

Source-of-Hire Metrics

A Study by The WorkPlace Group in collaboration with
Frostburg State University 2016

Source-of-Hire

Among the most popular and widely used metrics in Human Resources

Study 1: Survey results from 158 employers indicate how little we actually know about the source-of-hire metric

Study 2: Three dimensions of source-of-hire that explain how candidates become applicants

What is Source-of-Hire?

It's an HR metric that answers the question:

Where hires come from?

Where do hires come from and why do we care?

Depends on who you ask

Depends on what question you ask

Depends on what you think the answer means

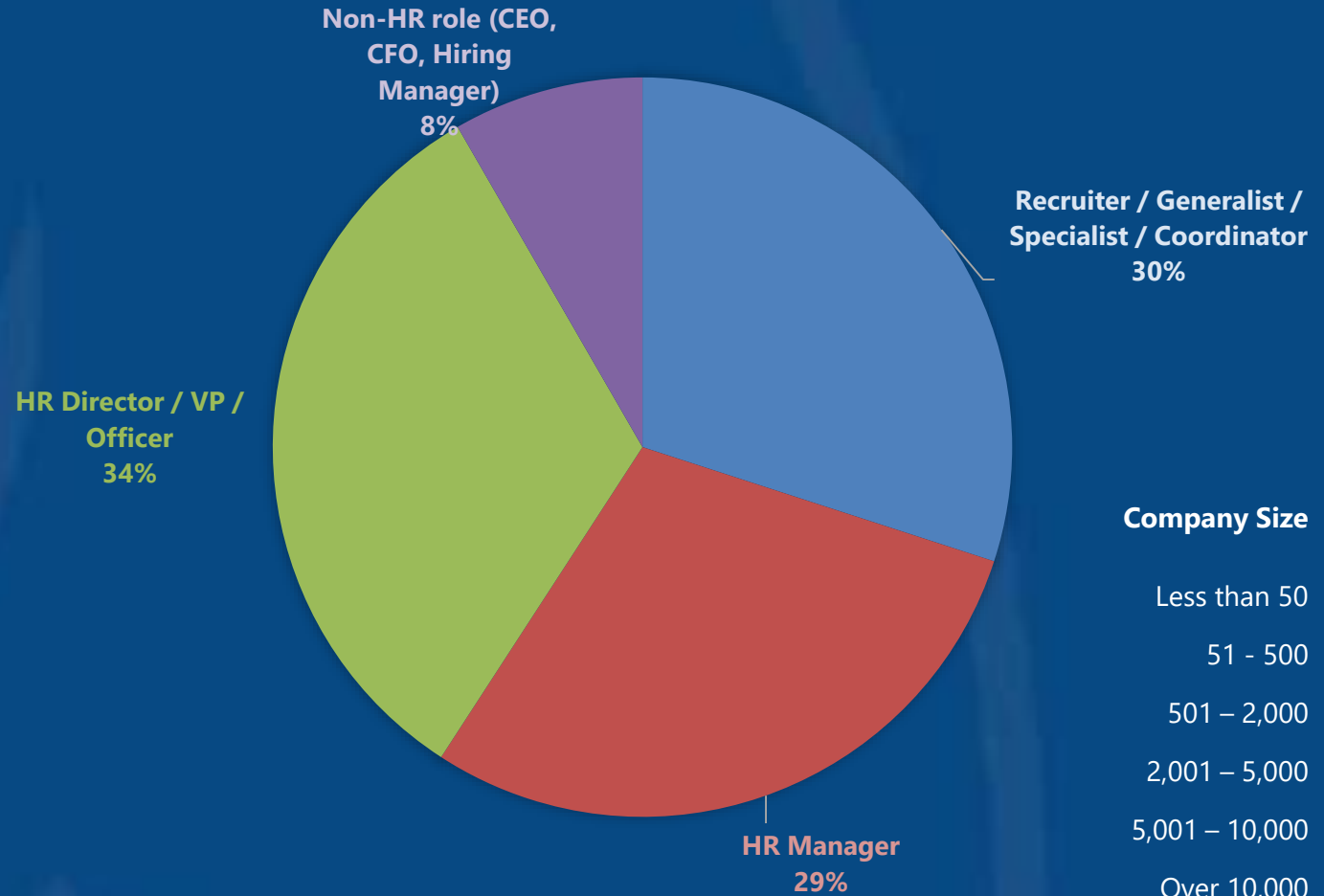
STUDY 1: SOURCE OF HIRE SURVEY

Survey results from 158 employers indicate how little we actually know about the source-of-hire metric

Survey Participants

HR, Recruiting and Talent Acquisition professionals where surveyed about how they measure, use, track, store, and act on Source-of-Hire results.

