology makes it a great solution for midsize and large-scale businesses.

Video Interviewing

Remote conferencing tools have promoted increased candidate engagement across multiple industries.

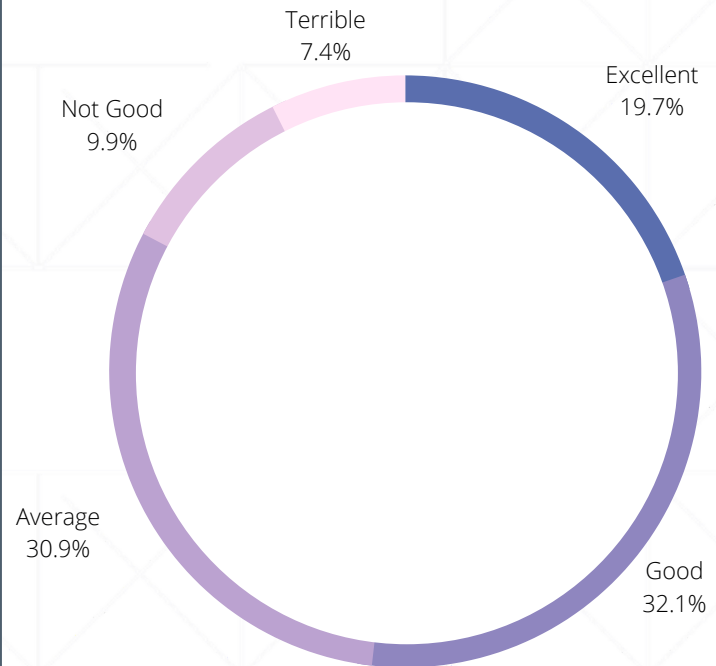
Video Interviewing

Video interviewing proved to be very successful in 2022. In fact, video interviewing and teleconferencing have been gaining ground in recent years as more employers make the switch to digital recruitment tools and methodologies. Candidates have also embraced this form of interview, and engagement rates have increased across most industries when staffing and recruitment were conducted virtually via video interviews.

71%

of teams have some kind of video interview tool in place

Rate video interviewing on its effectiveness & ROI



Humanise your hiring process at scale with video tech

Be authentic

Use authentic, not overly produced, videos of your hiring managers describing the job, the team and what they're looking for in their ideal candidate and use this to create a video job advert that can sit alongside your typical job description.

Add videos to your candidate outreach

Candidates receiving a video message, which will seem personalised even if it isn't, are far more likely to remain engaged with you, and to feel valued. Whether they get the job this time around or not.

Use different kind of messaging

The method of your messaging is also important. Using different methods of media when you're contacting candidates at the beginning and middle of your hiring process is a sure-fire way to deliver the message in the right tone, with the right level of investment to make the candidate feel special - and still scale the experience.

[Read more tips about video interviewing here.](#)

Tips from the Talent Tech Labs team

Spark Hire

Spark Hire is a simple, straightforward, and effective video interviewing tool, and its ease of use reduces redundancy in capabilities across different point solutions. Talent Tech Labs is bullish on the company and like that they have decided to focus on doing what they do best: video interviewing. The tool may not be appropriate for businesses looking for a broader interview/assessment suite in one vendor, but for video interviewing, it is one of the best in the market.

Odro

Odro is a video recruitment software solution. Developed specifically to help streamline and improve the hiring

process, armed with Odro your recruiters will engage more talent, reduce time to hire and fill more roles, faster.

Talview

Talview leverages artificial intelligence to automate parts of interview scheduling and candidate communication, and to analyze candidate's responses to determine the best fit for the role. Although video interviewing is its core business, the firm has developed a number of secondary features on top of its video interviewing platform. Talview is a robust, large-scale-ready solution that has a wide range of features to fit most workflows and solve several recruitment challenges.

