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HR.com's Future of Talent Acquisition 2025

Optimize your talent acquisition strategy for greater efficiency and success

APRIL 2025

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Executive Summary

Taken as a whole, talent acquisition strategies continue to advance, yet most organizations still lag behind the state of the art. In fact, about half (51%) still depend on reactive, just-in-time hiring—missing opportunities to plan ahead and recruit top talent. Only 5% rate their TA function as world-class, revealing a major gap between aspiration and execution.

Despite this, talent acquisition remains a key priority for HR, with 46% of organizations ranking it among their top three priorities. Goals such as building a strong talent pipeline (63%) and improving employer branding (55%) are central to these efforts. However, 53% of organizations struggle with a lack of skilled candidates, and 51% continue to face the challenges of reactive hiring. A mismatch between hiring needs and available resources further complicates matters, with only 30% planning to increase their TA budget.

Organizations predominantly rely on a few TA tools, with 73% using applicant tracking systems (ATS) and 70% using job boards. However, AI and predictive analytics are expected to play a transformative role in the coming years, with 58% of organizations anticipating AI's utility in writing job descriptions and 53% planning to use chatbots for candidate engagement. Despite some interest in new tools, 54% of organizations plan to buy no new TA technologies in the next year.

This research report, based on a longitudinal and in-depth examination of talent acquisition, aims to help readers better understand these challenges by examining:

- differences between TA leaders and laggards in strategic alignment and tool integration, highlighting how leading organizations outperform laggards in improving talent acquisition practices.
- challenges in talent acquisition and workforce planning
- prioritization of talent acquisition in HR functions
- use of talent acquisition technologies and metrics
- impact of AI and predictive analytics on talent acquisition
- consolidation and adoption of new TA tools

About this Survey

HR.com's "Future of Talent Acquisition 2024" survey ran from December 2024 to March 2025. We gathered responses from 207 HR professionals in virtually every industry vertical.

Respondents are located all over the world, but most of them reside in North America, especially the United States. The participants represent a broad cross-section of employers by number of employees, ranging from small businesses with fewer than 50 employees to enterprises with 20,000+ employees. Almost three-fifths of the respondents represent midsize and large organizations.

Our Major Research Findings

Major Finding **1**

Most organizations rely on reactive hiring, with few achieving world-class talent acquisition.

- 51% of organizations rely on a just-in-time hiring approach, reflecting a reactive strategy rather than proactive workforce planning.
- 37% describe their TA function as advanced, indicating structured processes but with room for improvement.
- Only 5% consider their TA approach world-class, highlighting a gap in strategic, forward-thinking hiring practices.
- However, when compared to competitors, a majority (42%) of organizations believe their TA capabilities are above average, while 10% rate them as top-notch.

Major Finding **2**

Nearly half of organizations rank talent acquisition among their top HR priorities.

- A quarter (26%) of organizations place talent acquisition in their top three HR priorities, while 20% consider it the most important HR-related priority.
- A strong talent pipeline is a key goal for 63% of organizations, followed by employer branding (55%) and candidate experience (49%).

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Major Finding **3**

The lack of candidates with the required skills or experience is the top challenge in talent acquisition.

- The top challenges to TA are:
  - lack of candidates with required skills or experience (53%)
  - just-in-time, reactive hiring approach (51%)
  - compensation, total rewards below market rate (42%)
- Further, there is a mismatch between the anticipated increase in hiring needs (56%) and the associated increase in budget (30%) and TA headcount (24%).

Major Finding **4**

Despite the availability of a plethora of TA technologies and metrics, organizations primarily rely on a few.

- Commonly used TA metrics are:
  - time to fill and/or hire (59%)
  - employee tenure and/or retention (55%)
  - quality of hire (44%)
- Popular TA technologies or recruiting tools are:
  - applicant tracking system (ATS) (73%)
  - job boards and aggregators (70%)
  - candidate sourcing platform (e.g., LinkedIn Recruiter) (68%)

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Major Finding **5**

AI and predictive analytics are set to revolutionize TA capabilities in the next two years.

- AI and predictive analytics are expected to be most impactful for TA capabilities over the next two years.
- AI is seen to have utility in:
  - writing job descriptions (58%)
  - chatbots for engaging candidates (53%)
  - resume screening and parsing (44%)
- Over the next two years organizations expect to partially/fully automate:
  - interview scheduling (48%)
  - passive candidate sourcing and pipelining (37%)
  - onboarding (35%)

Major Finding **6**

Organizations are increasingly adopting multiple TA tools, with a focus on balancing consolidation and new technology adoption.

- Half of the respondents say their organizations currently integrate 2 to 5 paid TA tools into their core technology stack.
- 25% rely on only one tool, while 10% use more than five, indicating a trend towards moderate integration of specialized technologies.
- 38% of organizations prioritize both consolidating existing tools and adopting new ones, reflecting a strategic approach to optimizing their tech stack.
- Despite some interest in new tools, 54% of organizations plan to buy no new TA tools in the next year, with a smaller portion (41%) planning to adopt 1 to 5 new tools.

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Major Finding **7**

Compared to organizations with less mature TA functions (TA laggards), those with more mature TA functions (TA leaders) are:

- over 13X more likely to have 5 or more paid TA tools and technologies currently integrated into their core TA tech stack
- over 3X more likely to rate their hiring capabilities as above average or top-notch
- over 2X more likely to say TA is a pivotal or essential talent-related priority in their organizations
- significantly more likely to utilize a variety of TA metrics and technologies
- over 3X *less* likely to say their TA function lacks strategic business alignment

Please note that the findings and recommendations contained in this report are informational only. Nothing in this report should be construed as constituting legal opinions or advice. Please consult an attorney if you have questions about the legal requirements, rules, or regulations associated with any content discussed in this report.

Transforming and Advancing Hiring Strategy

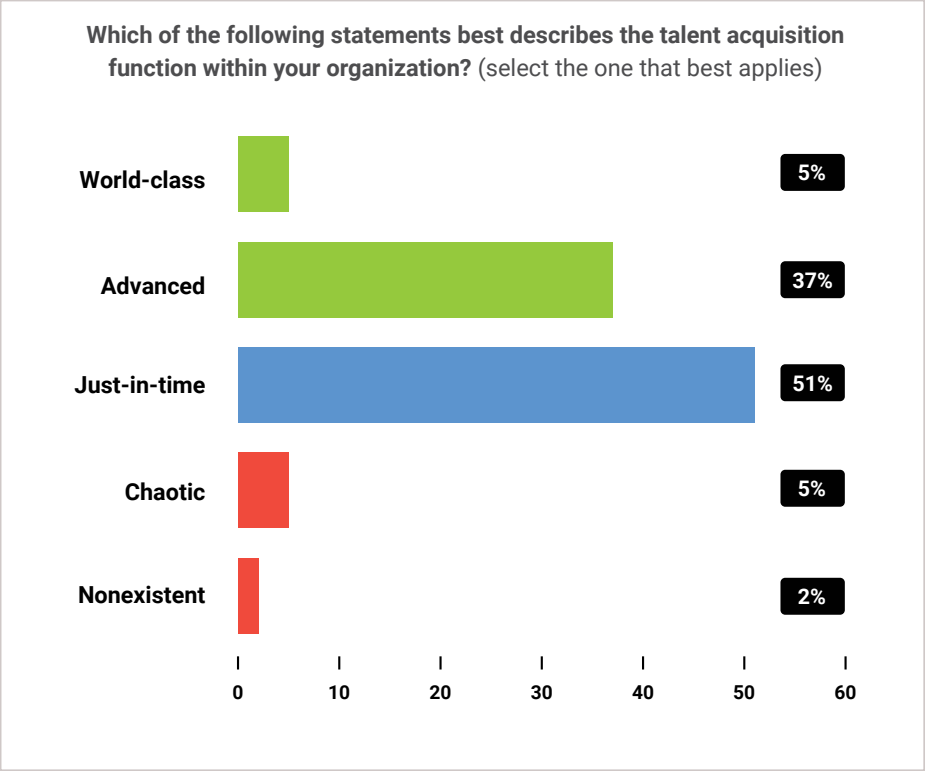
Finding: Just-in-time hiring dominates talent acquisition strategies

We asked respondents where they would place their organization's TA function on the HR Research Institute's TA maturity model (shown below). About half of organizations (51%) rely on a just-in-time talent acquisition approach, reflecting a reactive hiring strategy rather than proactive workforce planning. Another 37% describe their talent function as advanced, indicating structured processes with room for improvement. Only 5% consider their approach world-class, highlighting a gap in strategic, forward-thinking hiring practices.

Meanwhile, another 5% experience chaotic recruitment, and 2% report a nonexistent talent acquisition function, signaling significant challenges in attracting and retaining talent. Strengthening workforce planning, leveraging technology, and addressing inefficiencies can help organizations transition toward a more strategic and effective hiring approach.