Results are based on 158 completed responses representing small through mega employers.



Company Size	Percent
Less than 50	19.2%
51 - 500	27.5%
501 - 2,000	25.0%
2,001 - 5,000	9.2%
5,001 - 10,000	7.5%
Over 10,000	11.7%

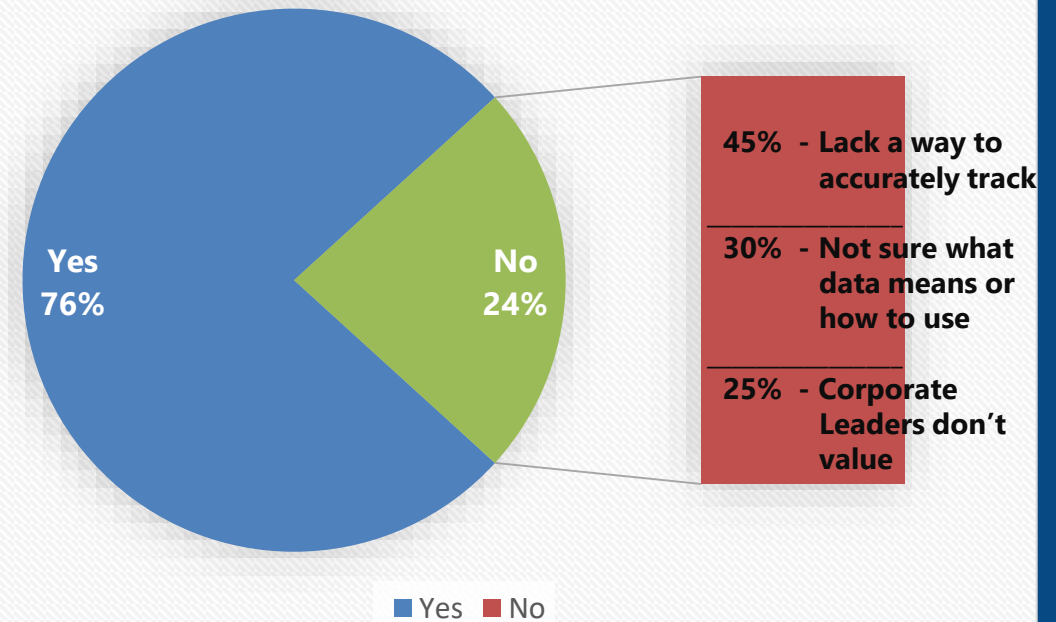
The Source-of-Hire metric is one of the most popular metrics in HR, Recruiting and Talent Acquisition.

76% track and use the Source-of-Hire metric

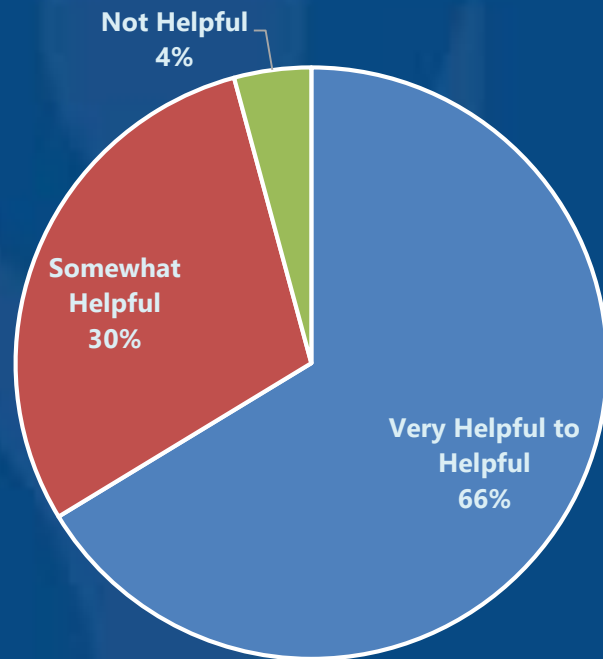
For the 24% who don't track or use Source-of-Hire metrics:

55% said it's because they don't know what the data really tells them, how to use the data for decision making or because Corporate Leaders don't value the metric.

