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Hire effectively:
ESSENTIAL RECRUITING METRICS

The world of recruitment is one of fine margins.

With a fiercely competitive job market—stacked with both talent and companies wanting to snap up that talent—HR professionals need to be on their A-game to make the best hires possible for their organization.

That's why recruiting metrics are a vitally important part of any organization and its recruitment strategies.

Read on as we delve into the details of recruiting metrics, explore their significance, and offer you a comprehensive recruiting metrics template for you to implement at your organization.

What are recruiting metrics?

Recruiting metrics are vital tools that HR teams can use to measure and improve their talent acquisition **processes**.

These metrics provide valuable insights and data that can help guide decision-making, improve strategies, and improve the overall hiring process, ultimately resulting in more successful **hiring outcomes**.

Why are recruiting metrics important?

Recruitment metrics aren't just numbers—they're important indicators of your organization's hiring health and efficiency. And in a world where the cost of hiring is only going up, their significance extends far beyond just data collection and can offer multiple, tangible benefits.

Let's take a look at some of the key points as to why talent acquisition metrics are so important:

- **Strategic insights**. **HR metrics** serve as a foundation for strategic, data-driven decision-making. By analyzing various different trends and outcomes, HR professionals can gain tangible insights into the efficacy of their recruitment strategies and better align them with **organizational goals**.

- **Resource optimization**. By identifying the more efficient and effective recruitment channels and techniques, recruitment metrics help organizations fully optimize their use of resources. HR professionals can better allocate budgets and ensure that time and effort are wisely invested in the most productive areas with this laser-focused approach, leading to a more efficient recruitment process.

- **Performance tracking**. By regularly monitoring your recruiting metrics, you can set clear benchmarks and track progress over time. This continuous evaluation helps you measure the success of your recruitment efforts and allows you to put any necessary changes in place to improve the hiring process over time.

17 recruiting metrics to track

Metric 1: Time-to-hire and time-to-fill

The **time-to-hire and time-to-fill** metrics track how efficient and effective your hiring process is. Specifically, time-to-fill measures how long it takes to fill and close a job listing from the time it's opened. Time-to-hire measures the time a candidate takes to accept the job offer from the moment they enter your recruitment pipeline. These are important metrics to measure as they help you understand how effective your recruiting is and what inefficiencies you may have in the process.

Metric 2: Hire rate

Your hire rate is the percentage of candidates that receive and accept an offer. This metric helps provide insight into how effective your **screening and interviewing process** is. A low hire rate might highlight a need to reassess your job descriptions or screening criteria.

Metric 3: Cost per hire

Hiring can be an expensive process. By tracking your **cost per hire**, you can improve your budgeting and assess the cost-effectiveness of your recruitment process. Your cost per hire covers all expenses associated with hiring, including advertising, recruiter fees, and HR staff time.

Metric 4: Quality of hire

This metric measures the value your new hires bring to the organization. Measuring this involves performance appraisals, tracking retention rates, and counting how many pre-set goals are achieved throughout the initial employment period.

Metric 5: Source of hire

Source of hire identifies which **channels of hiring**, such as job boards, hiring websites, recruiters, or social media, are yielding the best results. This helps optimize your recruitment strategies and cut down on unnecessary costs.

Metric 6: Applicant drop-off rate

This metric measures the percentage of candidates who start the application process but then drop out along the way. By tracking your applicant drop-off rate, you can highlight potential issues within the application experience.

Metric 7: Offer acceptance rate

The offer acceptance rate is the ratio of accepted job offers to the total number of offers made. A high rate may indicate that the expectations of the organization align well with the candidates.

Metric 8: Candidate Net Promoter Score (NPS)

This assesses how satisfied your candidates are with your recruitment process, regardless of whether they're hired or not. A high score indicates a positive experience, which is essential in a competitive job market.

Metric 9: Recruitment funnel effectiveness

Your recruitment funnel effectiveness analyzes the conversion rate at each stage of the recruitment process from application to hire. By pinpointing the stages where candidates drop out or get rejected, you can fine-tune your process.

Metric 10: Diversity hiring rate

Your **diversity hiring** rate tracks the effectiveness of your diversity-focused recruitment efforts. It does so by measuring the proportion of hires from diverse backgrounds.

Metric 11: Time-to-productivity

Getting new hires up to speed can be a lengthy process. By measuring the time it takes for a new team member to reach full productivity, you can gain valuable insight into the effectiveness of your onboarding process.

Metric 12: Employee turnover rate

This metric measures the rate at which team members leave your organization for any reason. While these reasons may have nothing to do with your company, the metric can give you insight into the long-term effectiveness of your hiring process.

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Metric 13: Aging of open positions

By measuring how long open positions remain unfilled, you can get real insight into how difficult certain roles are to fill as well as the effectiveness of your recruitment drives.

Metric 14: Recruitment marketing ROI

Hiring effectively can result in a positive ROI for your organization's recruitment process. By evaluating the return on your marketing efforts for open positions, you can understand the financial efficiency of your various strategies.

Metric 15: Internal vs. external hiring ratio

Filling vacancies doesn't necessarily mean you have to source candidates from the outside world. This ratio compares the number of **internal promotions** or lateral moves to external hires, offering insights into the effectiveness of internal mobility and talent development.

Metric 16: Interview-to-offer ratio

This is the number of interviews conducted per job offer made. This helps you figure out the efficiency of your screening and interview process.

Metric 17: Candidate satisfaction score

Similar to **NPS**, this metric gives you insight into the satisfaction level of the candidates you've interviewed—giving you feedback on the interview process and how candidates feel they've been treated throughout.