HRRI Talent Acquisition Maturity Model

- **Nonexistent:** No dedicated hiring processes and/or technologies
- **Chaotic:** Poorly defined and unstandardized hiring processes and/or technologies
- **Just-in-time**: Defined but basic, reactive and tactical hiring processes and/or technologies
- **Advanced:** Strategically aligned and effective hiring processes and technologies
- **World-class:** Hiring processes and technologies are highly refined, proactive, and directly contribute to business success



Talent Acquisition cohort classification

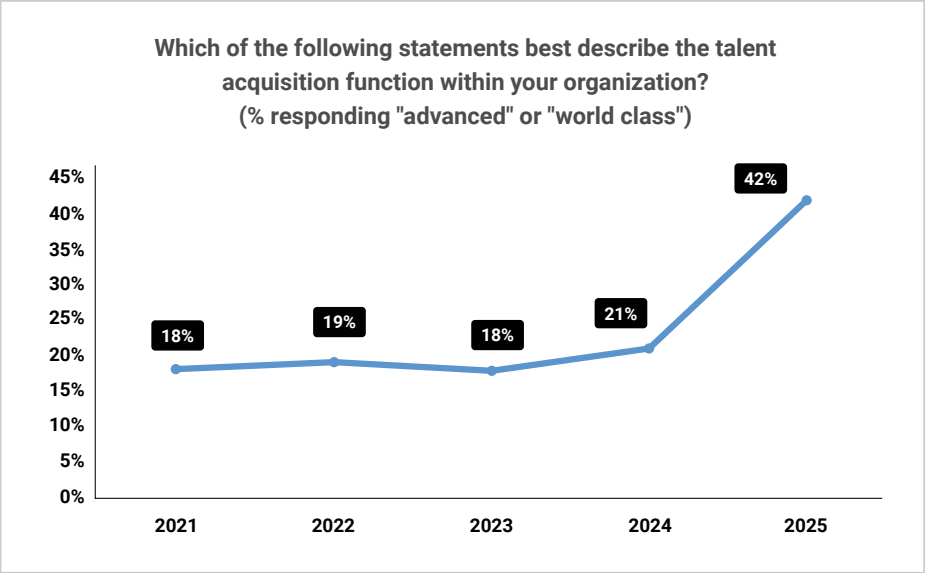
To understand what differentiates organizations with more mature TA functions from others, we divided the respondents into two cohorts:

- **TA leader organizations (TA leaders)** are those who answered the question "Which of the following statements best describe the talent acquisition function within your organization?" as "advanced" or "world-class."
- **TA laggard organizations (TA laggards)** are those who answered the same question as "non-existent," "chaotic," or "just-in-time."

Throughout the report, we note significant differences between TA leaders and laggards. Of course, correlation is not the same as causation. We cannot say with certainty that a particular practice will result in better performance. The data, however, reveals interesting patterns about possible best practices.

Finding: There has been a dramatic improvement in TA maturity over the last year

We asked a version of this question in our talent acquisition survey since 2021. The number of respondents who said their TA function is at a higher level of maturity has remained consistently around 20% until last year. However, it is encouraging to see a major improvement in the maturity level of TA over the last year. This sharp increase suggests that organizations are investing in improving their recruitment processes, possibly through better technology adoption, workforce planning, or talent management strategies. It is also possible that the use of AI in recruitment has automated a lot of administrative tasks freeing up time for strategic initiatives.



Editor's Note: In 2021, the top two maturity stages were phrased as "advanced results-oriented" and "top-notch strategic."

Finding: About half of respondents believe their TA capabilities are above average or top-notch in comparison to their direct competitors

For the purpose of this report, large organizations have 1,000 or more employees, midsized organizations have 100 to 999 employees, and small organizations have 99 or fewer employees.

A majority of organizations perceive their talent acquisition capabilities as either above average (42%) or average (39%) compared to direct competitors, suggesting a general confidence in hiring processes. Only 10% consider their talent acquisition top-notch, indicating room for improvement in reaching an elite level.

Meanwhile, 6% rate their capabilities as below average, and 2% as well below average, highlighting a small but important segment struggling to compete for talent. Organizations aiming for a competitive edge may need to refine their recruitment strategies, invest in technology, and enhance employer branding to move from average to top-tier hiring performance.

Differences based on organization size

Large (51%) and midsize (52%) organizations are more likely than small organizations (43%) to rate their TA capabilities as top-notch or above average. This could be due to a greater need in midsize and larger organizations to hire more people than in smaller organizations.

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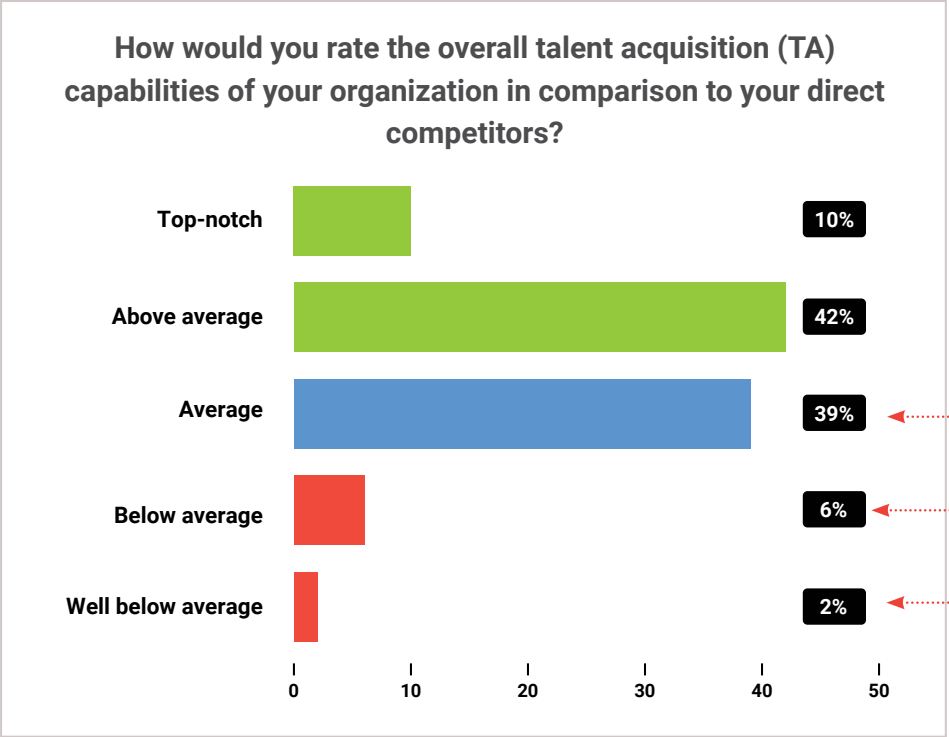


Editor's Note: In the original data, 2% of respondents stated that they "don't know." We removed those responses and recalculated them, so this only shows percentages for those who answered the question.

47% rate their TA capabilities as average or below when compared to their direct competitors

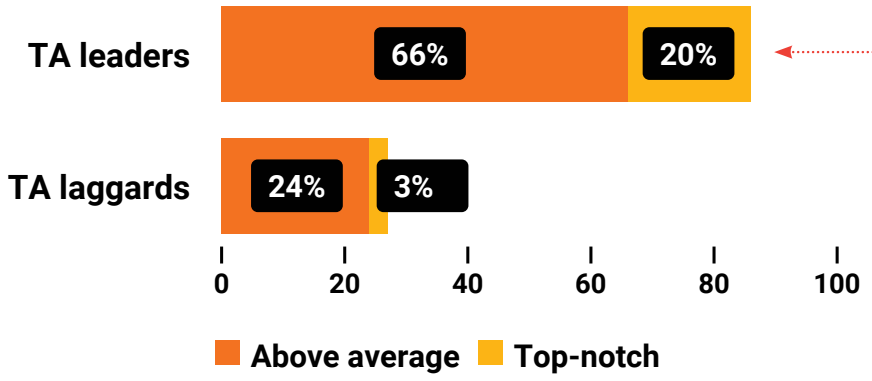
Finding: TA leaders are over three times more likely than laggards to rate their TA capabilities as top-notch or above average

TA leaders are more likely to rate their hiring as above average (66%) or top-notch (20%), while laggards trail at 24% and 3%, respectively. This gap highlights the impact of strategic hiring practices, technology, and workforce planning. Organizations struggling to compete may need to refine their recruitment strategies to improve performance.

Results of Chi-square Test

A chi-square test of independence shows that TA leaders are significantly more likely than laggards to say their TA capabilities are top-notch or above average compared to direct competitors.

How would you rate the overall talent acquisition (TA) capabilities of your organization in comparison to your direct competitors?