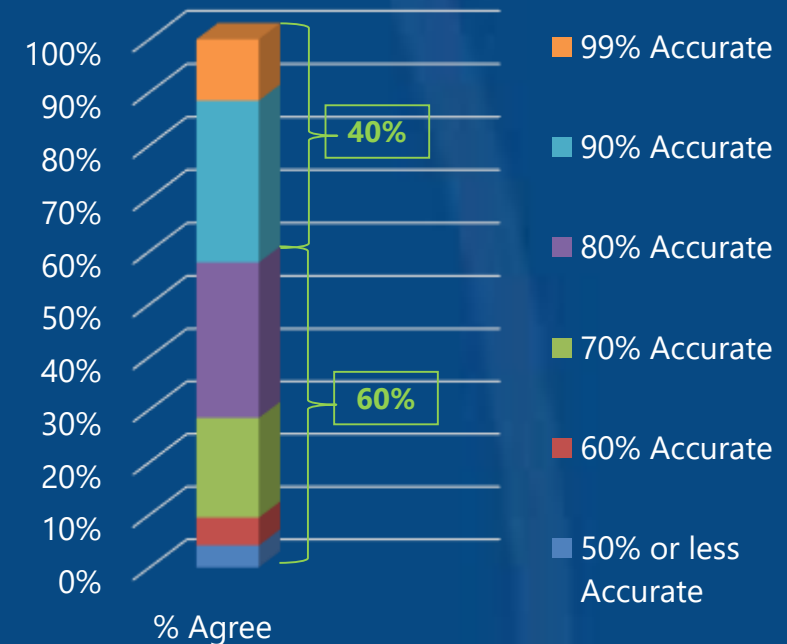
Do you track Source-of-Hire?



Source-of-Hire is an important metric for making decisions regarding recruiting strategy (96% agree)



However, 60% rated the metric as less than 90% accurate



Degree of Confidence in Source-of-Hire Data

Top 5 Reasons for Source-of-Hire Metric most to least important

1. To determine how much to spend and/or how best to spend recruitment advertising budget
2. To evaluate the effectiveness of specific recruitment initiatives
3. To evaluate the cost-of-hire or return on investment for specific sources
4. To determine how to allocate recruiting time to different recruitment resources including events
5. To help determine recruiter performance

The top three uses focus on:

- evaluating the effectiveness of advertising
- a specific source
- recruiting initiative

With so many uses of Source-of-Hire data, it raises the question of how this metric is calculated & where does the data come from?

