

Modern Hiring Guide

Best practices to overcome your hiring challenges



The Global
Workforce Has
Fundamentally
Changed



Let's talk about today's workforce:

3.9%

Unemployment is at historic low

52%

Of CEOs will increase headcount within 12 months

60%

Of workers will be hourly

75%

Of the workforce will be millennials by 2025

These factors are causing a seismic shift in the way companies approach recruiting and how hourly workers find work. Enterprises - especially those with a large service workforce - are facing growing challenges around finding quality hires, streamlining recruiting, and improving processes and broken systems.

The New Service Economy

Consumers today demand same-day deliveries, 24/7 customer service and all-in-one experiences. They now also demand this same personalized and flexible experience with their potential employers - whether it be through jobs in the gig or traditional service economy. We call the convergence of these industries and workforces The New Service Economy.

The New Service Economy is growing fast and employers are competing for the same talent pool with high expectations, making hiring much more difficult than ever. Businesses are struggling to keep up and it is affecting the bottom line.

Hiring practices also have not adapted to the dynamic needs of this new relationship. This flexible workforce is looking to quickly onboard, start working, and earning wages. Meanwhile, companies are looking to avoid anything that discourages these qualified candidates. They also want to arm their recruiters with the tools to process high-volumes of applicants and keep their flexible workforce pipeline active.

Are you part of the New Service Economy?

There's an easy way to answer that. Does your company rely on a non-traditional workforce? This can include gig workers, contractors, freelancers, shift workers, or flexible workers. If you answered "yes" to any of these, then you are absolutely a part of the New Service Economy. It also means you are competing with more companies than you realize, for the same limited talent pool.

What's to be done?

If you're still reading and identify your organization as part of this New Service Economy this guide is especially for you.

Companies like yours need to offer a personalized application experience that wins over candidates and also allows recruiters to process them quickly and effortlessly. Companies need better analytics, automation, and more visibility into key touchpoints. Focus must shift from online job postings to creating high-touch, high-quality interactions before, during, and after hiring.

This guide will look at how better data, automations, AI, and machine learning will change the quality of your recruiting, hiring, and onboarding efforts.

You cannot afford to continue using the same, outdated hiring practices used by traditional, slow-moving companies. You need to hire quickly and flexibly to match your dynamic workforce needs and customer demands. We'll walk you through everything you need to know.

**Your Hiring
Practices Are
Outdated**

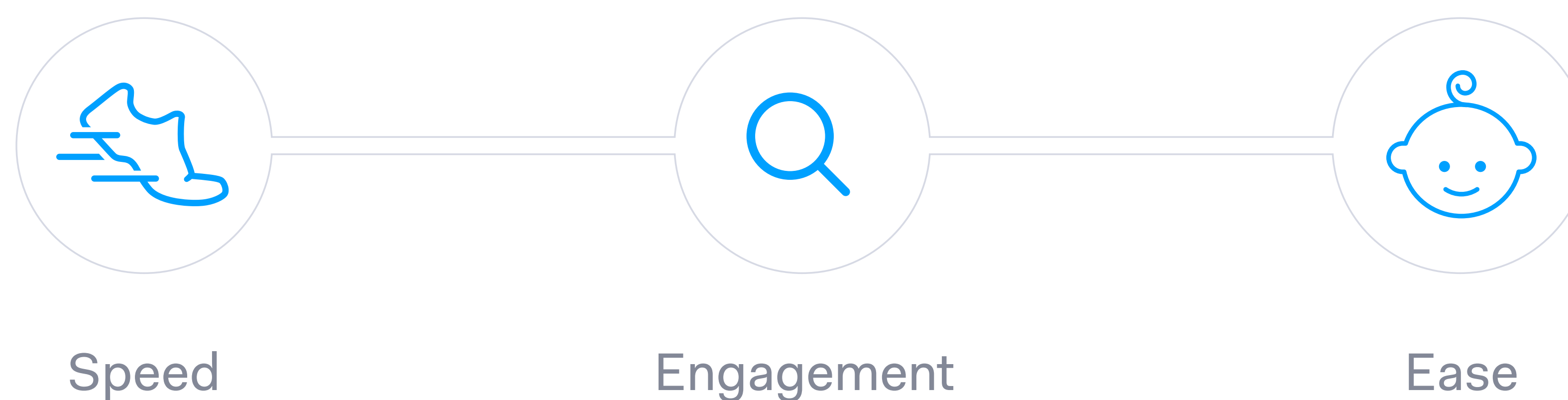
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Why outdated hiring practices don't work in the new service economy