Nearly nine in 10 TA leaders rate their TA capabilities as above average or top-notch

HRRI Strategic Recommendations

Based on our research, please consider these suggestions:

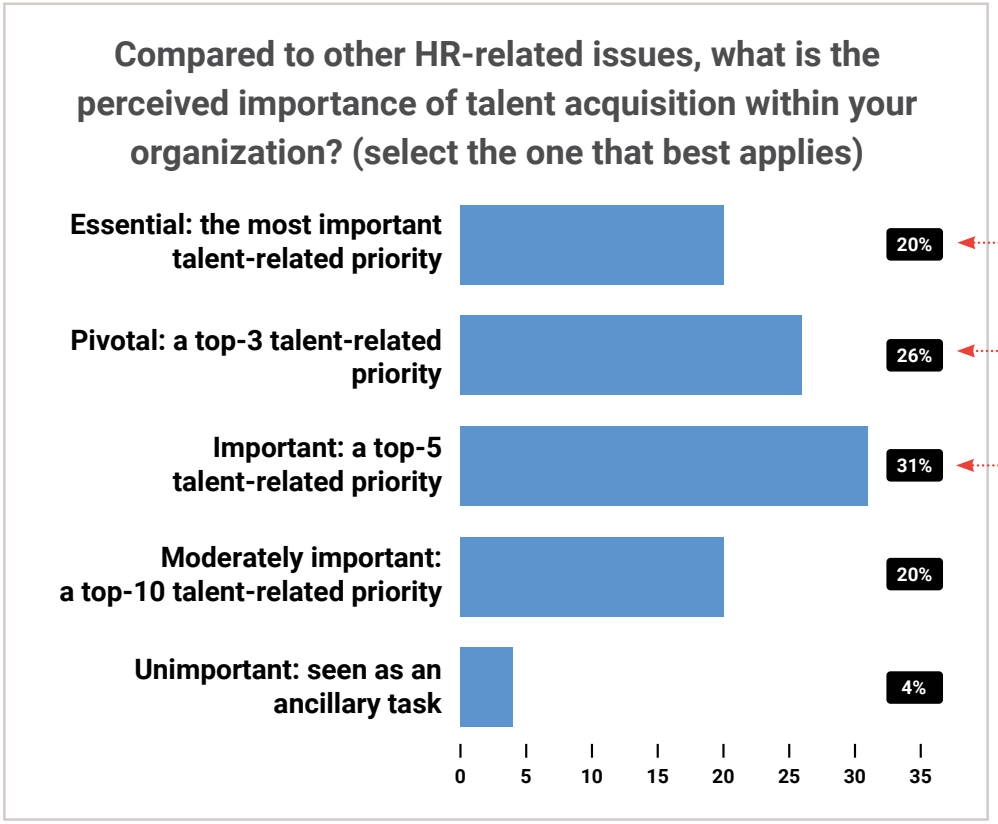
- **Adopt proactive hiring:** Focus on long-term workforce planning instead of just-in-time hiring.
- **Leverage technology:** Use AI and automation to streamline recruitment processes.
- **Enhance employer branding:** Promote a positive company culture to attract top talent.
- **Refine recruitment strategies:** Continuously assess and improve hiring practices.
- **Invest in team development:** Provide regular training to keep the talent acquisition team up-to-date.

Turning Talent Strategy into Action

Finding: Forty-six percent say TA is among their organization's top three HR priorities today at the least

Talent acquisition is the most important talent-related focus for 20% of organizations, with an additional 26% recognizing it as a top-3 priority. This data highlights the growing recognition of recruitment as a strategic function rather than a mere ancillary task. HR professionals should capitalize on this shift by positioning talent acquisition as a central element of the organization's success. By elevating recruitment to a top-3 priority, organizations can attract and retain the best talent, which directly impacts overall performance.

TA is among the top five talent-related priorities or higher in over three-fourths of organizations.



Editor's Note: In the original data, 2% of respondents stated that they "don't know." We removed those responses and recalculated them, so this only shows percentages for those who answered the question.

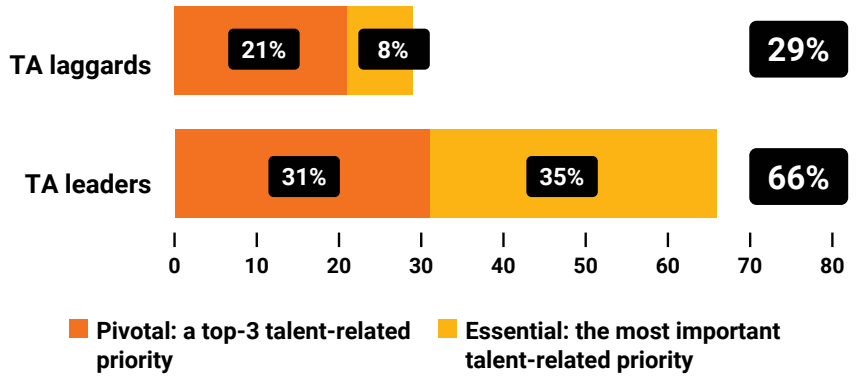
Finding: Over a third of TA leaders view talent acquisition as the most important HR priority

Results of Chi-square Test

A chi-square test of independence shows that TA leaders are significantly more likely than laggards to say TA is an essential or pivotal HR-related issue within their organization.

Talent acquisition is seen as the most important priority by 35% of TA leaders, compared to just 8% of TA laggards. This contrast highlights the strategic advantage of placing talent acquisition at the forefront of HR efforts.

Compared to other HR-related issues, what is the perceived importance of talent acquisition within your organization?



TA leaders are over twice as likely as laggards to say the TA function is their topmost or among their top-3 talent-related priorities

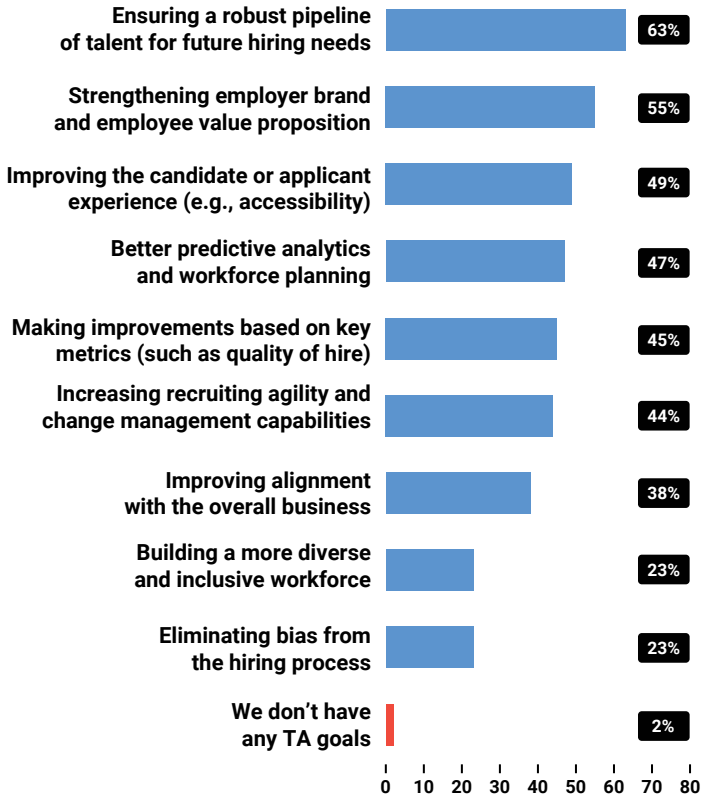
Finding: A strong talent pipeline is a top TA goal for over three-fifths of organizations

Respondents say building a robust talent pipeline (63%) is the top TA priority, reflecting concerns about long-term workforce sustainability. Further, employer branding (55%) and candidate experience (49%) highlight the ongoing competition for talent.

Data-driven hiring is gaining traction, with 47% focusing on predictive analytics and 45% on key hiring metrics. Recruiting agility (44%) is also critical for adapting to market shifts.

However, building a more diverse workforce and bias elimination receive less emphasis (both 23%), suggesting that inclusive hiring may not be a primary focus. Surprisingly, 2% of organizations report having no defined talent acquisition strategy, which may pose long-term risks.

Over the next two years, which 5 of the following are the most important goals for your organization's talent acquisition function? (select up to five)



Under a quarter say eliminating bias from the hiring process is one of the five most important TA function goals over the next two years

Talent Acquisition Challenges and Strategic Alignment

Finding: The lack of candidates with the required skills or experience is the top challenge facing talent acquisition

The biggest challenge in talent acquisition is the lack of candidates with the required skills or experience (53%), followed closely by a reactive hiring approach (51%). These have remained the top challenges facing organizations over the past five years of doing this research.

Compensation below market rates (42%) further complicates talent attraction and retention. Workforce planning gaps (38%) and misalignment with hiring managers (34%) suggest inefficiencies in long-term talent strategies. Additionally, a lack of strategic business alignment (29%) and underinvestment in TA technologies (28%) indicate missed opportunities for optimization.

Differences based on organization size

Organizations are likely to grapple with varying challenges based on their size. The primary challenge in small and midsize organizations is the lack of candidates with the required skills or experience. Large organizations are most likely to grapple with compensation, total rewards being below market rate and lack of workforce planning.

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What do you see as the 5 biggest challenges or obstacles when it comes to talent acquisition in your organization? (select up to 5)
Lack of candidates with required skills or experience
53%
Just-in-time, reactive hiring approach
51%
Compensation, total rewards are below market rate
42%
Lack of workforce planning
38%
Misalignment with hiring managers
34%
Lack of strategic business alignment
29%
Lack of investment in talent acquisition technologies
28%
Ineffective and time-intensive hiring processes
25%
Lack of funding, resources or headcount
21%
Lack of in-house TA capabilities and skills
14%
We see no challenges
3%
0
10
20
30
40
50
60

Finding: Seven in 10 TA laggards face challenges due to a just-in-time, reactive hiring approach

Results of Chi-square Test

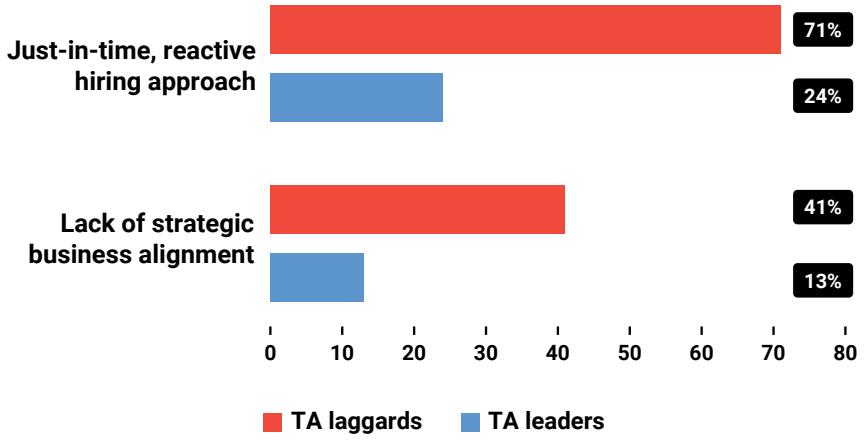
A chi-square test of independence shows that TA laggards are significantly more likely than leaders to say all listed challenges affect their TA function.

