Benchmark Your Organization's Candidate Drop-Off Rates

Tool to Use

Brandon Hall **GROUP**

Candidate experience is critically important to organizations. It is used to evaluate the purchase of new talent-acquisition technology solutions and to assess how an organization communicates with candidates.

It is a comprehensive concept that includes all candidates' perceptions of the organization as an employer. It encompasses all forms of candidate communications, evaluations, practices and technology user experiences, and extends from the job offer, or non-offer, through pre-boarding.

If done correctly, candidate experience enhances candidates' impressions of the employer and ensures alignment with the position and organization.

If done poorly, the wrong candidates apply for the position and may drop out of the recruiting or hiring process, reject offers, waste recruiter time and speak negatively about the organization on social media. This is a lot for an organization to risk.

Candidate drop-off during the recruitment/hiring and pre-boarding process is a strong indicator of poor candidate-experience practices and ineffective technology. According to Brandon Hall Group's 2018 Candidate Experience Survey, about two in five candidates (38%) drop out following the online-application through offer-rejection process. This is particularly severe for high-volume hiring organizations that hired 501+ employees in the past year. Their dropout rate reaches nearly half (47%). These rates could be even higher if the organization counts the candidates who didn't even start the online application.

The good news about effective candidate-experience practices is that it can positively impact your talent metrics. Those organizations with effective candidate-experience practices are about twice as likely to have seen an improvement in the level of employee engagement, quality hires and retention.

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Effective Candidate-Experience
Practices Favorably Impact Talent Metrics

Effective Practices

Ineffective Practices

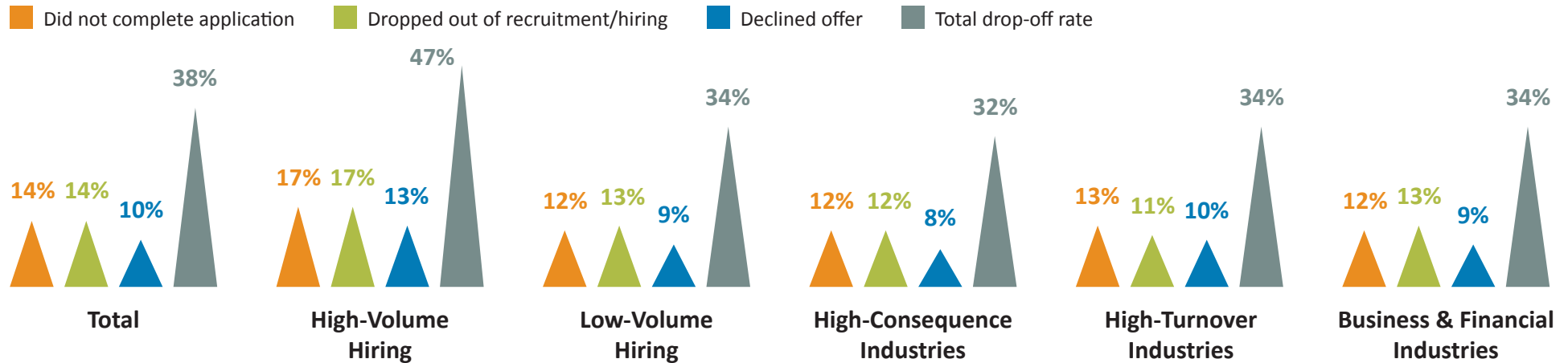|		
57%	Increased Employee Engagement	31%
56%	Increased Quality Hires	25%
40%	Increased Employee Retention	17%
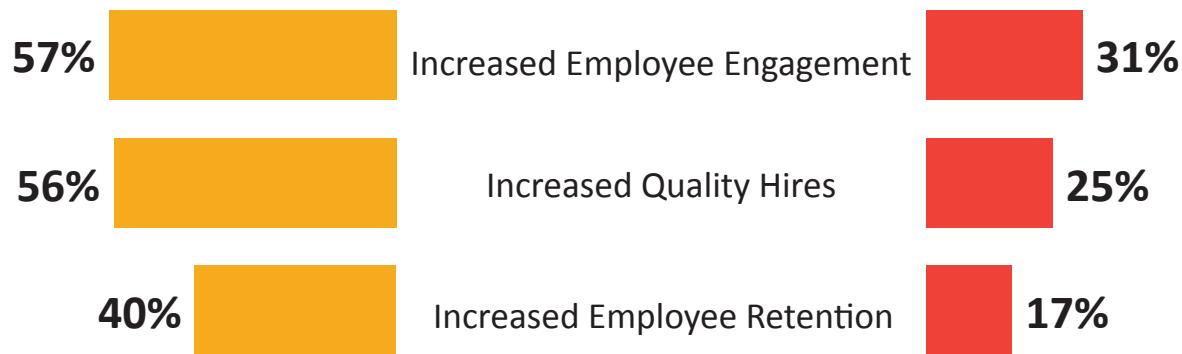
Discover how your organization's candidate drop-off rates compare to those from other segments by answering these three questions. Total your responses to compare your results. (Practices to help you improve candidate experience are on the following page.)