The U.S. Bureau of Labor Statistics reports that 9.3 million hourly jobs will be added to the workforce by 2024. If unemployment rates remain low throughout that period, the competition to hire high-quality candidates will become fiercer than it already is. This means enterprise companies will quickly need to adapt to changing workforce behaviors and demographics.

While it's easy to see the writing on the wall, many companies still struggle with manual data collection, timely communication, meaningful interactions, and intentional onboarding. It's no wonder that 24% of businesses report that retention and turnover is among their top three challenges. Yet, they continue to operate in old hiring models.

Hourly workers look for three things when applying for a job:



Unfortunately, old hiring models and clunky applicant tracking systems are built with none of these things in mind.

Here are the top 6 challenges companies face today

1. Quality of Hire: Candidate quality—someone who performs well on the job and doesn't churn—is the most challenging target to hit. Identifying specific qualities of high-performing workers is critical to improving this metric.

2. Complicated, Manual Screening: With 40% of HR managers reporting three or more hours to process a new employee, eliminating manual processes is low-hanging fruit for most companies. Today's candidates expect the same ease of use they experience with phone apps and mobile friendly websites, not complicated forms and drawn out processes.

3. Disjointed Communications: A lack of communication is costing companies good hires. In today's mobile-first world, there's no excuse for poor application processes, missed reminders of important dates, or going silent after sending an offer letter.

4. Lack of Visibility Through Data and Analytics: HR has traditionally had little visibility into cost per hire, how to optimize spending on sourcing campaigns, or where potential hires are in the hiring process. Over-reliance on manual processes hampers recruiters with outdated candidate information, slow reaction time, and few data sorting capabilities.

7.0 %

Conversion Rate
(average hire %)

10_d

Time to hire

1:300

Users per applicant
(per month)

44 %

No show %

0.51

Manual emails
to applicant

5. "Time Poor" Candidates: With some reports saying up to 70% of workers search for new jobs while at work, it's become critical to show candidates your company is motivated, connected, and engaged. Today's candidates are looking for positive experiences throughout the hiring process, and that means being respectful of their time.

6. Churn: Lack of transparency in hiring and onboarding is responsible for 50% - 120% of annual churn (varying by industry). New hires most commonly leave because of unmet expectations like lower than expected earnings, or scheduling conflicts like bad shift times or too few shifts available. This is a company failure, not a candidate issue.



It costs \$3,328 on average, to replace an employee in a typical high-turnover industry.

- Center for American Progress, 2018

The New

Hiring

Standard:

Simple, Fast,

Convenient



Uncomplicated your hiring process with user-friendly tools

While hiring practices and software have evolved over the last two decades, much remains the same. First generation applicant tracking systems focused on easing the recruiters job, while second generation systems added CRMs to the mix. As social media matured, so did online application processes, integrating social networks into the recruiting and hiring processes.

Today's hiring tools have been made more complicated as a result of trying to add on new features and functionality to antiquated systems.

The market is now flooded with tools that claim to offer complete solutions through complicated integrations. You see them self-described as a "suite of services" or a "platform with ATS, CRM and job posting software all integrated". While these sound impressive and convenient, they do not address the major objective of growing companies: providing an effortless and personable hiring process for both the recruiter and candidate.