Talent acquisition laggards face significant challenges with just-in-time, reactive hiring (71%), compared to only 24% of TA leaders. This highlights the inefficiencies of short-term hiring tactics.

Similarly, 41% of laggards cite a lack of strategic business alignment as a key obstacle, whereas only 13% of leaders report the same issue. This gap underscores the importance of integrating talent acquisition with broader business goals.

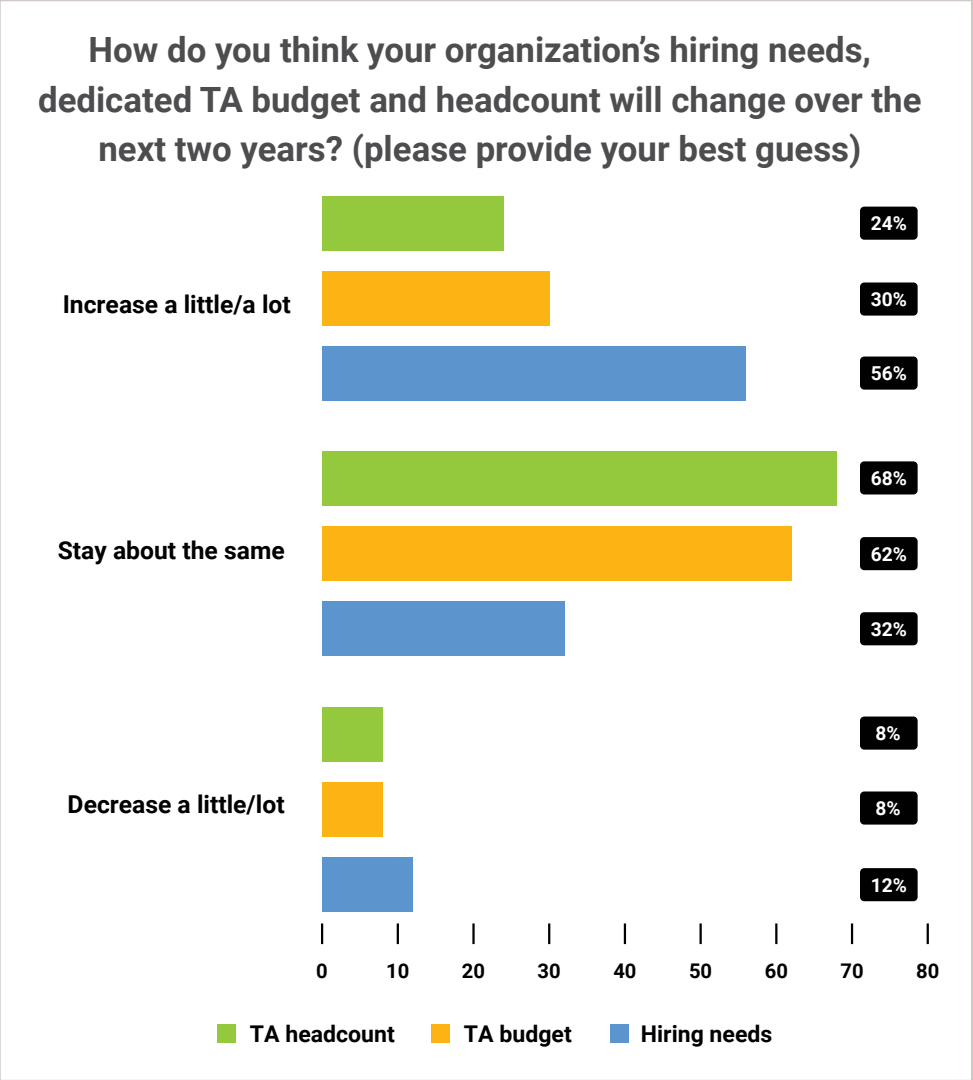
Organizations that proactively plan their workforce needs and align hiring strategies with business objectives are more likely to achieve long-term talent success.

What do you see as the biggest challenges or obstacles when it comes to talent acquisition in your organization?



Finding: Hiring needs are set to grow, but budget and headcount adjustments may stay the same

While 56% of organizations expect an increase in hiring needs over the next two years, a potential mismatch exists with both the talent acquisition budget and headcount. Only 30% anticipate a corresponding increase in their TA budget, and similarly, just 24% foresee an increase in headcount to support recruitment efforts. This disconnect could strain HR teams as they work to meet growing hiring demands with limited resources.



Editor's Note: This chart combines responses to two questions: "How do you think your organization's hiring needs will change over the next two years? (please provide your best guess)," "How will the dedicated talent acquisition budget and headcount change in your organization over the next two years? (please provide your best guess)."

HRRI Strategic Recommendations

Based on our research, please consider the following suggestions:

- **Align** talent acquisition strategies with broader business goals to ensure proactive planning and long-term success.
- **Invest** in advanced recruiting technologies and tools to streamline processes and reduce reliance on reactive hiring methods.
- **Prioritize** workforce planning to bridge gaps in hiring and improve collaboration with hiring managers.
- **Review** and adjust compensation packages to remain competitive in attracting top talent.
- **Advocate** for adequate increases in talent acquisition budgets and headcount to support growing hiring demands.

Key Metrics for Talent Acquisition Success

Finding: Time-to-fill/time-to-hire retains its top spot as the most cited metric to assess TA success

Organizations are increasingly focusing on key metrics to evaluate their talent acquisition efforts and success. Time-to-hire (59%) is the most commonly tracked metric, followed by employee retention (55%) and quality of hire (44%). Metrics like source of hire (40%) and candidate experience (43%) are also being used to refine recruiting processes and improve the hiring journey. Despite this, 8% of organizations do not track any metrics, which can limit insights into the effectiveness of their talent acquisition strategies. HR professionals should consider broadening the scope of metrics they track to ensure a more holistic view of their TA performance and align it with both immediate and long-term business objectives.

Differences based on organization size

While the most widely used TA metric in large organizations is time-to-hire and/or fill (69%), in midsize (63%) and small organizations (62%), it is employee retention and/or tenure.

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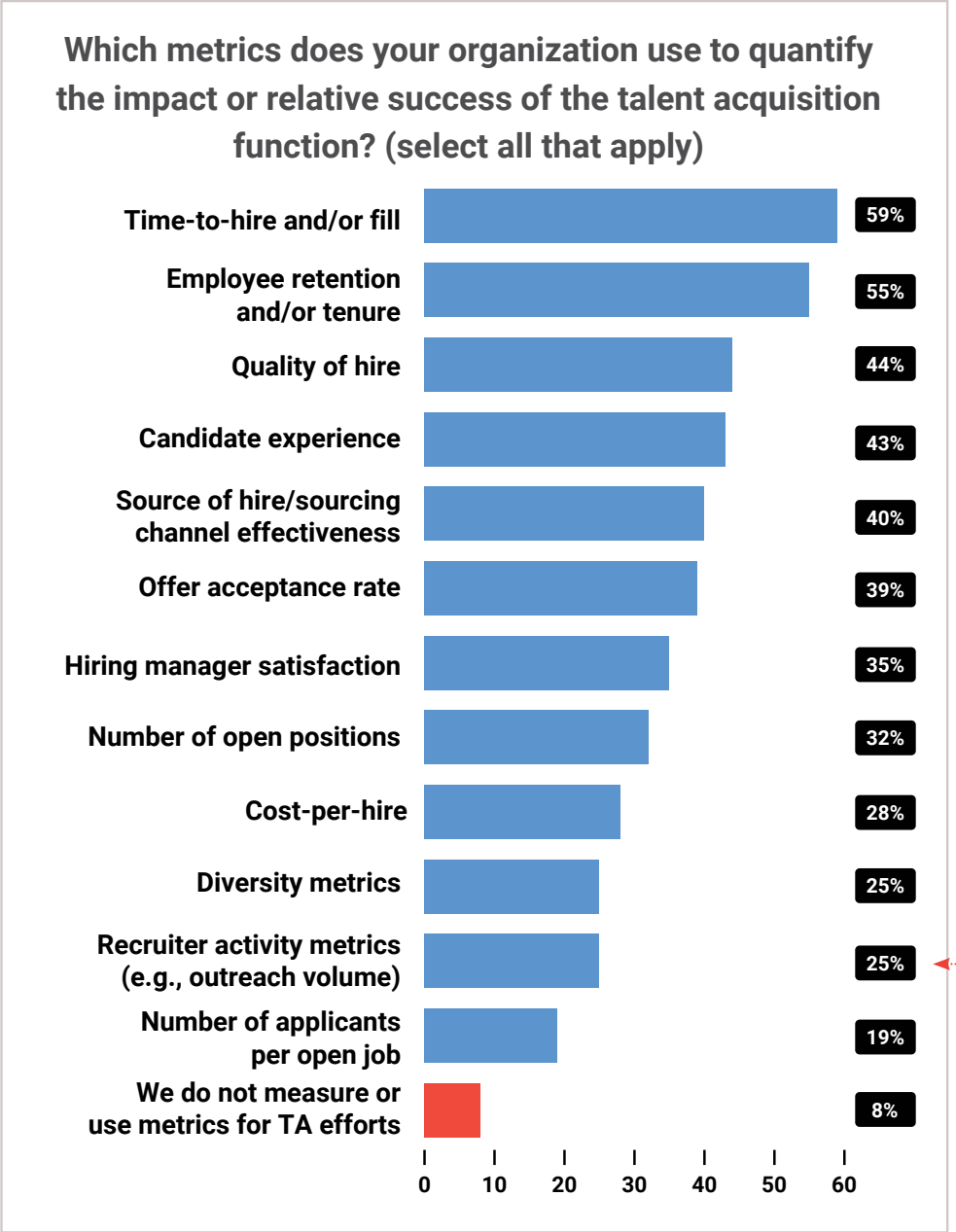