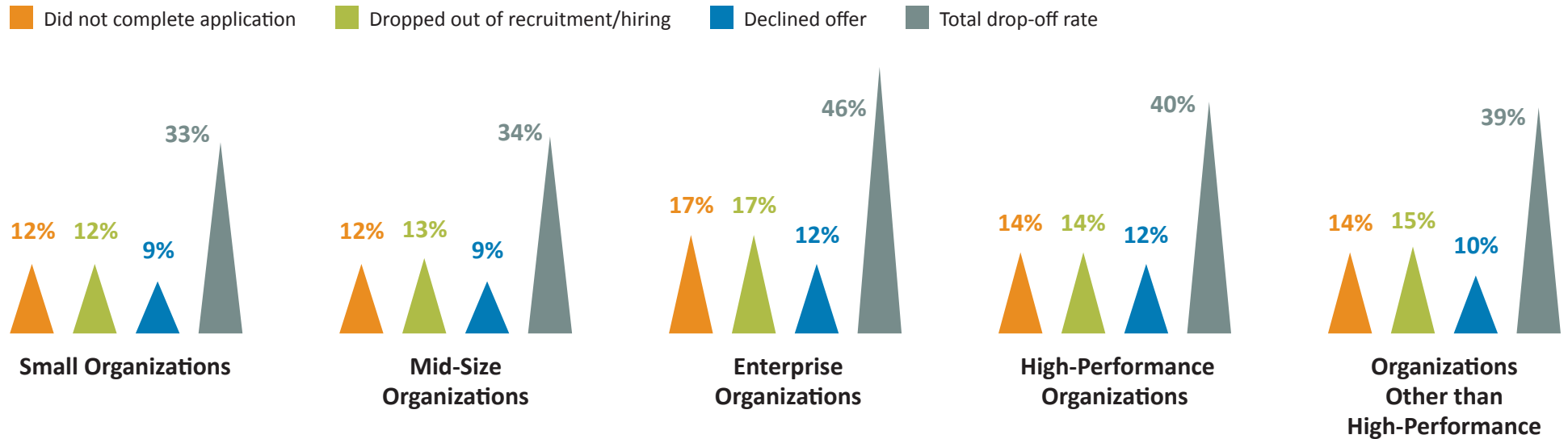|	Average Percentage
1. Over the past 12 months, what was the average percentage of talent that began the online application but did not complete it?	
2. Over the past 12 months, what was the average percentage of candidates that dropped out of the recruiting/hiring process, including interviewing?	
3. Over the past 12 months, what percentage of job offers were declined?	
Total drop-of rate	

Average Past-Year Candidate Drop-Off Rates by Segment*

Legend: Did not complete application · Dropped out of recruitment/hiring · Declined offer · Total drop-off rate

Segment	Did not complete application	Dropped out of recruitment/hiring	Declined offer	Total drop-off rate
Total	14%	14%	10%	38%
High-Volume Hiring	17%	17%	13%	47%
Low-Volume Hiring	12%	13%	9%	34%
High-Consequence Industries	12%	12%	8%	32%
High-Turnover Industries	13%	11%	10%	34%
Business & Financial Industries	12%	13%	9%	34%

