The State of Online Recruiting 2020

iHire

Contents

Introduction

Welcome to the 2nd annual edition of **iHire's State of Online Recruiting Report**.

In our inaugural **State of Online Recruiting Report**, the competitive labor market and talent shortage were common themes as we shined the spotlight on employers' struggle to find qualified talent. At the time, there were more than 7 million open positions across the U.S. and the unemployment rate sat at 3.5%. Therefore, it was not surprising that 53.5% of companies surveyed cited a lack of qualified, relevant applicants as their top online recruiting challenge.

Needless to say, when we set out to begin our research for this year's report, we did not expect a pandemic to have flipped the job market – and the entire world – upside down. Mass layoffs, furloughs, remote work, hiring pauses, business closures, and economic uncertainty have shaken the recruiting space to its core and brought about an entirely new set of challenges for employers and job seekers.

While much uncertainty surrounding COVID-19 and the U.S. economy remains, we are finally beginning to see glimmers of hope as we start finding our "new normal." Now that businesses are gradually opening back up and unemployed professionals are getting back on their feet, the recruiting space craves guidance – making our 2020 survey findings even more valuable.

This year, a total of **3,184 job seekers and employers** nationwide completed our survey, conducted in May and June. Respondents stemmed from 56 industries across 10 sectors, so keep in mind that some have fared the pandemic better than others (for example, healthcare organizations may have increased hiring, while hospitality and food service providers may have laid off much of their workforce).

Herein, you will find the fascinating results, which we've supplemented with analysis and advice for how candidates and employers can better connect with one another through digital recruiting platforms.

The State of Online Recruiting: Employers

Who's Hiring?

It has become the million-dollar question in the wake of COVID-19: *Who's hiring?*

While we had a lower response rate from employers this year (343 respondents), it was expected given today's unique employment circumstances. However, the responses we received painted a positive outlook, as more businesses are reopening their doors and resuming hiring.

In fact, our survey showed that 72.8% of businesses are actively hiring – a small dip from the 78.3% reported in 2019.

Are you actively hiring?

13.3%
No

13.9%
No, but we are passively hiring/pipelining talent

72.8%
Yes
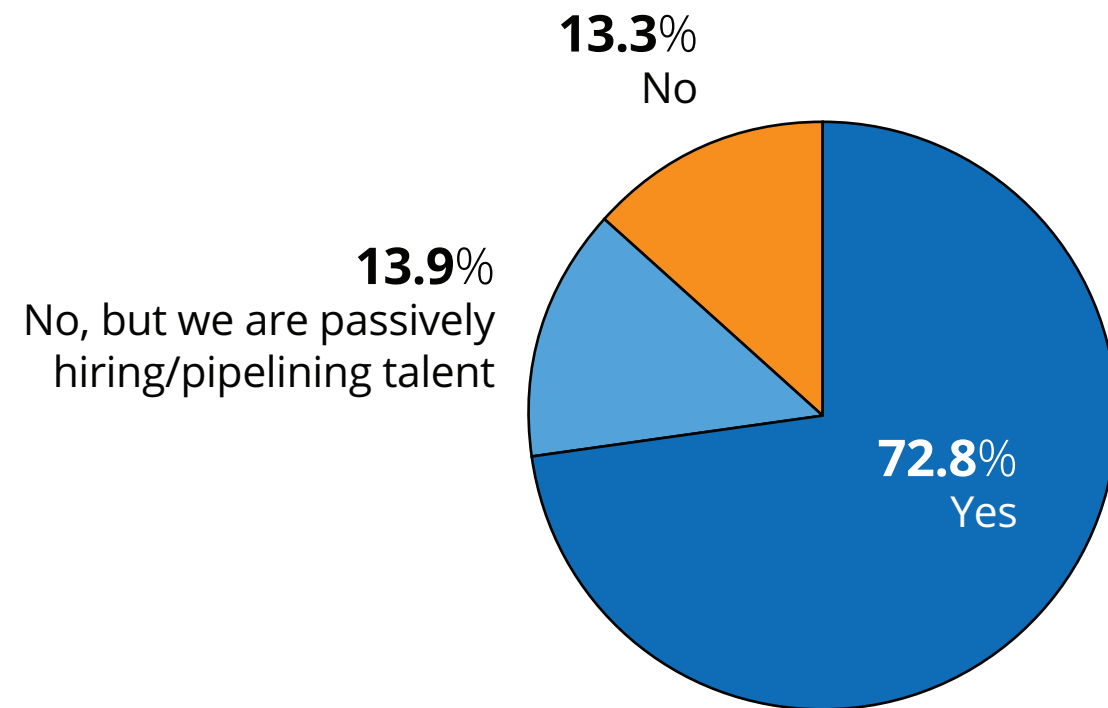
We also asked those who weren't actively hiring to cite their reason and received a mix of responses, as participating employers spanned industries:

Why aren't you currently hiring?*
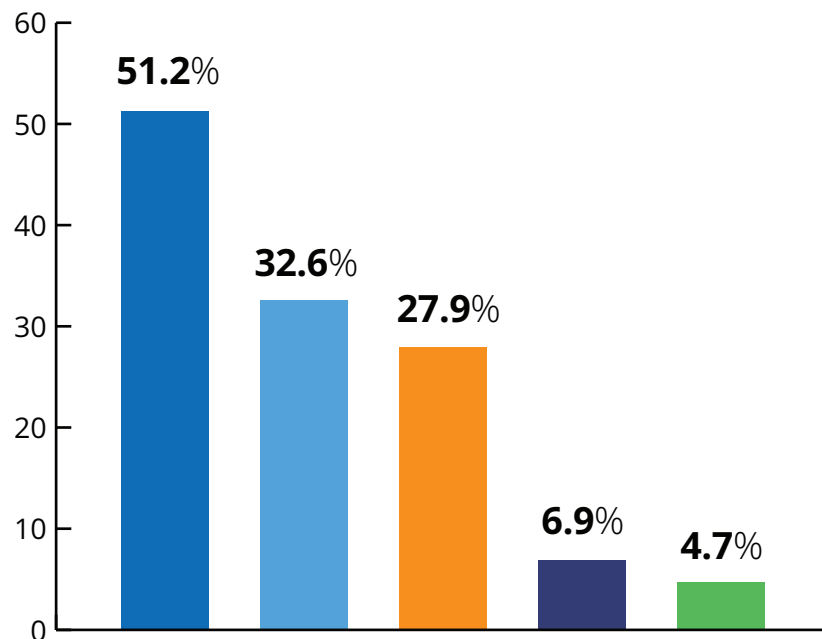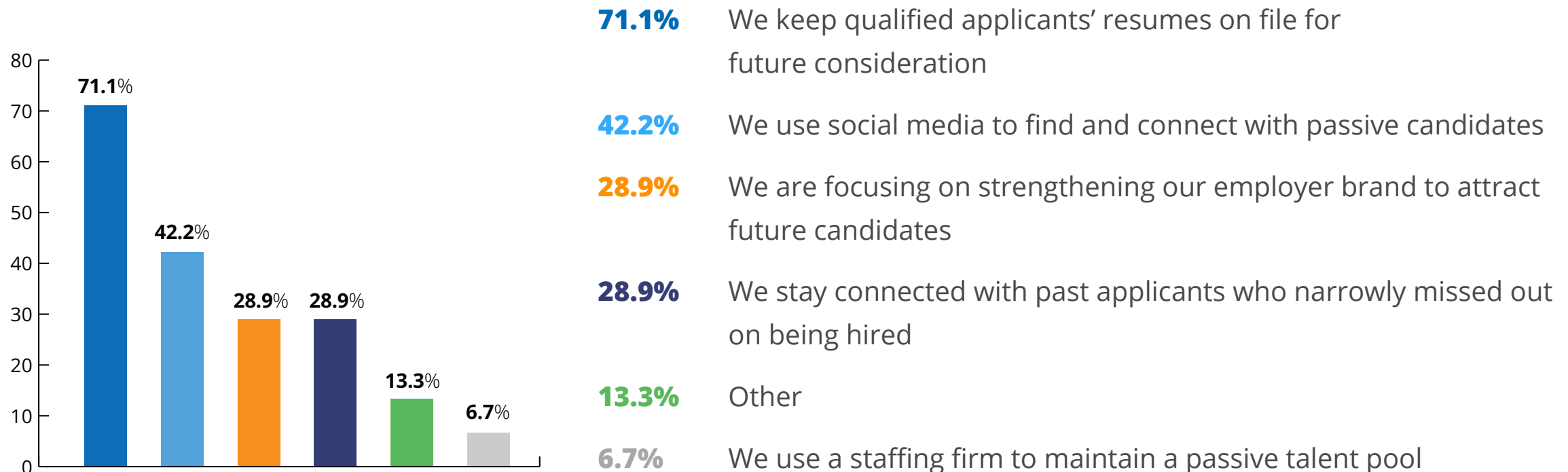

51.2%	We don't have a need right now
32.6%	We don't have the budget to hire new employees right now
27.9%	We've had to downsize/lay off staff due to COVID-19
6.9%	We don't have the resources to devote to hiring
4.7%	Other

Respondents could select multiple answers, so percentages add up to a sum greater than 100%.

Further, we saw a rise in passive hiring (13.9% in 2020 versus 9.8% in 2019). This suggests that more employers are building candidate pipelines and nurturing talent pools to quickly fill positions when they are ready. However, pipelining is a proven, proactive recruiting tactic that should be embraced year-round – pandemic or not.

Which passive hiring/pipelining tactics are you currently using?*

71.1% We keep qualified applicants' resumes on file for future consideration

42.2% We use social media to find and connect with passive candidates

28.9% We are focusing on strengthening our employer brand to attract future candidates

28.9% We stay connected with past applicants who narrowly missed out on being hired

13.3% Other

6.7% We use a staffing firm to maintain a passive talent pool

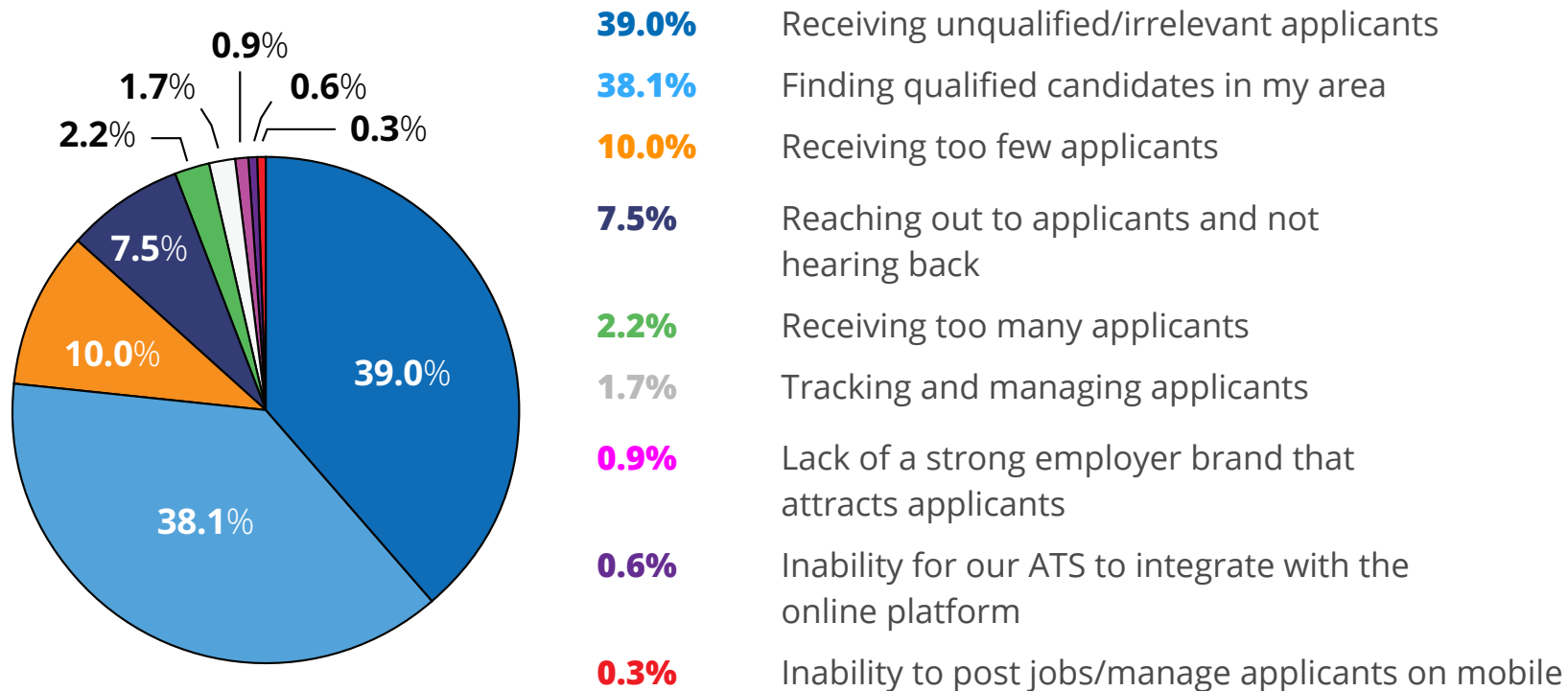Chart values: 71.1%, 42.2%, 28.9%, 28.9%, 13.3%, 6.7%