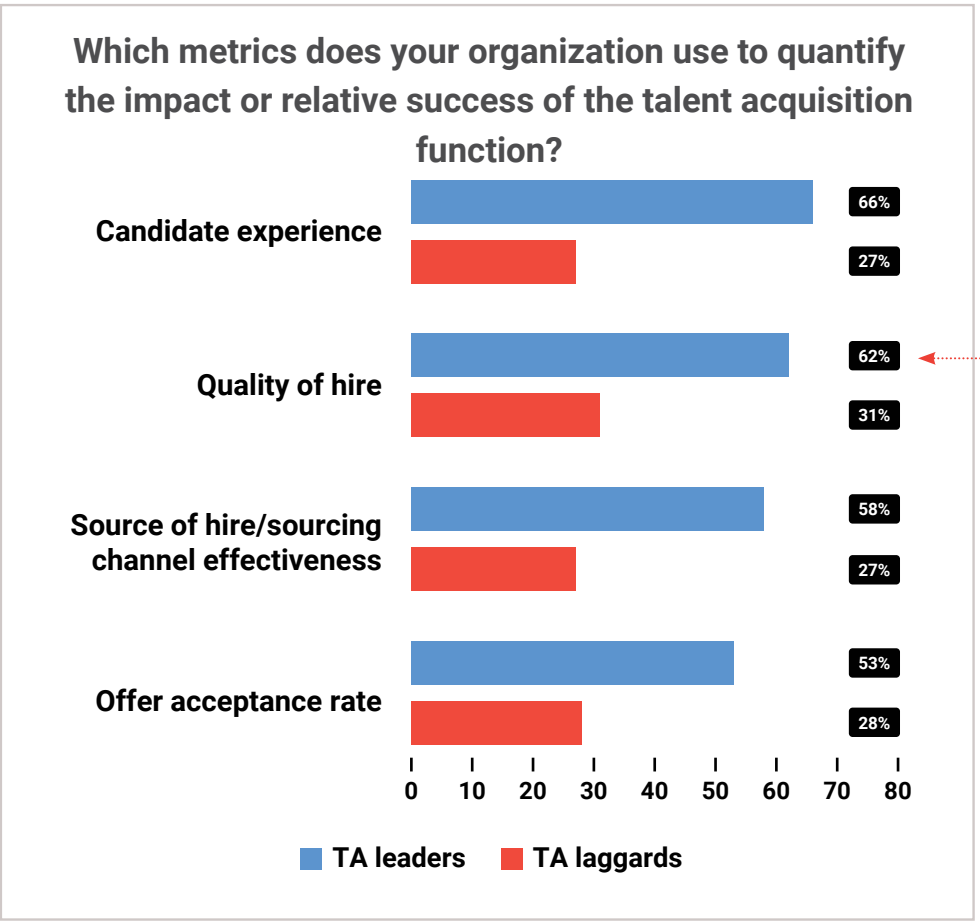
Just a quarter measure recruiter activity metrics such as outreach volume

Finding: TA leaders are significantly more likely than laggards to use a variety of TA metrics

Results of Chi-square Test

A chi-square test of independence shows that TA leaders are significantly more likely than laggards to use all listed TA related metrics.

Talent acquisition leaders consistently track essential metrics to measure the success of their function. For example, offer acceptance rate is monitored by 53% of TA leaders, compared to just 28% of laggards. Similarly, source of hire and sourcing channel effectiveness is tracked by 58% of leaders versus 27% of laggards, and quality of hire is measured by 62% of leaders, while only 31% of laggards track this metric. Candidate experience is also closely monitored by 66% of leaders, compared to 27% of laggards. These discrepancies highlight the importance of adopting a data-driven approach to talent acquisition, with lagging organizations missing out on key insights that can drive recruitment improvements.



TA leaders are twice as likely as laggards to measure quality of hire

Finding: Over a third of the responding HR professionals are not aware of the past year's cost-per-hire

We asked respondents to indicate their organization's estimated cost-per-hire over the past year. A third of responding HR professionals said they have no idea about this value. This is despite a significant volume of hiring that took place over the last year—30% of respondents say they hired over 250 employees in the last year, and over half of the respondents have hired at least 50 employees.

The majority of organizations report varying levels of cost-per-hire. About a third (35%) are unsure about their estimated cost-per-hire, highlighting a potential gap in tracking recruitment expenses. Among those who do know, 20% estimate their cost to be under $2,000, while 28% fall within the range of $2,001 to $5,000. A smaller proportion of organizations report higher costs, with 10% estimating between $5,001 and $10,000, and 8% reporting costs exceeding $10,000.

Understanding and tracking cost-per-hire is crucial for optimizing recruitment strategies and improving overall cost efficiency. HR professionals should prioritize capturing this metric to inform budget decisions and recruitment planning.

Differences based on organization size

Cost-per-hire increases with organizational size. Small (54%) and midsize organizations (52%) are more likely to report spending $5,000 or less per hire compared to large organizations (36%).

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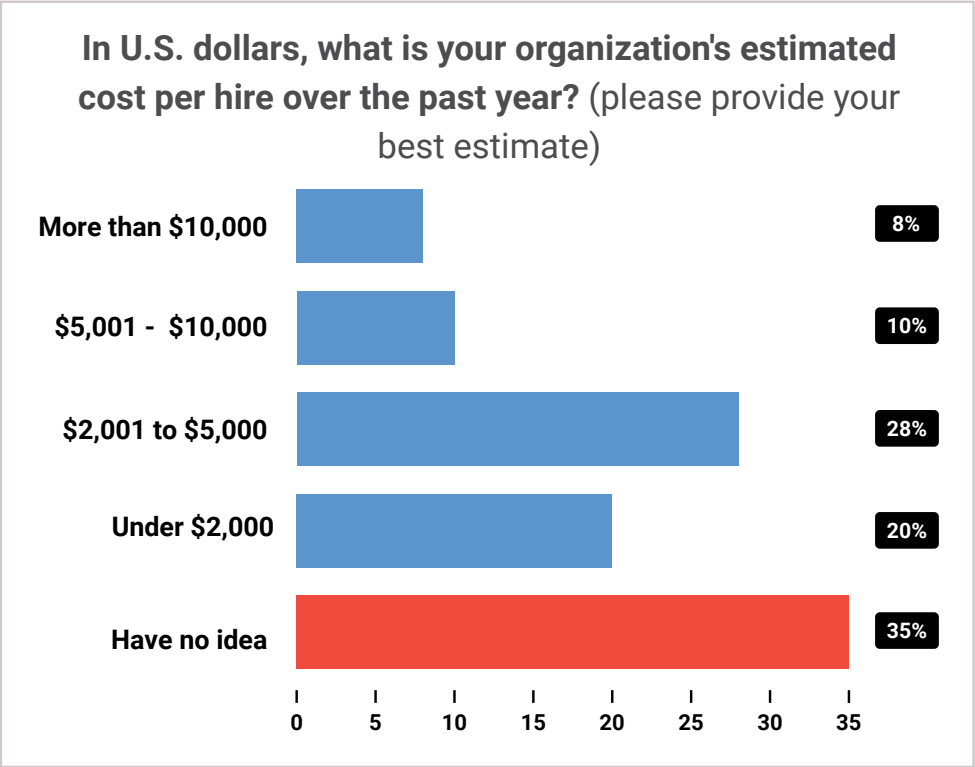


HRRI Strategic Recommendations

Based on our research, please consider the following suggestions:

- **Track** time-to-hire and quality of hire regularly to gauge recruitment efficiency and the long-term impact of new hires.
- **Expand** the range of metrics tracked to include candidate experience and source of hire to refine recruitment strategies.
- **Implement** a more robust system for tracking cost-per-hire to improve budget management and recruitment cost efficiency.
- **Encourag**e HR teams to adopt a data-driven approach and leverage various metrics to guide recruitment decision-making.
- **Tailor** metrics to organizational size and needs, ensuring they align with both short-term goals and long-term workforce planning.

Maximizing Technology Adoption in Talent Acquisition

Finding: About three-fourths of organizations use an applicant tracking system (ATS) in their hiring process

Most organizations rely on a variety of talent acquisition technologies to streamline their recruitment efforts. The most widely used tools include ATS (73%) and job boards/aggregators (70%), which help manage candidate pipelines and job postings. In fact, these remain the top TA technologies reported over the last three years.

Tools such as video interviewing software (33%) and assessments/skills testing (34%) are increasingly incorporated to enhance the hiring process. However, a small percentage (4%) still report not using any dedicated TA tools. HR professionals should evaluate the effectiveness of their current tools and consider integrating additional technologies to optimize recruitment processes and improve candidate engagement.