The shift to using intelligent tools to hire

Today, a major shift is happening thanks to a handful of new technological developments like machine learning and AI. This shift in demographics and expectations has also pushed some company practices forward.

With a focus on experience, metrics, and machine learning, today's hiring software is finally putting attention back on employee and candidate satisfaction.

The 5 must-have features for hiring software

We've compiled a comprehensive checklist for your organization to use when evaluating whether a technology partner is a good fit for your needs or deciding which hiring software is right for your company.



Machine Learning & AI

Chatbots may be the function du jour, but true AI and machine learning have much deeper capabilities. From predicting the probability of a hire to qualification filters that help you find top candidates, machine learning and AI can learn and adapt based on exposure to new data.

Benefits: A deeper understanding of who your best candidates are paves a path for better, more qualified hires. You'll snag the best candidates before other companies do, and those hires will stick around longer. You'll start tracking conversion metrics you've never been able to track. It's a virtuous cycle.



Integrations

Today's applicant success platforms work in conjunction with existing ATS and CRM software, reducing the pain points of these clunky and painful systems.

Benefits: Designed to handle large-scale hiring endeavors, new applicant success platforms provide clarity about applicants, give deeper visibility into your ongoing hiring process, and help recruiters better know applicants through high-leverage touch points.



Automation

Automation through machine learning and AI help recruiters and HR personnel leave tedious, manual processes behind, giving them time to create meaningful personal interactions with candidates.

Benefits: Younger candidates who are accustomed to fast responses and easy web and app interactions will appreciate a more personalized experience. Recruiters and HR can have truly personal interactions with 300-400 applicants/mo as opposed to using tradition systems. Higher engagement leads to higher quality hires and improved conversion rates. In some cases, average time to hire is cut in half.



Customization

Time is often a major hurdle for hourly workers to overcome. The highly flexible and customizable applicant success platforms on the market today allow candidates to interact with recruiters when it's most convenient for them, leveraging video conferencing and mobile apps.

Benefits: Candidates can schedule and participate in interviews remotely, saving valuable time and resources, minimize hiring costs, and reducing stress and anxiety around the hiring process. Showing candidates you value their time through added layers of convenience sends the message they're respected and valued.