Respondents could select multiple answers, so percentages add up to a sum greater than 100%.

Online Recruiting Challenges

Whether they are actively hiring or not, employers once again cited the lack of qualified talent as their No. 1 challenge. In fact, applicant quality was the top challenge of 77.1% of respondents, followed by receiving too few applicants (10.0% in 2020 compared to 11.5% in 2019) and reaching out to applicants and not hearing back (7.5%, up from 4.6% in 2019).

When recruiting through an online job board, website, or community, what is your No. 1 challenge?

39.0% Receiving unqualified/irrelevant applicants

38.1% Finding qualified candidates in my area

10.0% Receiving too few applicants

7.5% Reaching out to applicants and not hearing back

2.2% Receiving too many applicants

1.7% Tracking and managing applicants

0.9% Lack of a strong employer brand that attracts applicants

0.6% Inability for our ATS to integrate with the online platform

0.3% Inability to post jobs/manage applicants on mobile

38.1% of employers said finding qualified candidates in their area was their top challenge. However, the shift to remote work may help close this gap, allowing businesses to tap into talent residing virtually anywhere.

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With so many uncertainties surrounding the job market, the economy, and the health crisis, it was important to ask employers to look ahead. When asked which trend or challenge would impact online recruiting in the coming year, employers appeared wary of an economic downturn and the nuances that will come with operating in a "new normal."

Candidate engagement – especially with the rise in remote work and virtual interviewing – was another chief concern, while an anticipated influx of "mass applies" worried 16.2% of respondents.

In the coming year, which of the following do you expect to be the biggest trend or challenge that will impact your ability to recruit through online platforms?

4.8% 1.3%

35.2%

25.1%

16.2%

8.9%

8.6%
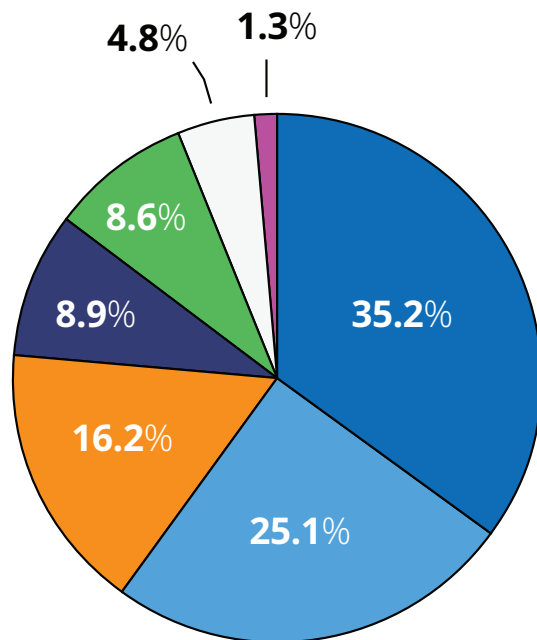
35.2% Limitations on hiring in general due to economic downturn

25.1% Difficulty engaging candidates

16.2% Mass applies/influx of applicants due to rising unemployment rates

8.9% Candidates' preference for remote work

8.6% Recruitment budget cuts

4.8% Increase in virtual hiring events/job fairs

1.3% Distributed workforce/recruiters are working remotely

The State of Online Recruiting: Job Seekers

Who's Searching?

When we conducted our survey of 2,841 job seekers, the U.S. unemployment rate hovered around 14.7%, so we fully expected a high percentage of unemployed respondents (43.8%):

What is your employment status?
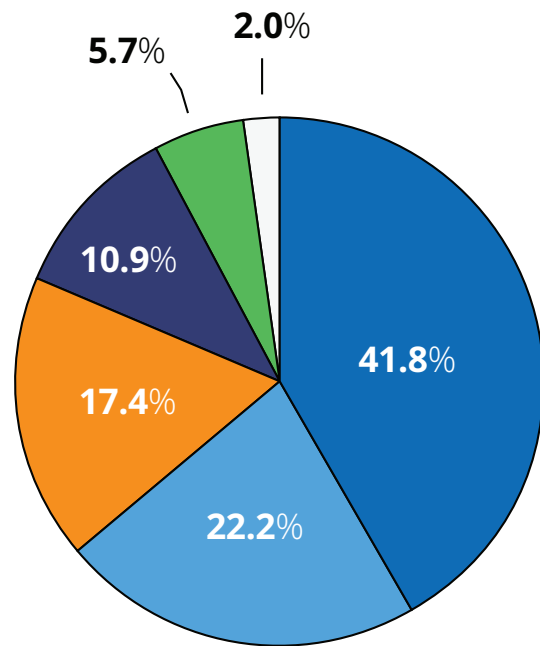
41.8%   Unemployed and seeking a job

22.2%   Employed full-time and actively seeking a new job

17.4%   Employed and passively seeking a new job/open to new opportunities

10.9%   Employed part-time/temp/contract and actively seeking a new or second job

