



Stating the VoiceScreener™ Case

HR Screening Technology Trends and Fast Facts

Overview

Given the current state of affairs on Wall Street, companies are turning to technology solutions to increase efficiencies within the HR recruiting function. The following document outlines some of the key trends and observances in the hiring field as identified by several leading authorities in the space. The consensus is clear, that emerging technologies and tactics that are helping uncover new talent are the key to driving business in the right direction.

Importance of Screening in Economic Downturn

A company called [employeescreeenIQ](#) develops an annual list of employment screening trends and the newest among the 2008 list was unveiled at the Society for Human Resource Management's 2008 conference. The study emphasized three main points:

- The importance of various screening mechanisms
- In an economic downturn, the job market becomes even more competitive
- Employers have an increased need for vetting applicants.

Increased Outsourcing; Driven by Efficiency

An academic research study published in the February 2008 issue of [The International Journal of Human Resource Management](#) found that recruitment and selection were among the most outsourced HR practices, and that decisions to outsource are driven by needs for greater efficiency.

Emphasis on Recruitment and Screening

Every two years, the **Society for Human Resource Management** publishes a **Workplace Forecast** trend report (click here to view the [2008 report](#)). Key learnings include:

- Companies named staffing/recruitment as being by far the most critical HR function contributing to the organization's business strategy. (p.45)
- 82% of companies are increasing or plan to increase use of technology to perform HR functions, and 72% are increasing or plan to increase investments in recruitment. (p. 48)
- 77% of companies have increased or plan to increase investment in internet recruiting.
- Of the top 10 Key Priorities for HR Professionals in preparing for the future, the #3 priority is "delivering on recruiting and staffing." (p. 69)
- More than half of companies say that increased use of internet recruiting has a major strategic impact for their organizations. (p. 60)

2007-2008 Workplace Trends

The **Society for Human Resource Management** also published a **Workplace Trends List**:

- High demand for skilled workers, e-recruiting tools and the mobility of the workforce. Organizations are in high competition for a shrinking supply of workers. (p. 4)

- HR professionals are demanding increased customization of products and services from outsourcing partners. (p. 5)
- Greater prevalence of HR outsourcing and increased use of HR technology. (p. 6)
- An increase in Business Process Outsourcing (BPO) including recruiting. (p. 7)
- Continued increase in the use of technology in the practice of recruiting. (p. 7)
- Increasing use of assessments in the selection process. (p. 7)
- Continuing growth of application service provider/outsourcing versus in-house software implementations. (p. 7)

Integrating screening functions into existing Applicant Tracking Systems

The following is an excerpt from a February 2008 article published in *HR Magazine*, which discusses the importance of screening functions and how new technology is creating a much more streamlined process.

"Screening functions can be integrated into an applicant tracking system (ATS)... Until recently, integrating a standalone screening solution into an existing ATS required time-consuming, expensive tailoring by the ATS vendor. Now, however, ATS vendors are offering screening functions as an option through affiliated partners. On-demand web-based systems generally do not require an upfront cost or a long-term commitment; users pay per screening request... Some employers take automatic pre-hire screening a step further by integrating skills testing and personality assessments into their hiring processes. Although such assessments have been used for many years, new technology-based options give almost instant feedback and allow hiring managers to move quickly in a competitive job market... Such technology continues to level the playing field between HR departments in large and small companies. With the proliferation of high-tech on-demand solutions, even one-person HR departments can take advantage of tools like these."

Need for new screening technology

The following excerpt from a September 2007 article published in *HR Magazine* details the increasing reliance of recruiters on technology and new ways to connect with applicants using the Internet.

"Because the growth of e-recruitment technologies has made applying for jobs simpler and more streamlined, applications are on the rise—from strong candidates and from those less qualified. Recruiters are relying increasingly on e-recruiting technology to help narrow the field, underscoring the importance of job-matching technology and of finding ways to use the Internet to better connect with the most qualified job seekers.... [recruiter needs] drive the development of integrated technologies capable of culling multiple data sources and coming up with detailed supporting information on job candidates... Development is continuing on more-focused, custom technologies for shrinking the range of applicants by job fit while expanding the detailed information about individual candidates. Such advances are likely to have a broader influence on recruitment procedures overall."

Trends in Employee Selection: Resume Screening is a Thing of the Past

The following benefit of resume screening software Stang Decision Systems (SDS) was highlighted in an article in *HR Management Magazine*. Companies that have switched to the new software have:

- Nearly doubled the number of applicants applying for each position.

- Seen a 40% improvement in screening accuracy (i.e. the applicants who get past the initial screen are more likely to perform well in the next step of the hiring process)
- Experience substantially lower adverse impact (i.e. it helps to identify more qualified minorities)

Trends in Hiring and Assessment

Below is a note from the 2008 HR technology show by Charles Handler, CEO and Founder of RocketHire (www.rocket-hire.com) about the age of electronic resumes.

Goodbye paper resume. It seems that there is continued movement toward removing the resume from the hiring process. This is definitely true of the paper resume, but there is a broader movement afoot to deconstruct the resume and extract the types of data it usually provides (i.e., skills and experience). Key information about candidates is being collected via other opportunities in the search and application process such as the creation of detailed profiles that have fields that guide the entry of important candidate information in a standardized format. Parsing, another method of deconstructing resumes, seems to be continuing to evolve as a means of extracting important data from resumes. Resume deconstruction methods allow for much more efficient searching, and matching between candidate data and important job requirements. These methods are part of an overall trend that will see the integration of a variety of candidate information into a digital platform that will allow it to be standardized, categorized, and compared to key requirements for a job or career. While we have a long way to go toward the complete death of the resume, technology is helping us to continue the slow march towards the inevitable.

Smarter screening takes technology and HR savvy: How companies stay ahead of the resume flood

Below is an excerpt from a Business Net article that talks about the importance of finding quality talent in the flood of resumes companies are getting in this subpar economic period:

Over the last few years, Armon Geshuri has watched the labor market engage in more contortions than an Olympic gymnast. During the peak of the economic boom, attracting applicants was next to impossible. Then, when the labor market went into a tumble and layoffs began to swell, the director of global staffing at E*Trade Financial in Menlo Park, California, suddenly found himself taken to the mat with a glut of applicants.

The one constant throughout the entire period: a sophisticated applicant-tracking system and advanced screening methods have helped E*Trade Financial score when it comes to finding new employees. The brokerage and banking firm is finding better workers more quickly. "In any market, finding the right talent is key," Geshuri says. "Today, effective applicant tracking and screening is what differentiates companies and creates a competitive advantage."