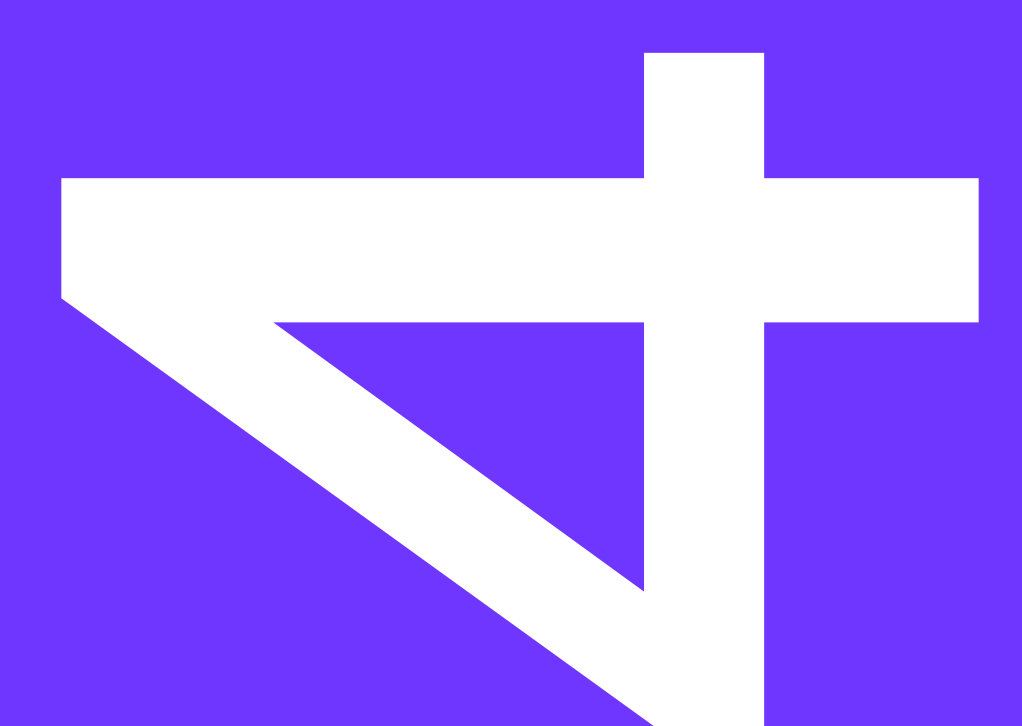


Communications (SMS)

Missed interviews, scheduling mix-ups, and straight-up forgetfulness are a thing of the past. Today's applicant success platforms provide an integrated, personalized, and automated communication platform that sends reminders, allows follow-ups, and encourages next steps.

Benefits: Create an unparalleled experience for potential hires and new employees alike with automated SMS reminders and correspondence. Constant communication greases the wheels of every stage of the hiring process, making sure the best candidates stick with you well beyond their first day of work.

The Future of Recruiting, Hiring, and Onboarding



Move to a dynamic solution for your dynamic workforce needs

Flexible hiring software are making or breaking companies in this new highly competitive market. The old system of posting jobs, waiting for candidates to show up, then putting them through an uninspiring interview process before handing them the employee handbook is so antiquated, it's a wonder anyone still submits themselves to it.

Dave Bookbinder, author of "The NEW ROI": Return on Individuals, says companies must place "a more quantifiable value on the most valuable asset in every organization – people – and the impact that people have on the value of an organization."

A younger, more competitive workforce is quickly reshaping expectations around engagement, the hiring process, and what it takes to earn their loyalty. This shifting demographic and candidates' eagerness to connect on a deeper level—driven by a desire for independence and autonomy— requires hiring processes that do more than simply tracking scheduled interviews or submitted paperwork.

Allowing candidates to dictate the schedule and timing, while still working quickly towards a common hiring goal, means shortening hiring cycles, reducing time to hire, and managing thousands of applicants in a way that feels personal and convenient.

The time has come to make a change. What's your move?

Before you adopt a hiring automation platform...

As a premier hiring automation platform, we specialize in hiring a large hourly workforce quickly and efficiently. Whether it's helping streamline communication during the hiring process, automating interviews or organizing candidate documents, Fountain can help you build a quality fulfillment team in a flash.

Benefits: A deeper understanding of who your best candidates are paves a path for better, more qualified hires. You'll snag the best candidates before other companies do, and those hires will stick around longer. You'll start tracking conversion metrics you've never been able to track before.

Calculating Cost Per Hire

Cost per hire is simply the amount of money your business spends to hire a new employee.

$$\text{CPH} = \frac{\text{Internal + External Costs}^*}{\text{Number of New Hires}}$$

*Costs should include advertising costs, recruiter time, interview time (multiplied by each person involved), candidate expenses, lost productivity from the open position, training and onboarding costs, and agency fees.



[Read Case Study >](#)

SAFeway 

Safeway's e-commerce division quickly and cost-effectively hired a large hourly workforce of delivery drivers to meet rising customer expectations for convenience. Fountain's software currently helps them hire 20+ drivers per week and expand service into 10 new states within 2 years.

2nd

Largest Grocery Chain

2,200

Stores Nation Wide

200,000

Applicants Screened

fountain

Fountain's hiring automation software powers the new service economy to source, screen, hire and onboard nearly 1 million applicants each month. Since inception, teams across 50 countries use Fountain to save millions of work-hours and communicate with more than 10+ million applicants. Our mission is to open opportunities for the new global workforce. Fountain's customers include Uber, Safeway, Airbnb, Deliveroo, Grubhub and Shipt. Visit us at fountain.com to learn more or contact us at info@fountain.com

Visit us to learn more or request a demo