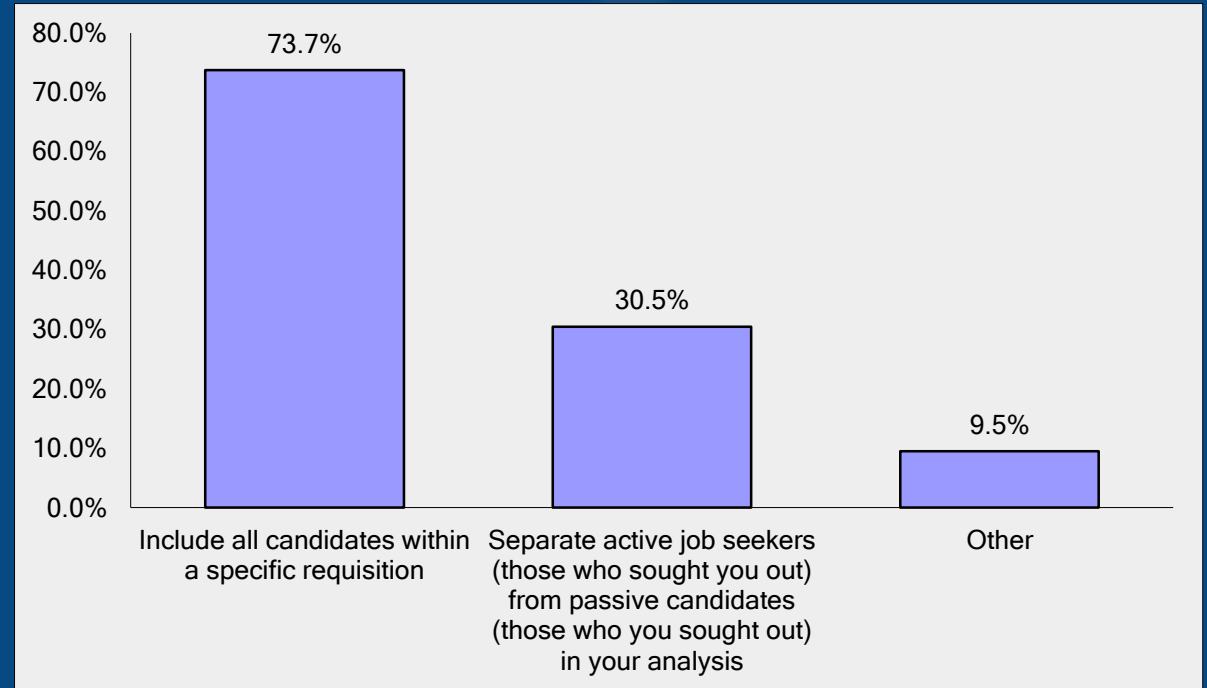
The answers comes next

How Source-of-Hire is Calculated

74% include all candidates in a requisition

30.5% separate active candidates who applied from passive candidate who were recruited

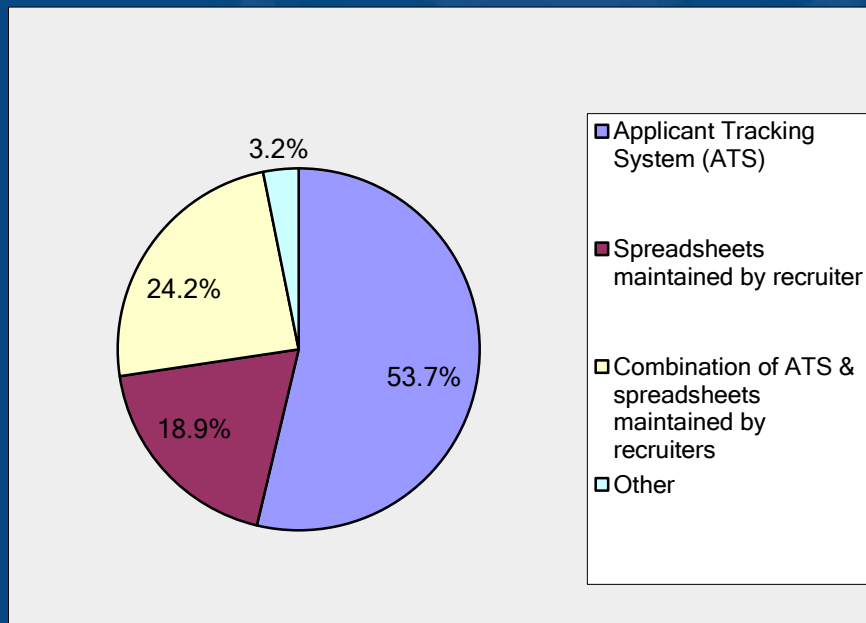
9.5% use different time periods and/or multiple requisitions, include only passive and/or interviewed candidates



Most Source-of-Hire data is stored in employers' applicant tracking systems (53.7%).

An additional 24% use a combination of their ATS and spreadsheets. 19% of respondent use only spreadsheets maintained by recruiters.

Where Source-of-Hire Data is Stored



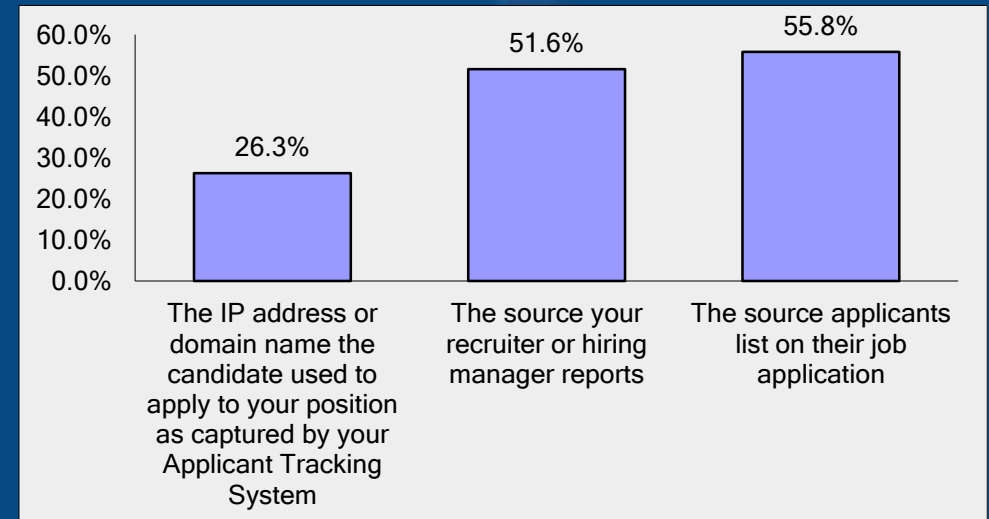
But what specific data is captured?