What talent acquisition technologies or recruiting tools does your organization currently access or leverage as part of your hiring process? (select all that apply)

Finding: TA leaders utilize TA technologies to a much greater extent than laggards do

TA leaders are more likely to utilize advanced recruiting technologies, such as candidate relationship management (CRM), recruitment marketing platforms, and video interviewing software. In contrast, TA laggards show lower adoption of these tools. This gap in technology usage highlights the growing importance of leveraging modern recruitment tools to enhance hiring efficiency and outcomes.

Results of Chi-square Test

A chi-square test of independence shows that TA leaders are significantly more likely than laggards to use all listed TA tools and technologies.

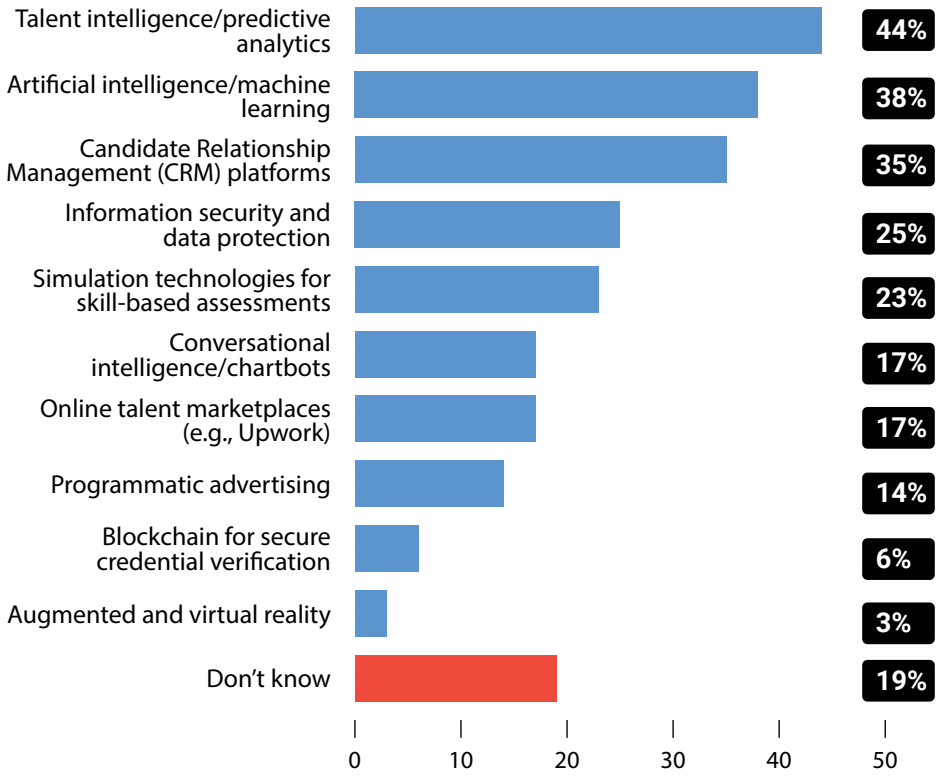
What talent acquisition technologies or recruiting tools does your organization currently access or leverage as part of your hiring process?

TA leaders are twice as likely as laggards to use employee referral software

Finding: Talent intelligence/predictive analytics is seen to be most impactful for an organization's TA capabilities over the next two years

Organizations are increasingly looking toward emerging technologies to enhance their talent acquisition strategies. The most anticipated technologies include talent intelligence/predictive analytics (44%) and artificial intelligence/machine learning (38%), which are expected to significantly impact recruitment processes. However, respondents feel augmented and virtual reality (3%) and blockchain for secure credential verification (6%) are less likely to play a major role in the near term. These insights highlight the growing interest in leveraging data-driven technologies to optimize hiring strategies.

If you had to guess, which of the following emerging technologies do you think will be the most significant or impactful for your organization's talent acquisition capabilities over the next two years? (select all that apply)



Finding: AI is perceived to be useful for many TA processes

AI is increasingly being leveraged across various aspects of talent acquisition. AI-powered tools are seen as valuable in chatbots for engaging candidates (53%), writing job descriptions (58%), and resume screening and parsing (44%). Other uses include candidate sorting (42%) and interview scheduling (43%). These technologies help streamline processes, improve candidate engagement, and enhance decision-making, allowing talent acquisition teams to work more efficiently and effectively.

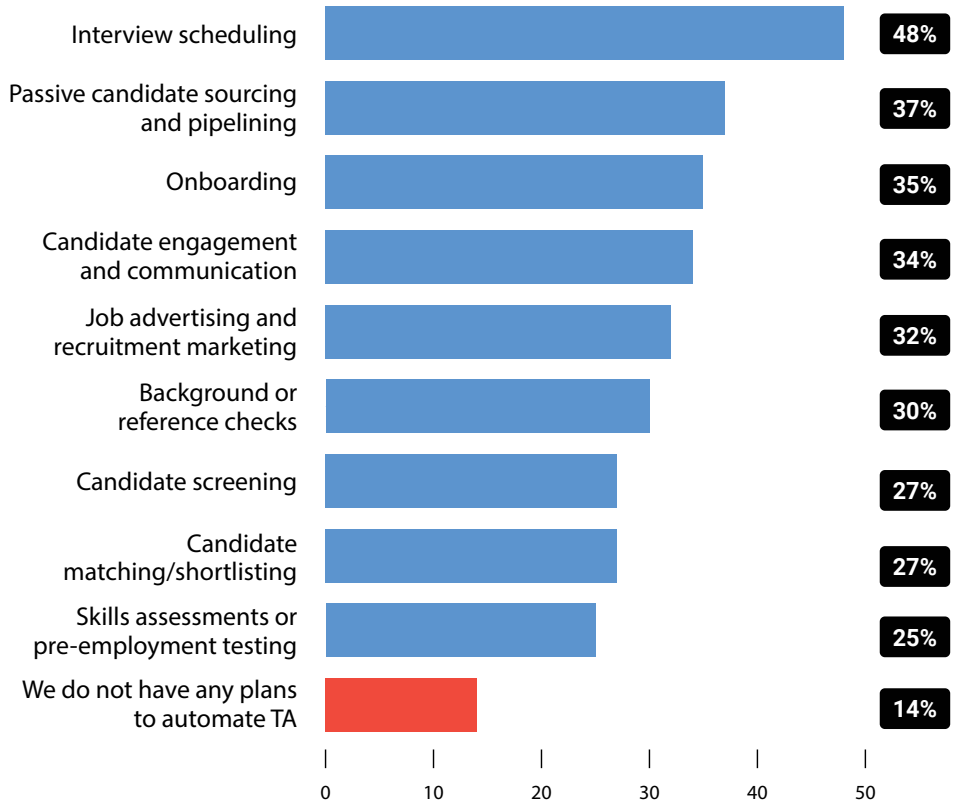
How do you think artificial intelligence (AI) can be used in the talent acquisition function?

Editor's Note: This question was only asked of respondents who cited "artificial intelligence/machine learning" and/or "conversational intelligence/chatbots" in the previous question.

Finding: Almost half of organizations plan to automate interview scheduling over the next two years

Organizations are increasingly planning to automate various aspects of the talent acquisition process. Interview scheduling (48%) is the most anticipated area for automation, followed by passive candidate sourcing and pipelining (37%) and onboarding (35%). Candidate engagement and communication (34%) and job advertising (32%) are also expected to benefit from automation. These efforts reflect the growing trend of leveraging automation to enhance efficiency, reduce administrative burdens, and improve the overall candidate experience.

Which parts of the recruiting or talent acquisition process do you expect to automate (either fully or partially) over the next two years? (select all that apply)



14% of organizations do not plan to automate TA processes over the next two years

Editor's Note: In the original data, 8% of respondents stated that they "don't know." We removed those responses and recalculated them, so this only shows percentages for those who answered the question with some other response.

HRRI Strategic Recommendations

Based on our research, please consider the following suggestions:

- **Embrace** a comprehensive tech stack. Use a variety of tools such as ATS, job boards, and CRM platforms to streamline recruitment and improve candidate sourcing.
- **Leverage** AI and automation. Incorporate AI-powered chatbots, interview scheduling, and resume screening to enhance efficiency and candidate engagement.
- **Invest** in predictive analytics. Use talent intelligence and analytics to optimize hiring decisions and improve long-term talent acquisition strategies.
- **Prioritize** data security. Ensure robust information security measures are in place as more technologies and data are integrated into the hiring process.
- **Automate** repetitive tasks. Identify and automate administrative processes, such as interview scheduling and candidate communication, to free up HR teams for more strategic activities.