5.7%   Employed and neither actively nor passively seeking a new job

2.0%   Unemployed and not seeking a job

Of those who were unemployed, 36.9% said they were displaced due to the COVID-19 pandemic:

Why are you currently unemployed?*
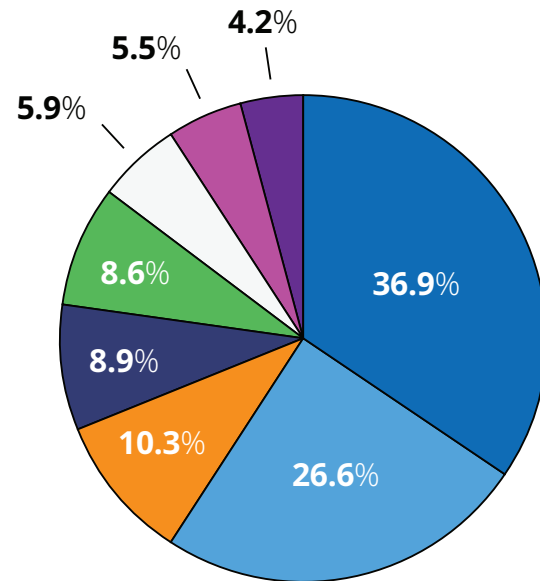
36.9% My company downsized/laid off staff due to the COVID-19 pandemic

26.6% Other (responses included relocation, expired contracts, furloughs, and elective resignations)

10.3% I am retired

8.9% I was terminated or fired

8.6% I am handling personal/family/health matters

5.9% I prefer not to answer

5.5% I am changing careers

4.2% I just graduated

Respondents could select multiple answers, so percentages add up to a sum greater than 100%.

Which passive job search strategies are you currently using?*
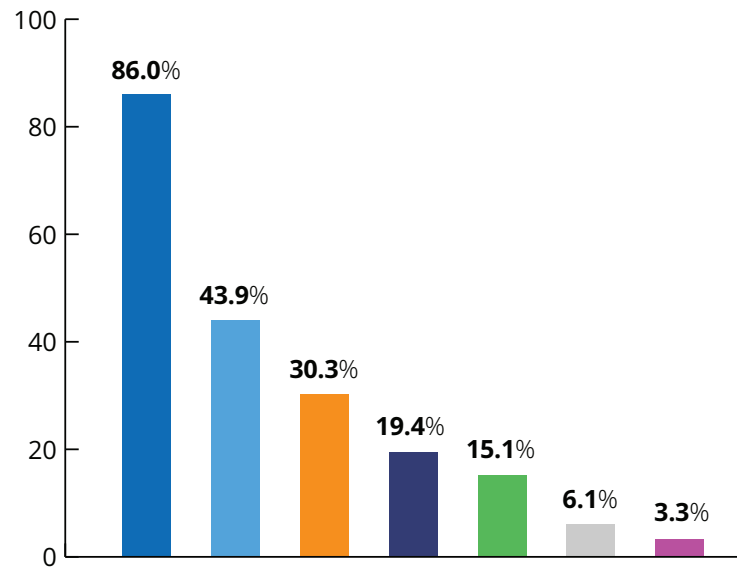
86.0%   I receive job alert emails from one or more job search services/platforms

43.9%   My resume is searchable on an online recruiting platform(s)

30.3%   I network (online and/or in person)

19.4%   I follow companies I'd like to work for on social media

15.1%   I keep in touch with employers with whom I've previously worked or interviewed

6.1%   I pursue informational interviews

3.3%   Other

*Respondents could select multiple answers, so percentages add up to a sum greater than 100%.

Chart bars: 86.0%, 43.9%, 30.3%, 19.4%, 15.1%, 6.1%, 3.3%

Passive Job Search Strategies

More than 17% of respondents said they are passively looking for a job.

So which strategies are they using to join employers' pipelines?

Online Job Search Challenges

On the job seeker side, respondents voiced the same top challenge in 2020 as cited in 2019: a lack of employer communication. The good news, however, is that the proportion of job seekers with this challenge (18.8%) was down from last year (26.4%) – signaling that employers are finally becoming more conscientious about keeping candidates informed of their application status.

Although the resume "black hole" is far from gone (and may very well return in full swing due to the millions of displaced employees returning to the workforce), we've certainly seen an increase in employers making an effort to communicate with their applicants in the past year alone.