Respondents use data captured from more than one place, which is why the below chart sums to 133.7%.

The source applicants list on their job application and the source recorded by recruiter or hiring manager are most often used.

26% are able to capture the IP address or domain name where the candidate applied from.

Data used for Source-of-Hire

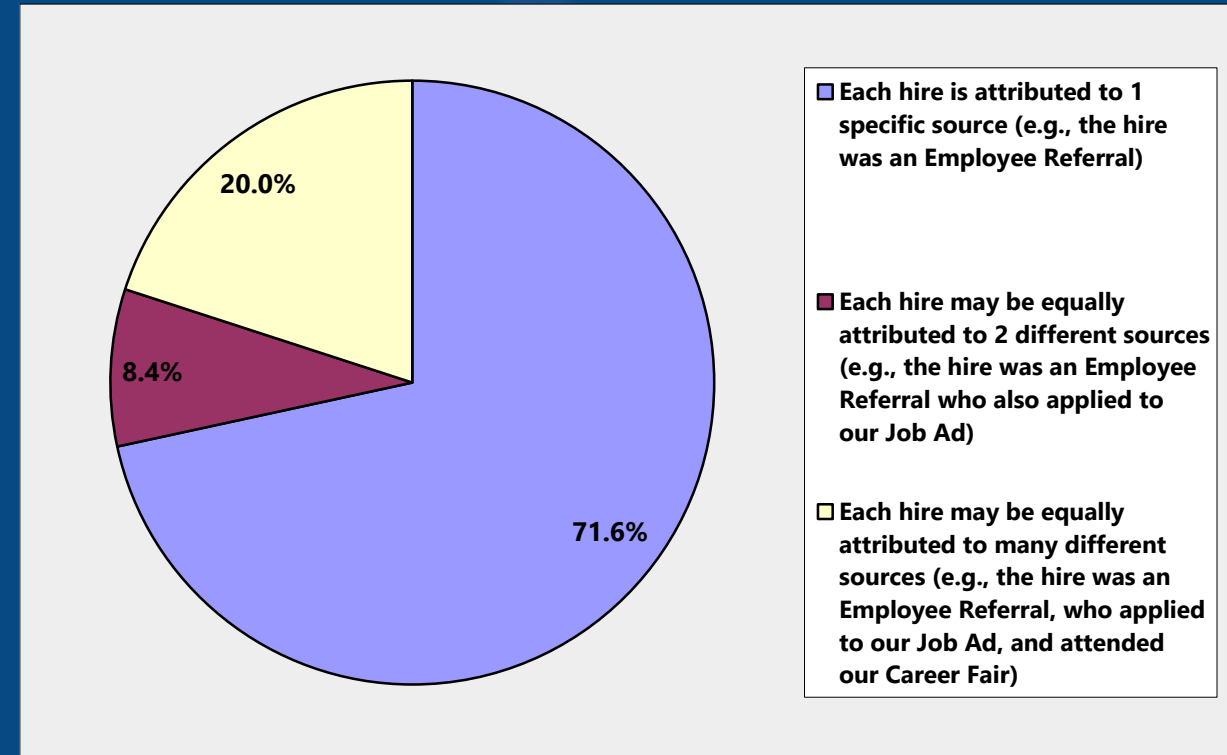


How many sources can receive equal credit for a hire?

With Source-of-Hire data coming from Applicant Tracking Systems, Recruiters, Hiring Managers and Job Applications, which source gets the credit?

Almost 72% of respondents said that each hire is attributed to one specific source (e.g., specific job ad). Only 8% allow each hire to be equally attributed to two different sources (e.g., specific ad & employee referral) and an additional 20% allow each hire to be attributed to multiple sources (e.g., specific job ad, employee referral, job fair).