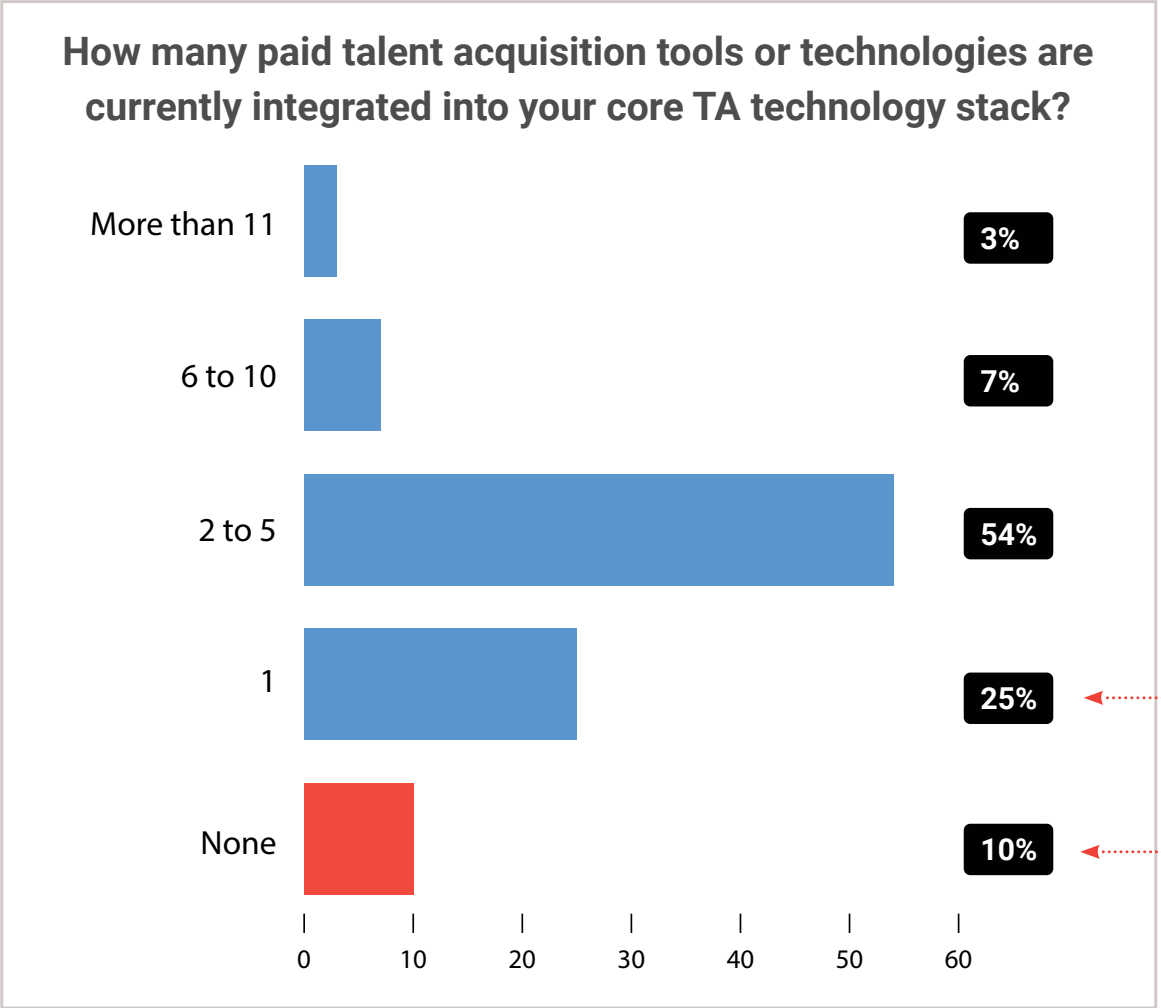
Key Trends in Talent Acquisition Technology

Finding: More than half of organizations have between two and five paid TA tools or technologies currently integrated into their core TA tech stack

Most organizations integrate a moderate number of paid TA tools, with 54% using between two and five tools. A smaller proportion relies on just one tool (25%), while very few utilize more than five (10%). This suggests that HR teams are increasingly adopting specialized technologies but may still be limited in their tool integration. Leveraging a broader range of tools or expanding integration could help streamline processes, improve hiring outcomes, and enhance overall recruitment efficiency.

Differences based on organization size

As expected, the number of paid TA tools/technologies integrated into the core TA tech stack increases with organizational size. While over three-fourths of large organizations have at least two paid TA tools/technologies integrated into their TA tech stack, six in 10 midsize organizations and under a third of small organizations say the same.



Editor's Note: In the original data, 7% of respondents stated that they "don't know." We removed those responses and recalculated them, so this only shows percentages for those who could knowledgeably answer the question.

35% have just one or no paid TA technologies integrated into their core TA tech stack

Finding: Over half of TA leaders integrate two to five paid tools in their core TA tech stack

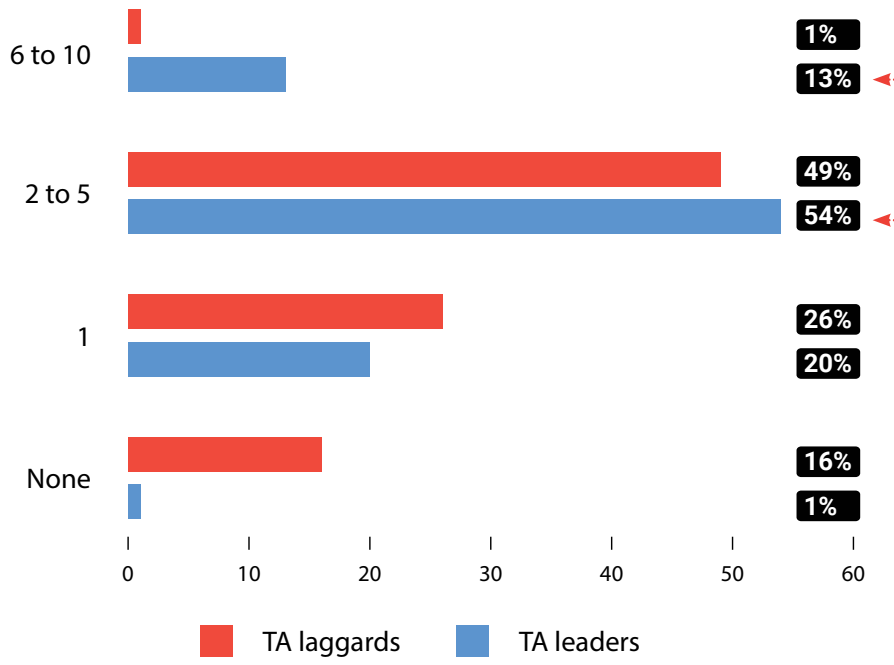
TA leaders are more likely than laggards to integrate a higher number of paid talent acquisition tools into their core technology stack. While 54% of TA leaders use between two and five tools, a notable portion of laggards still rely on only one tool or none at all.

The gap in tool integration highlights the advantages of leveraging multiple technologies to improve recruitment efficiency and outcomes. Organizations should consider expanding their toolsets to keep pace with industry best practices and enhance their talent acquisition strategies.

Results of Chi-square Test

A chi-square test of independence shows that TA leaders are significantly more likely than laggards to have over five paid TA tools and technologies currently integrated into their core TA tech stack.

How many paid talent acquisition tools or technologies are currently integrated into your core TA technology stack?

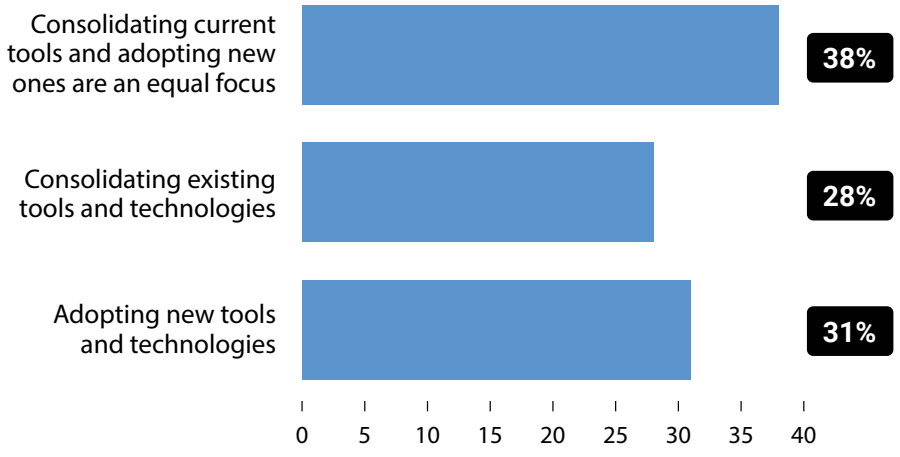


Two-thirds of TA leaders have at least two or more paid TA technologies integrated in their core TA tech stack

Finding: Almost two-fifths of organizations are equally focused on consolidating current and adopting new TA tools and technologies

Organizations are balancing the need to consolidate existing tools and adopt new technologies in their talent acquisition processes. Two-fifths prioritize both equally, while 31% focus more on adopting new tools, and 28% concentrate on consolidation. This reflects a strategic approach to optimize the tech stack, ensuring both efficiency and the integration of modern technologies. HR professionals should continuously evaluate the effectiveness of their tools to maintain a streamlined, future-ready talent acquisition process.