Robotic Process Automation/Automation Tools

**Automation tools are reshaping the staffing industry
but robotic process automation is still in its infancy.**

Robotic Process Automation/Automation Tools

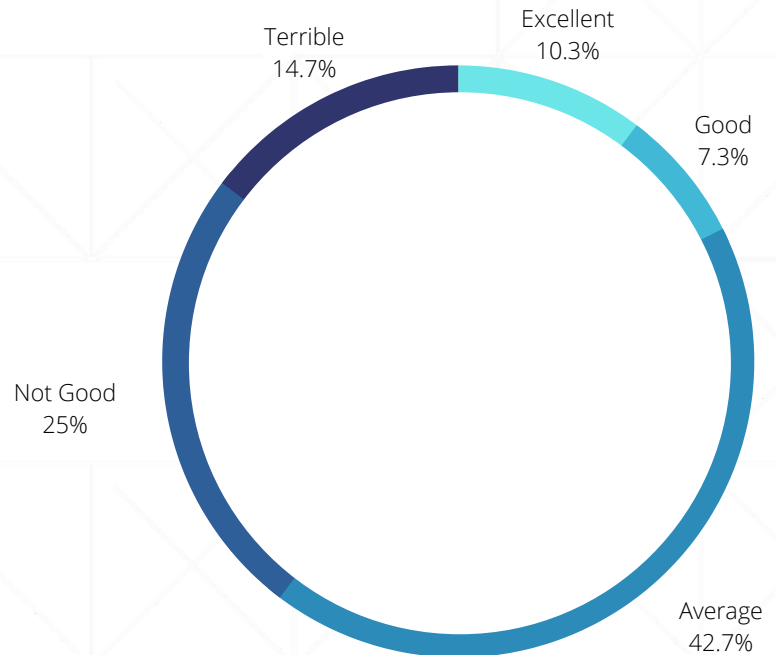
Although automation tools have made a positive impact on the industry as a whole, robotic recruitment processes were largely unsuccessful in 2022. Most respondents reported that robotic processes were either not good, or terrible.

This technology is still in its infancy and should improve in the coming years, but the main takeaway is that robots are not yet able to replace HR professionals.

60%

of teams have some kind of (process) automation tool in place

Rate robotic process automations on their effectiveness & ROI



Tips from the Talent Tech Labs team

Catalytic

Catalytic is a flexible, robust no-code platform that lets clients build and manage bespoke automations. The tool can be leveraged for nearly any business process but has gained substantial traction among businesses looking to automate TA and recruiting processes specifically. Catalytic is well-positioned in the “no-code” space, which is where RPA appears to be predominantly heading.

UIPath

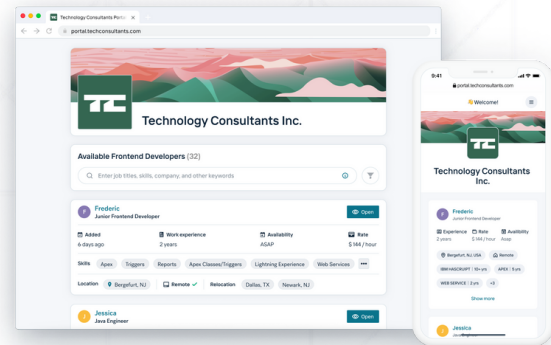
UIPath has strong satisfaction scores among its users. UIPath provides low-code build environments for simple to advanced automations. It provides cloud-native SaaS ready-to-deploy robots to work alongside users on their tasks, giving every user a digital assistant to support their everyday work.

About Candidate.ly

Candidate.ly is the market leading client portal for Bullhorn. It reduces the busywork associated with candidate submissions and helps recruiters and account managers to create stunning candidate submissions right from within Bullhorn.

Share candidates with clients as a link instead of attaching resumes to an email. Get faster client feedback, see when a client viewed your submission, increase client satisfaction and make more placements.

To learn more visit: www.candidate.ly



About Talent Tech Labs

Talent Tech Labs is an independent, unbiased research and advisory firm focused on analyzing talent technology. Rooted in research for nearly a decade, we help talent leaders gain a better understanding of the complex talent technology market and provide the strategic direction to transform their business through the intelligent use of technology... today and well into the future.

For more information about Talent Tech Labs, visit www.talenttechlabs.com.