Interestingly, the top four challenges remained nearly identical for job seekers year-over-year as candidates continued to struggle with finding jobs in their desired location (17.2% versus 14.1% in 2019), positions for which they are qualified (12.1% compared to 13.3% in 2019), and roles that meet their salary requirements (a mere 0.1% increase in 2020).
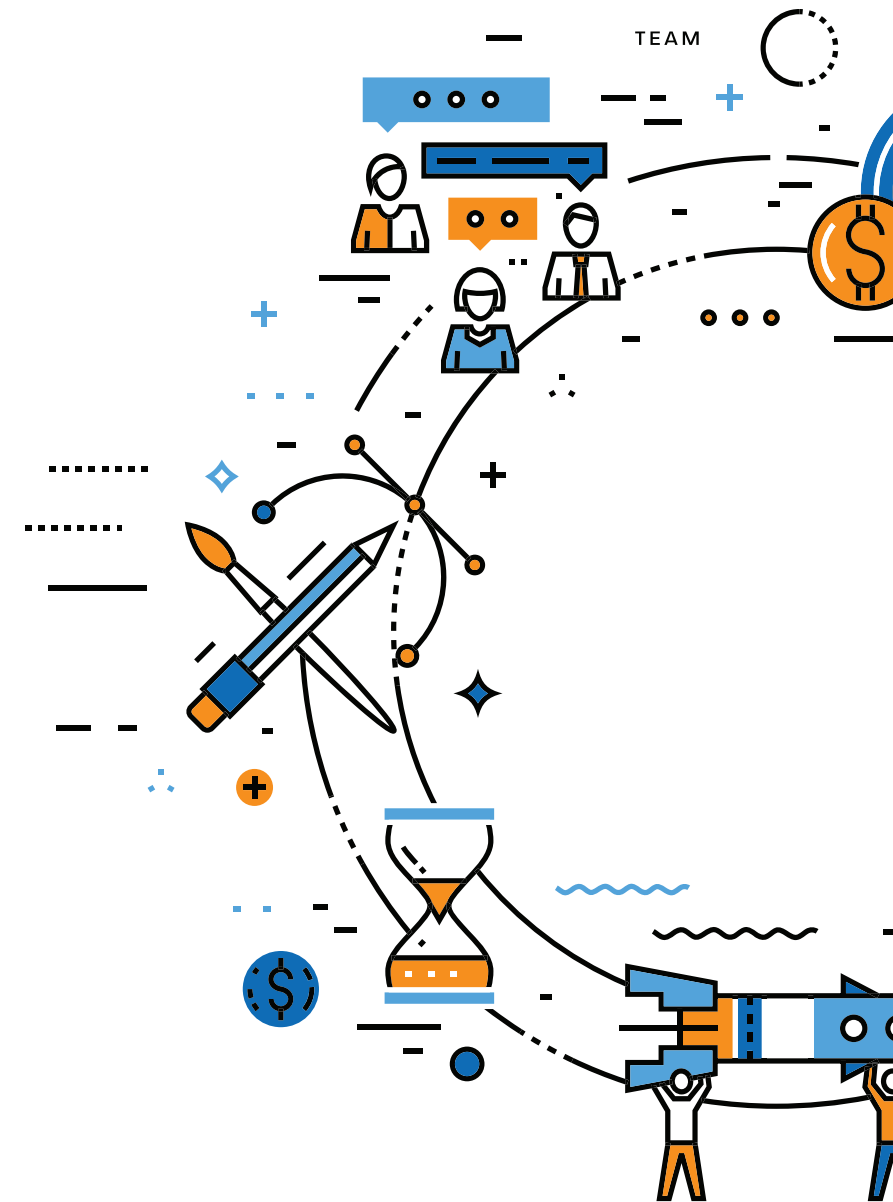
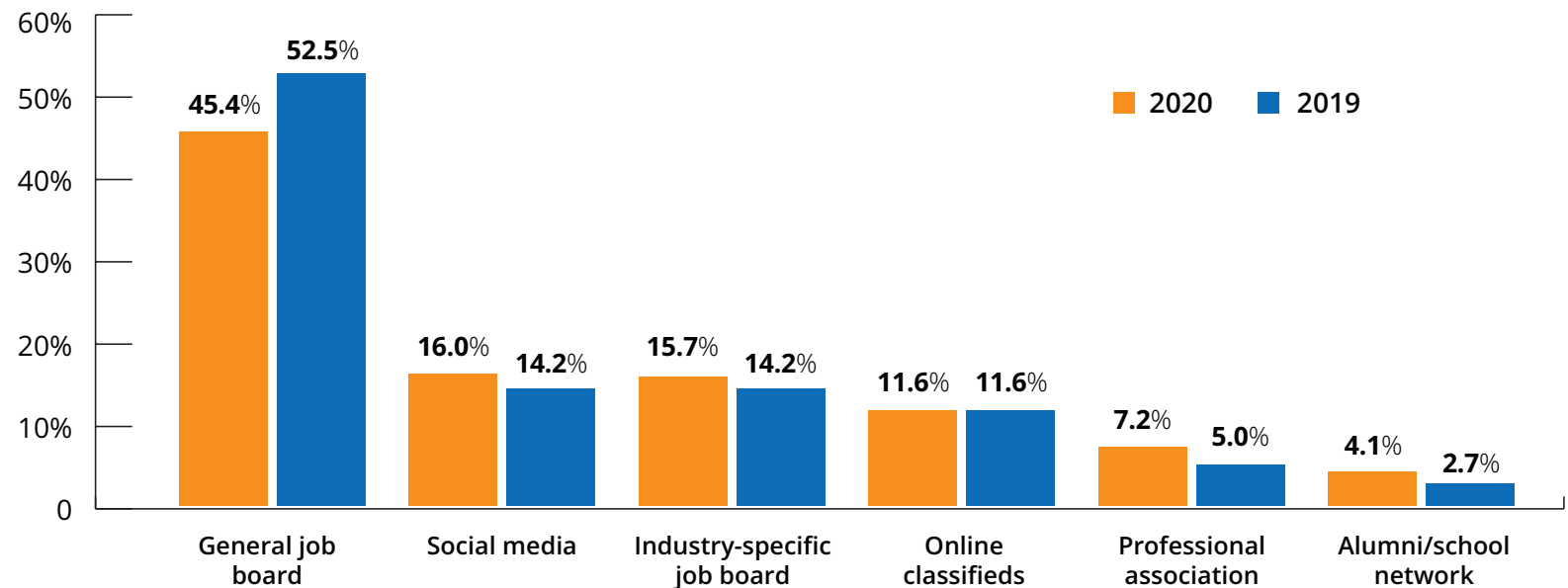# When searching for opportunities via an online job board, website, or community, what is your No. 1 challenge?
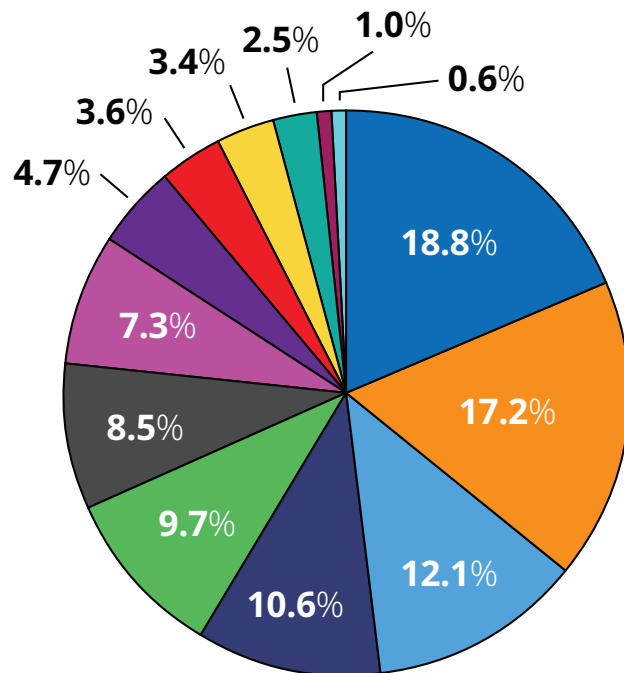
%	Challenge
18.8%	I don't hear back from employers after applying and/or interviewing
17.2%	I can't find jobs in my desired location
12.1%	I can't find jobs I'm 100% qualified for
10.6%	I can't find jobs that meet my salary requirements
9.7%	I don't want to pay to use an online job search platform
8.5%	I can't find jobs in my specific industry
7.3%	I am overqualified for too many open positions
4.7%	I can't find remote work
3.6%	I'm unsure if the employers/jobs I find are legitimate
3.4%	The application process is too long
2.5%	Job descriptions are too vague or confusing
1.0%	I can't apply quickly to multiple postings ("mass apply")
0.6%	I'm unable to apply on my mobile device