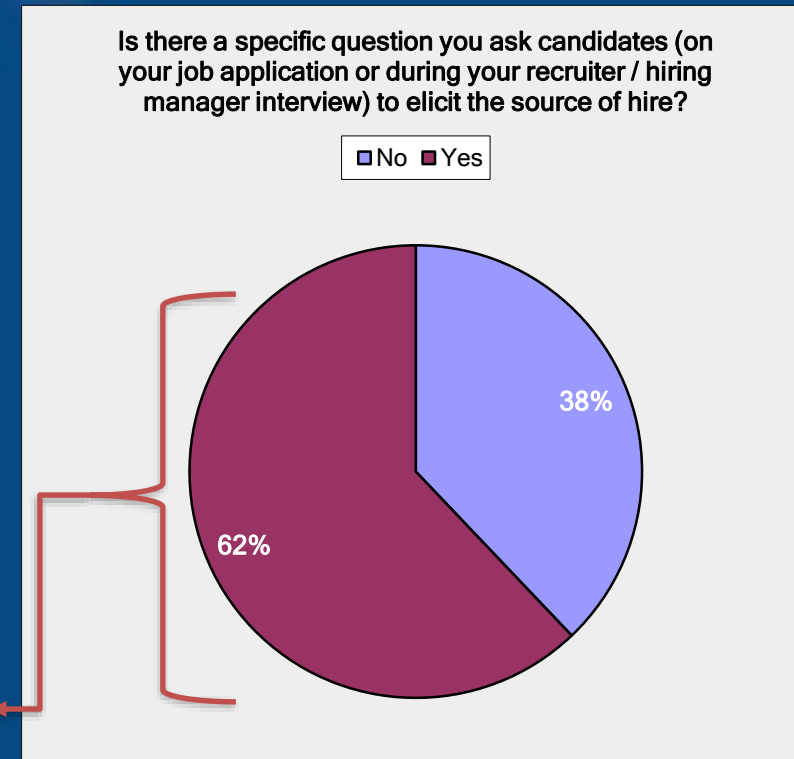
Attributing each hire to one particular source could be confusing particularly if the source the applicant reports is different from the source reported by the recruiter or the domain name from which the candidate linked from to apply as captured by the ATS.



62% of employers asked a specific question of candidates on their job application or during their employment interview to identify the Source-of-Hire.

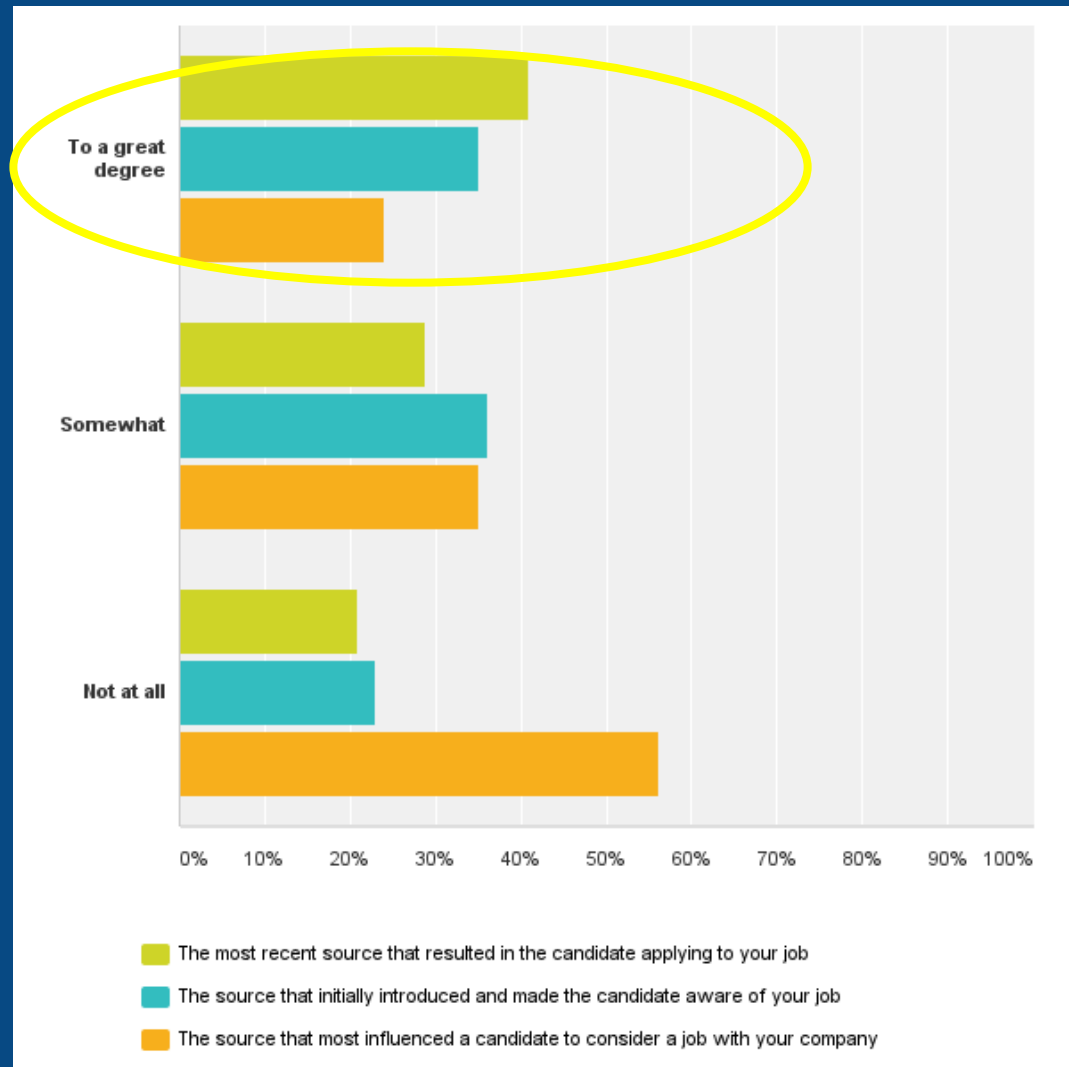
The most popular question asked is how the candidate learned of the job opening. The second most popular question is how did they hear about the company.