Your recruiting metrics template

Using the key metrics listed above, we've created a free downloadable recruiting metrics template for you to use and tweak to fit your organization.

This template can be rewritten to accommodate your organization's personal hiring metrics or used with the 17 metrics we've highlighted.

| METRIC	DESCRIPTION	TARGET	ACTUAL	DATE MEASURED	NOTES
Time-to-fill	*Time taken from job posting to acceptance*	*e.g., 15 days*	*19 days*	*21/04/2024*	*The average time increased this month due to a larger number of applicants and a longer screening process*
Time-to-hire	*Time taken from applicant entering pipeline to accepting role*				
Hire rate	*Percentage of applicants offered a job*				
Cost per hire	*Total cost of hiring process per new hire*				
Quality of hire	*Performance of new hires in the first year*				
Source of hire	*Most effective recruitment channels*				
Applicant drop-off rate	*Percentage of applicants not completing the process*				
Offer acceptance rate	*Ratio of accepted offers to total offers made*				

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METRIC	DESCRIPTION	TARGET	ACTUAL	DATE MEASURED	NOTES
Candidate NPS	*Candidate satisfaction with recruitment process*				
Recruitment funnel effectiveness	*Conversion rate at each recruitment stage*				
Diversity hiring rate	*Proportion of hires from diverse backgrounds*				
Time-to-productivity	*Time for new hires to reach full productivity*				
Employee turnover rate	*Rate at which team members leave the company*				
Aging of open positions	*Time taken to fill open positions*				
Recruitment marketing ROI	*Return on investment for recruitment marketing*				
Internal vs. external hiring ratio	*Ratio of internal promotions or lateral moves to external hires*				
Internal vs. external hiring ratio	*Ratio of internal promotions or lateral moves to external hires*				
Interview-to-offer ratio	*Number of interviews per job offer*				
Candidate satisfaction score	*Satisfaction level of interviewed candidates*				

How to measure recruiting metrics benchmarks

Measuring your recruiting metrics benchmarks is a key part of fully utilizing the data you gather. To accurately measure these benchmarks, you'll need to follow these steps:

1. **Identify relevant metrics**. Start by deciding which metrics are most relevant to you, your team, and your organization's goals and recruitment strategies. Different organizations will value different metrics, so there aren't any hard and fast rules as to which recruitment metrics you should track.

2. **Gather your data**. Collect data for each of the metrics you want to track. This can involve pulling data from your **HR system**, or manually compiling data if you don't have a system in place.

3. **Analyze historical data**. When looking at the present, it's important to also look at the past. Analyze your historical recruitment data to establish some internal benchmarks. Look for things such as trends over time, as well as any noticeable improvements or declines.

4. **Compare against industry standards**. Recruitment metrics benchmarks will vary depending on the industry. Research your industry standards by looking at published reports, attending HR seminars, or joining professional HR networks.

5. **Use HR technology for data analysis**. Utilize **HR analytics tools** to get a better and deeper understanding of your data. These tools can help reveal insights that may not initially be clear.

6. **Set realistic goals**. Once you've analyzed your data, set realistic and achievable goals for improvement. Make sure these goals align with your organizational objectives.

7. **Put strategies in place for improvement**. If your metrics fall short of industry standards, it's time to put a plan in place for improvement. This could involve rethinking your recruitment processes, investing in new **HR tech**, or improving your recruitment marketing.

8. **Review and adjust**. Regularly review your metrics and adjust your strategies accordingly. The goal is to create a dynamic process that evolves alongside your organizational needs as well as the ever-shifting job market.
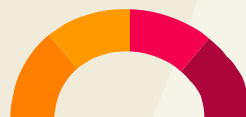
Measuring and tracking recruiting metrics with HR technology

In the digital age, HR technology plays a key role in measuring and tracking recruiting metrics. Integrated systems such as **applicant tracking systems (ATSs)**, **HR dashboards**, and analytics tools give you access to a wealth of information at a moment's notice.

These systems help to streamline the process of collecting and analyzing recruitment data, making it far easier to identify things such as trends, bottlenecks, and areas for improvement.

Here's more information on three key ways HR tech can help with recruiting metrics:

- **ATSs**. These systems are essential for managing the recruitment process from start to finish. They can track metrics such as time-to-fill, source of hire, and applicant drop-off rate.

- **HR dashboards**. Dashboards allow HR professionals to get a visual representation of key metrics, making data easier to digest and simpler to share with teams or stakeholders.

- **Analytics tools**. Advanced analytics tools can help you to dive deeper into your data. They provide you with key insights into areas such as **candidate engagement**, effectiveness of recruitment channels, and more.

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Keeping track of your
recruitment strategies

Recruitment metrics are where strategy meets science.
In a world of fine margins, these metrics can give you the
edge in a competitive sphere—empowering you to make
data-driven decisions; elevate your hiring process; and
continually learn, adapt, and evolve along the way.

Meet Bob

At HiBob, we've built a modern **HR platform** designed for modern business needs—today and beyond.

An HR platform such as Bob offers a one-stop shop for all things HR. It sits at the center of your HR ecosystem, is fully customizable, and grows with your organization.

For HR

It delivers automation of many common processes, allows greater oversight and visibility of the business, and centralizes all people data in a secure, user-friendly environment.

For managers

It provides access to data and insights to help them lead more effectively and streamline processes.

For employees

It's the tools and information they need to connect, develop, and grow throughout their journey.

In a short time, Bob can be deployed to enable communication, collaboration, and connectivity that drives stronger engagement, productivity, and business outcomes.

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