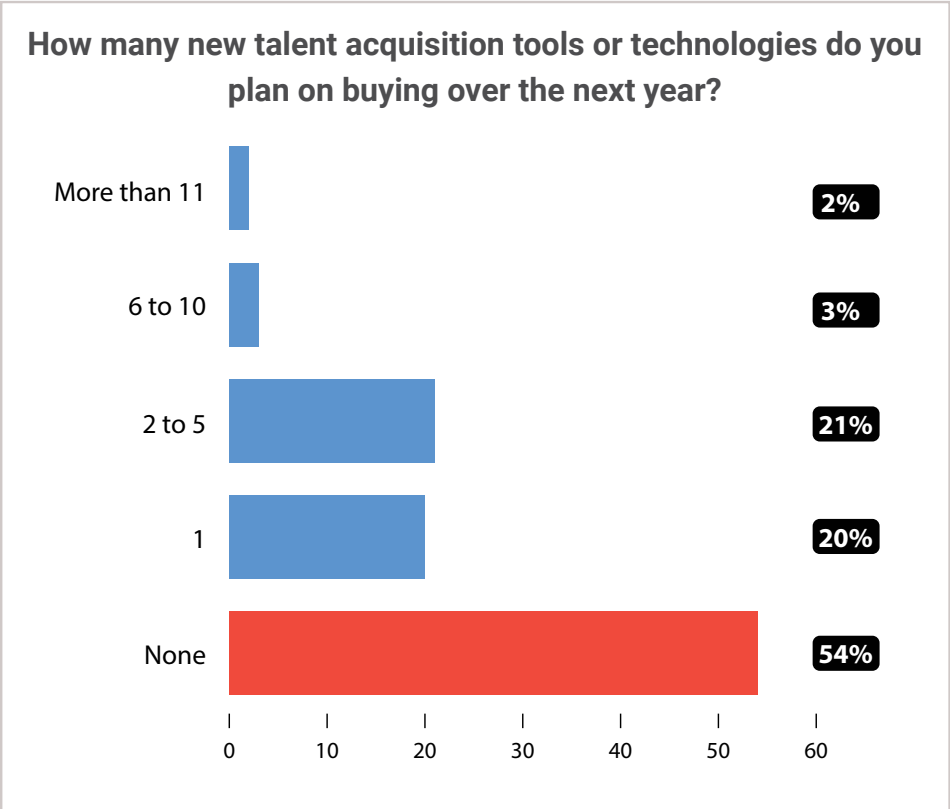
When it comes to talent acquisition tools or technologies, which of the following is more of a focus in your organization today?



Editor's Note: In the original data, 14% of respondents stated that they "don't know." We removed those responses and recalculated them, so this only shows percentages for those who answered the question.

Finding: Over half of organizations do not plan to buy any new TA tools or technologies over the next year

The majority of organizations, 54%, do not intend to invest in new TA tools or technologies over the next year, indicating a preference for maintaining their current systems. However, 20% of companies plan to adopt at one new tool, and about one-fifth plan to buy up to five new technologies. Few are looking to make more extensive upgrades, with 3% considering six to 10 tools and 2% planning to add more than 11. This trend suggests that while there is some interest in expanding or upgrading talent acquisition resources, most organizations are taking a more conservative approach to technology investments in this area.

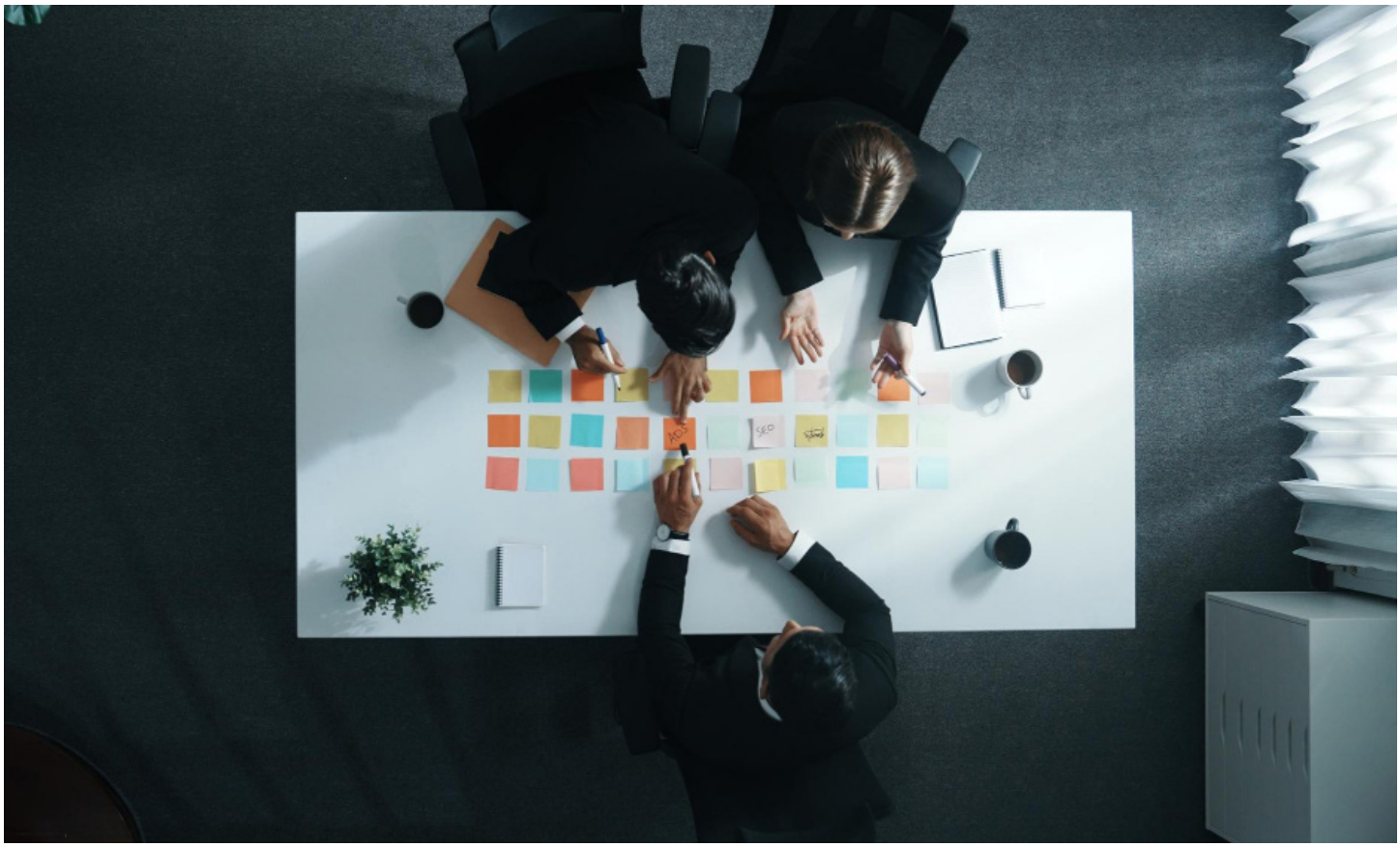


Editor's Note: In the original data, 24% of respondents stated that they "don't know." We removed those responses and recalculated them, so this only shows percentages for those who could knowledgeably answer the question.

HRRI Strategic Recommendations

Based on our research, please consider the following suggestions:

- **Evaluate** your current tech stack regularly to ensure it is optimized and supporting your recruitment goals.
- **Consider** expanding your toolset by integrating additional specialized technologies to improve recruitment efficiency and outcomes.
- **Focus** on a balanced approach between consolidating existing tools and adopting new ones to ensure your tech stack remains future-proof.
- **Align** your technology strategy with organizational size and growth plans to avoid over or under-investing in tools.
- **Prioritize** integration capabilities when selecting new tools to ensure smooth collaboration with your existing technology ecosystem.



Key Takeaways

1 **Consider leveraging AI and predictive analytics more:** These are the technologies most commonly viewed as having an impact on the future of TA over the next two years. AI is forecast to be most used for interview scheduling, candidate matching, resume screening and parsing, engaging with candidates, predictive analytics, and candidate sourcing.

2 **Focus on candidate experience:** Improving the candidate experience remains a top priority. Streamline application processes, provide timely communication, and offer a personalized journey to attract and retain top talent.

3 **Strengthen employer branding:** A strong employer brand can be crucial for attracting talent in a competitive market. Consistently promote your company culture, values, and employee value proposition through various channels to stand out as an employer of choice.

4 **Adopt flexible recruiting strategies:** The rise of remote and hybrid work has made flexibility in recruiting strategies more important. Depending on your business, you may be able to expand your talent pool by considering candidates from diverse geographic locations and offering flexible work options where it makes sense.

5 **Leverage in diversity and inclusion strategies:** Building a more diverse and inclusive workforce is widely viewed as important to business success, and in many areas it is a virtual necessity given changing demographic trends. Implement strategies that eliminate bias in hiring, and actively seek out diverse talent to foster innovation and drive business success.

6

Utilize talent intelligence: Talent intelligence tools are becoming key in identifying skill gaps and forecasting workforce needs. Use these insights to align your talent acquisition strategies with long-term business objectives.

7

Leverage social media and online talent marketplaces: Social recruiting and online talent marketplaces have become commonplace. Companies can, for example, actively engage with potential candidates on platforms like LinkedIn, and some may wish to explore marketplaces to find skilled freelancers.

8

Enhance technology integration where it makes the most sense: HR technology is evolving rapidly. Although there are great stand-alone technologies, our research suggests that being able to integrate your TA technology stack can help improve workflow efficiency and provide a more unified experience for both recruiters and candidates.

9

Prioritize agility, training and change management: In a fast-changing job market, agility is key. Develop the ability to quickly adapt to shifts in talent demand and equip your team with change management skills to navigate evolving recruitment challenges. Ensure that everyone involved with hiring has the necessary skills to be successful.

10

Measure and optimize recruitment efforts: Data-driven recruitment is on the rise. Our research shows that organizations that excel at recruitment are more likely to leverage a variety of metrics as a way of quantifying the impact or relative success of the talent acquisition function. These include, among others, time-to-hire, quality of hire, source of hire, candidate experience. offer acceptance rate, diversity metrics, and more. Use this data to continuously refine your talent acquisition strategies to achieve better outcomes and improve the credibility of the TA function.

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