Digital Recruiting Platforms

As we did in 2019, we asked employers to identify which online platforms they use to post a job. Results were similar year-over-year, but we saw a 7.1% decrease in the use of general job boards.
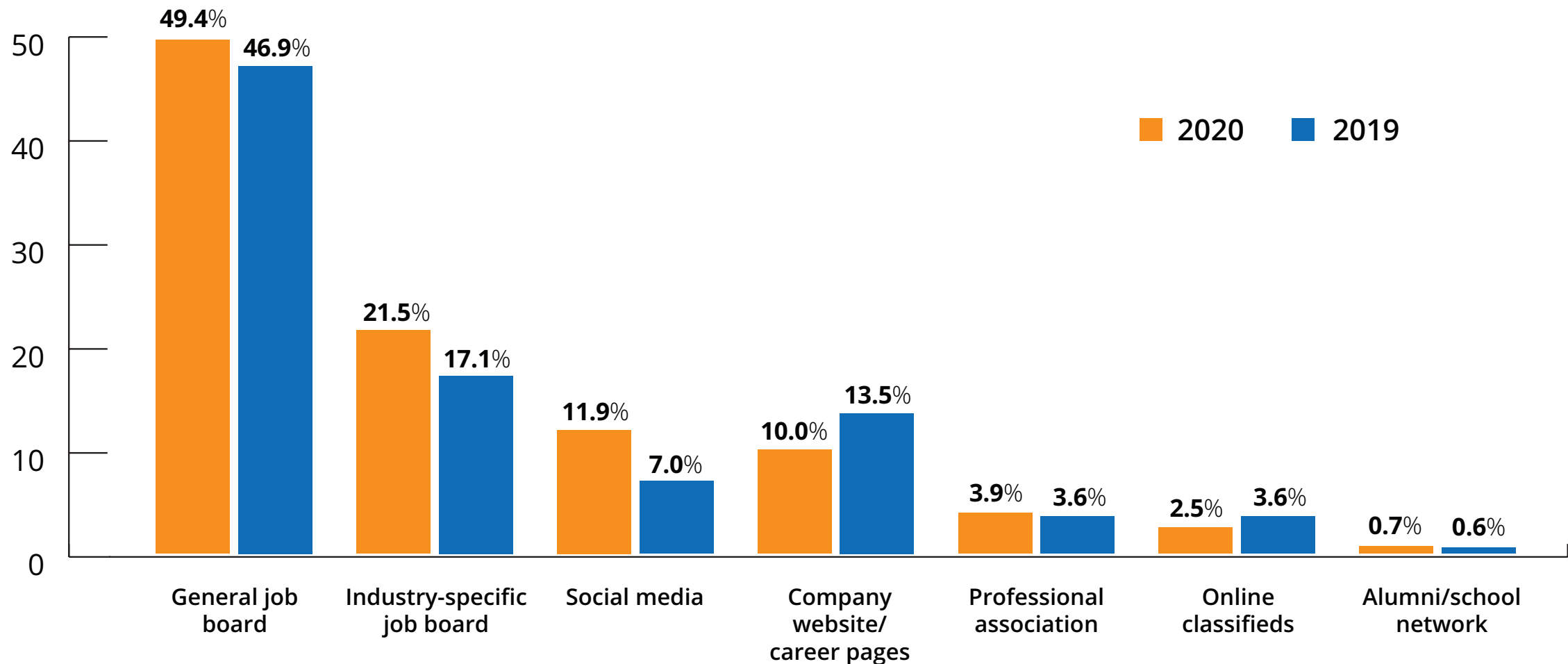
Further, 48.8% of employers who said their top challenge was receiving unqualified/irrelevant applicants turn to a general job board first – again suggesting the need to diversify one's sourcing tools to find the right talent faster. General job boards may cast a wider net, but finding the most qualified applicants often requires cutting through a great deal of noise.

Besides your company website, where do you typically go first when posting a job online?

Chart — Where employers go first when posting a job online (2020 vs 2019):

Platform	2020	2019
General job board	45.4%	52.5%
Social media	16.0%	14.2%
Industry-specific job board	15.7%	14.2%
Online classifieds	11.6%	11.6%
Professional association	7.2%	5.0%
Alumni/school network	4.1%	2.7%

For candidates, general job boards also held the top spot for one's "go-to" online job search resource. Notably, industry-specific job boards experienced a 4.4% increase from 2019's survey.

When searching for job opportunities online, the first place I go to is:

Legend: 2020 (orange), 2019 (blue)

Category	2020	2019
General job board	49.4%	46.9%
Industry-specific job board	21.5%	17.1%
Social media	11.9%	7.0%
Company website/career pages	10.0%	13.5%
Professional association	3.9%	3.6%
Online classifieds	2.5%	3.6%
Alumni/school network	0.7%	0.6%

What's in an Ad?

The job ad remains a critical piece of the online recruiting puzzle and can make or break the decision for a candidate to apply for a job. At the same time, job ads can help boost your employer brand by giving candidates a glimpse of what it's like to work with your company. But, like any advertisement, you must include the right information to capture the attention of the right people.