For the 38% of the respondents not asking a specific question, it's hard to know what exactly is being measured.



Question Asked	
Not sure of exact wording	17.89%
How did you hear / learn about job opening?	16.84%
How did you hear about company?	8.42%
How did you hear about this position (picklist)?	6.32%
How were you referred to our organization (e.g., employee, agency, advertisement)?	6.32%
Where did you see our posting?	2.11%
Ask about type of source (e.g., company site, referral) & then specific sources where they saw job listed	1.05%
Questionnaire sent to new hires	1.05%
How did you come to apply for this position (e.g., direct inquiry, newspaper ad, friend, relative, current employee)?	1.05%
Where did you first hear of this position?	1.05%

What HR, Recruiting, Talent Acquisition and Corporate Leaders believe Source-of-Hire measures



About 40% say Source-of-Hire indicates the most recent source the candidate used/saw to apply to the job.

Approximately 35% say Source-of-Hire indicates the source that initially introduced and made the candidate aware of the job.

It's worth noting that the most popular questions asked don't ask candidates to identify the "most recent" or the "initial" source. This raises additional questions as to what candidates based their answers on when asked by employers

More than 20% say Source-of-Hire neither measures the most recent source used to apply nor the initial source that created awareness of the job.

STUDY 2: BIG DATA STUDY OF 15,276 CANDIDATES

Three dimensions of source-of-hire explaining how candidates become applicants

What Comes First, the Chicken or the Egg?

Capturing both the chicken and the egg

When comparing **(a)** the source candidates report regarding where they learned about the position with **(b)** the source recruiters record in terms of where they found the candidate with **(c)** the metadata source captured by the company's applicant tracking system (domain name / IP address where candidates came from), **a disagreement often occurs across the three data points as to “The” source-of-hire.**

Comparing 3 Sources of Hire Data: ATS vs. Candidates vs. Recruiter

- 15,276 candidates
- 17% agreement across ATS, Candidate Self-Report on Application and Recruiter Record
 - ATS tracks IP (where candidate applied from)
 - Candidates tell us whatever we specifically asked (to the best of their recollection) ... typically not where did you apply to our job but where did you learn about the job or how did you learn about our company.
 - Recruiters tell us where they found the candidate

Conflicting Sources of Hire

Job seekers don't limit their searches to one source

There are multiple sources of information and influence that either cause individuals to apply to a job and/or company, or cause them to self-select out from pursuing an opportunity with a company.