*Segment Definitions:

- High-volume hiring includes organizations that hired 501+ employees in past year.
- Low-volume hiring includes organizations that hires 500 or less employees in past year.
- High-Consequence industries include: aerospace, banking, chemicals, energy, finance, healthcare, insurance, manufacturing, pharmaceuticals and utilities.
- High-turnover industries include: food and beverage, healthcare, hospitality, retail, manufacturing and technology/software.
- Business and financial services industries include: advertising, banking, business services, communications, consulting, finance, insurance, media/publishing and real estate.

Average Past-Year Candidate Drop-Off Rates by Segment*

■ Did not complete application　　■ Dropped out of recruitment/hiring　　■ Declined offer　　■ Total drop-off rate

Small Organizations: 12%, 12%, 9%, 33%

Mid-Size Organizations: 12%, 13%, 9%, 34%

Enterprise Organizations: 17%, 17%, 12%, 46%

High-Performance Organizations: 14%, 14%, 12%, 40%

Organizations Other than High-Performance: 14%, 15%, 10%, 39%

*Segment Definitions:

- High-performance organizations demonstrate a year-over-year increase in Key Performance Indicators such as employee engagement and retention, revenue, productivity, market share, customer satisfaction and customer retention.
- Other organizations have not seen improvement in most Key Performance Indicators in past year.
- Small organizations have 1 to 499 employees; mid-size organizations have 500 to 4,999 employees and large organizations have 5,000 or more employees.

Candidate Experience Leading Practices

- All technology touched by the candidate should be intuitive, candidate-friendly, clearly branded, relevant to the candidate interests and mobile-friendly. There are many technologies/functionalities included here, but the main ones are online applications, career sites, candidate portals, recruitment-marketing functionalities (CRM), email communications, pre-boarding portals, interview scheduling, interviewing platforms, assessments etc.

- Base all candidate communications and messaging on a thorough and authentic assessment of the organization's Employee Value Proposition. EVP is the alignment of employer and employee values. It should be communicated externally to attract candidates and internally to promote values, the employer brand and employee referrals.

- Job postings/descriptions should be engaging and provide clear and realistic expectations for the position.

- Regularly and consistently measure the effectiveness of candidate practices through feedback surveys/interviews/focus groups. All candidate types should receive a survey, including candidates accepting a position, candidates who declined an offer and candidates who did not receive an offer or may not have been interviewed.

- Benchmark feedback against quality-of-hire, time-to-hire, applicant-to-hire conversion rates and other metrics. This will give you a better understanding of the effectiveness of your organization's candidate-experience practices.

- Set expectations for the hiring process and be transparent.

- Maintain diversity and inclusion values.

- Keep candidates updated on a regular basis.

- Handle candidates with care and consideration.

- Respect candidates' time. Don't keep them waiting for the interview.

Demographics - 2018 Candidate Experience Study

348 Total Responses

49 Countries

- **72%** US/Canada
- **21%** EMEA
- **4%** APAC
- **2%** Carribean/South America

32 Industries

Top 5: Technology/Software (14%), Consulting(7%), Education(7%), Healthcare(9%), Manufacturing(10%)

Small, Mid-Size, and Large Organizations

29%
Less than 500 employees

25%
501-4,999 employees

46%
5,000+ employees

- **20%** Learning/Leadership Development Professional
- **13%** Executive/Senior Leadership
- **13%** HR/Talent Management Head
- **10%** Head of Learning/Leadership Development
- **9%** HR/Talent Management Professional
- **9%** Non-HR/Individual Contributor
- **7%** Business Unit Operations Management
- **6%** Talent Acquisition Head
- **3%** Technical/Production Role

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With more than 10,000 clients globally and almost 25 years of delivering world-class research and advisory services, Brandon Hall Group is focused on developing research that drives performance in emerging and large organizations, and provides strategic insights for executives and practitioners responsible for growth and business results.

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PLAN	ATTRACT	DEVELOP	PERFORM	RETAIN	OPTIMIZE

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