We asked both job seekers and employers to select which pieces of information in a job ad are most important to them. Here are their responses ranked:
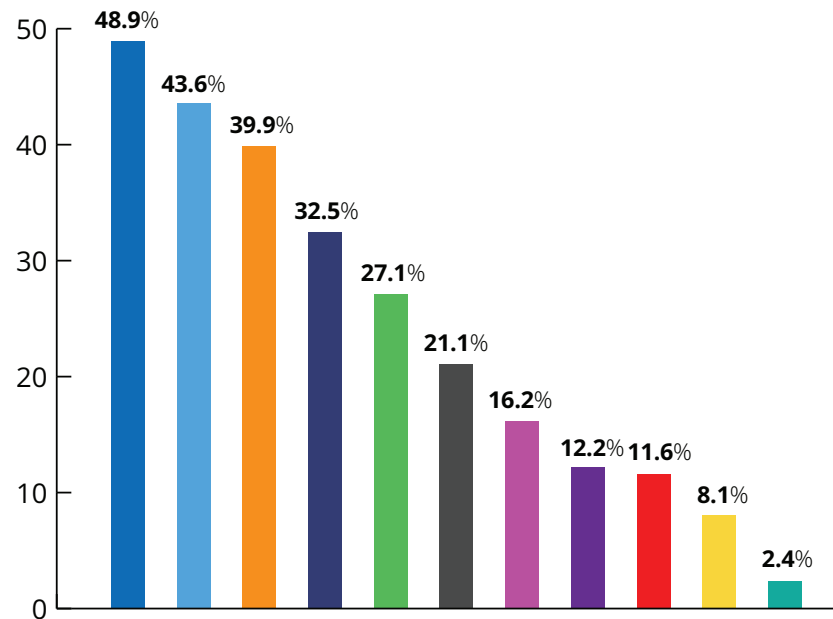
Job Seekers: What information is most important to you in a potential employer's job ad?*

48.9%	Salary range
43.6%	Location of job
39.9%	Qualifications and requirements for the role
32.5%	Specific job duties and responsibilities
27.1%	Benefits/health insurance
21.1%	Details about what it's like to work for that employer/company culture info
16.2%	Growth opportunities
12.2%	Details about next steps in the hiring process
11.6%	Financial stability of the company
8.1%	Indication of remote work
2.4%	Other

Respondents could select up to three answers, so percentages add up to a sum greater than 100%.

Employers: Which of the following do you believe are the most important pieces of information to include in your job ad?*

65.6%   Qualifications and requirements for the role

40.9%   Specific job duties and responsibilities

30.3%   Location of job

29.1%   Benefits/health insurance

28.5%   Company culture details

27.9%   Salary range

18.6%   Growth opportunities

7.4%   Branding

4.3%   Details about next steps in the hiring process

**2.5%**   Indication of remote work

2.2%   Other
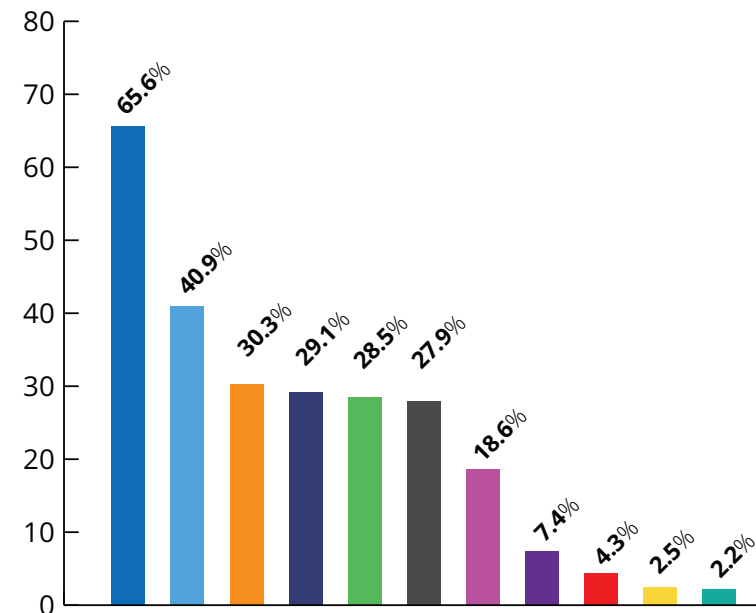
While some of our response options changed slightly this year to reflect the current hiring environment, the top answers for both job seekers and employers remained the same. Job seekers clearly want to know the salary for a position before applying, yet a little more than a quarter of employers selected "salary range" in their top three responses.

Respondents could select up to three answers, so percentages add up to a sum greater than 100%.

Remote Work: The New Normal?

In light of the COVID-19 pandemic, we asked job seekers about their sentiment toward remote work. We found a desire for flexibility and an openness to any type of office environment. Very few desired a fully remote workplace.

Regardless of your employment situation, what is your preferred type of office environment currently?
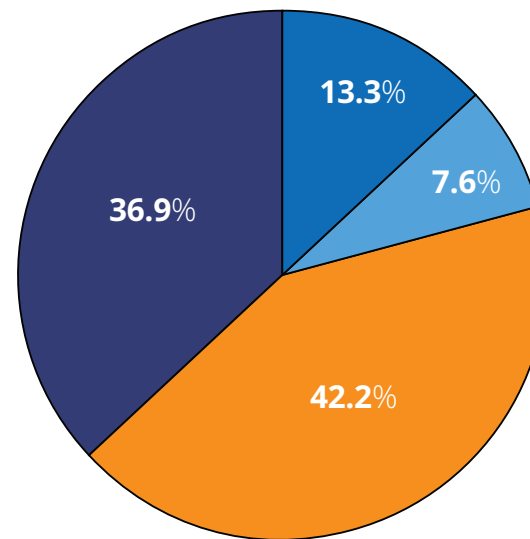
13.3% — 100% in an office

7.6% — 100% remote

42.2% — A flexible arrangement – a mix of office/remote work

36.9% — Any of the above

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Employer Takeaways: Connecting with Job Seekers

These survey findings point to employers' ongoing struggle with finding qualified, relevant candidates in their industry. This challenge will only become more prominent as professionals laid off during the pandemic reenter the job market in droves and flood inboxes with applications. At the same time, there is still much uncertainty surrounding the economy and labor market – increasing the importance of strategic, flexible online recruiting.