For example:

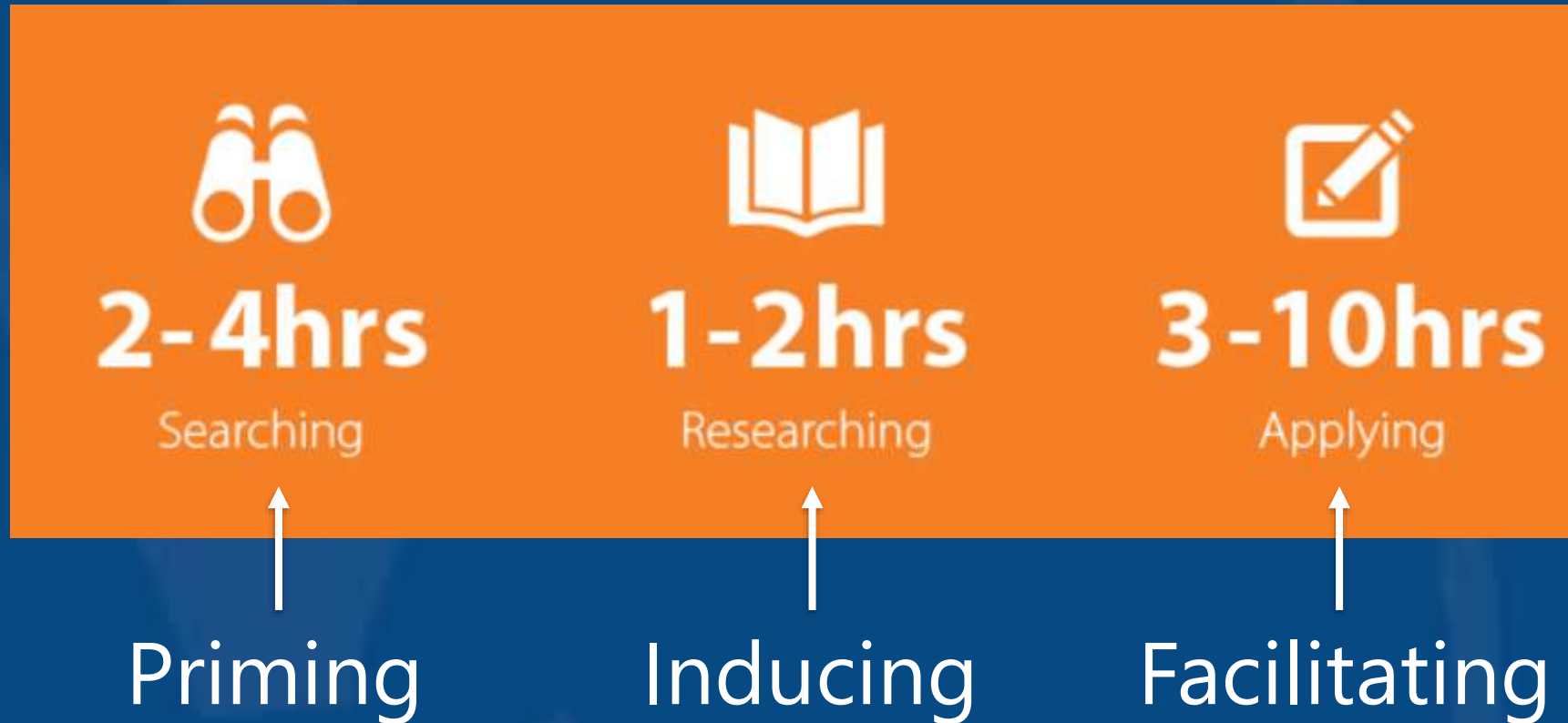
- Candidate sees a job on Monster but does not apply
- Candidate hears about the same job from a friend and now becomes interested
- Candidate visits company's website and applies

Understanding candidate behavior and the effects of different job search channels, branding messages, and recruiting activities on job seekers at different stages in their career will help us select and deploy more effective talent acquisition strategies

Three factors were found to best explain how sources-of-hire transform a candidate from “job shopper” to job applicant

THREE DIMENSIONS OF SOURCE-OF-HIRE	
Priming	Creates awareness of job / company
Inducing	Leads, moves, influences, persuades candidate to action as in the decision to apply
Facilitating	Enables the process of completing a job application

Example Behavior of the Active Job Seeker



Dr. Steven Lindner

Executive Partner

The WorkPlace Group®

Steven.Lindner@workplacegroup.com

973.377.4665 x201



[@WorkPlaceGroup](https://twitter.com/WorkPlaceGroup)



<https://www.linkedin.com/in/stevenlindner>