1 **COMMUNICATE WITH CANDIDATES:** 18.8% of job seekers surveyed said not hearing back from employers after applying and/or interviewing was their top online job search challenge. Candidate communication – which involves, in the very least, letting applicants know they are no longer in the running for a position – remains critical in an effective recruiting process. Communicate with your candidates, and they'll be more likely to engage with you and join your team.

2 **PROMOTE FLEXIBILITY IN YOUR JOB ADS:** Although job seekers valued salary information above all other details in a job ad, emphasizing workplace flexibility in your postings will prove even more important in the coming months. With 42.2% of our job seeker respondents citing a preference to work in a flexible work environment (working part of the time remotely and part in an office), calling out such arrangements in your ads will help attract great talent that may otherwise be hesitant to apply.

3 **KEEP YOUR PIPELINES FILLED:** More than 17% of job seekers said they are passively searching for a job. Now is the perfect time to build up your pipeline of qualified talent so that when you are ready to ramp up hiring, you have a shortlist of potential candidates at your fingertips. You should also consider rehiring staff you've laid off or furloughed – they, too, make excellent additions to your pipeline.

4 **DOUBLE DOWN ON BRANDING:** Whether or not you're actively hiring, you will always have an employer brand – the perception of your company's workplace. Especially if hiring has been paused, take this time to give your brand a boost – refresh your career pages, update social media sites, refine your job descriptions, solicit employee reviews, and take advantage of free company profiles that many job boards offer. More specifically, use these channels to showcase what your company has been doing to keep employees safe during the pandemic, highlight your community involvement, and emphasize your company's longevity and agility. This will help earn the trust of job seekers (and the public at large).

5 **TRY AN INDUSTRY-SPECIFIC APPROACH:** This year's survey showed a 4.4% increase in candidates who use industry-specific job boards as their first stop when searching for a job online. As mass applies start coming in reminiscent of the Great Recession, using a niche recruiting platform can help you cut through the noise and find your ideal candidate faster.

Job Seeker Takeaways: Connecting with Employers

It is truly a unique time to be a job seeker. The COVID-19 pandemic has changed the job search paradigm, as candidates navigate a new world of video interviews, virtual onboarding, remote, gig, and part-time work, and in many cases, complete career changes. But fortunately, many of the same job search best practices and strategies apply in this new reality.

Drawing from our survey findings, the following are five tips for better connecting with employers to find great opportunities:

1 **BE PROACTIVE:** If no one seems to be hiring, get proactive in your job search – don't wait for opportunity to find you. Research companies you'd like to potentially work for and reach out to a hiring manager to inquire about their hiring plans. Use your network and ask your former colleagues, family, and friends for any leads. Even if a company is not currently hiring, they may want to keep you on their radar to fill roles in the near or distant future.

2 **SAY "NO" TO MASS APPLIES:** When you're desperately searching for a job, it can be tempting to blast your resume to any employer who is hiring for a seemingly relevant position. It will take time, but be sure to customize every application (and resume) for the position you are applying to. You'll be more likely to receive a call back if you put the effort into your application and show how well your skills and experience align with the role.

3 **UPDATE YOUR RESUME:** If you're unemployed and/or looking for a career change, take this time to develop a polished, professional resume. This is where many job seekers fall short – they create a catch-all resume and use it with every application. Don't forget to ensure your resume is filled with the right keywords to make it past an Applicant Tracking System (ATS), and determine how you can customize it for each position for which you apply.

4 **EMBRACE REMOTE WORK:** Even if you prefer to work in an office environment, now is not the time to be picky. Understand that different employers will have different return-to-work protocols and precautions. If you're among the 17.2% of job seekers surveyed who said they struggled to find jobs in their desired location, you may find success looking outside your typical geographic area.

5 **ZERO IN ON YOUR INDUSTRY – BUT DON'T BE AFRAID TO EXPLORE OTHER OPTIONS:** Joining an industry-focused talent community or using niche job boards may open the door to positions you won't find elsewhere, while connecting you with employers who have a very specific type of candidate in mind. If you are set in your sector of choice and have clear career goals, using a niche job board can help you find work faster.

However, don't be afraid to step outside of your comfort zone and explore other sectors, especially if you have previously worked in an industry negatively impacted by COVID-19. Think about your transferrable skills and how you can apply them to find work in another industry.

Conclusion

While no one can predict what the next few months or even weeks will bring for the job market, our survey shed some positive light on what's to come. Employers are hiring – a trend we expect to stay on the upswing – and candidates are looking for jobs.

As such, it will now be more important than ever for these two groups to connect with one another. That means employers will need to make a stronger effort to communicate with applicants, develop their talent pipelines, boost their brands, promote workplace flexibility, and diversify their sourcing toolboxes.

On the other hand, job seekers – especially those who are newly unemployed – will need to dedicate time to their job search if they want to stand out in a crowded marketplace. Customizing applications and resumes for specific roles, trying niche talent communities, embracing remote work, and proactively reaching out to potential employers are just a few ways today's job seekers can find the right opportunities as the country goes back to work and businesses rebuild.
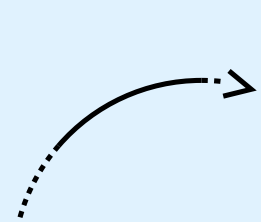
Find your next great career opportunity >>

Find your next great hire >>

METHODOLOGY

A total of 3,184 U.S. job seekers (2,841) and employers (343) responded to iHire's State of Online Recruiting Survey in May and June 2020. Respondents came from iHire's database of employers and job seekers across 56 industries and of various company sizes. All decimal points are rounded to the nearest tenth.

ABOUT IHIRE

iHire is a leading career-oriented platform that brings candidates and employers together in 56 industry-focused communities. We believe that by narrowing job seekers' and employers' searches within a specific industry, we can connect high-quality talent with the right opportunities faster, easier, and more effectively than a general job board. Everyone deserves to find work that is fulfilling, inspiring, and meaningful. Since 1999, we've combined cutting-edge technology with our expertise in the recruitment space and the invaluable insights of our members to achieve just that. Visit **www.ihire.com** for more information.

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