**S**fountain

## 2024 Roadmap for High Volume Hiring

Insights from 2023 and Top 5 Trends for Future Success

#### Table of Contents

nt	troduction	03
Lessons Learned: High Volume Hiring Challenges in 2023		04
	Key Learnings	04
	Time-to-Hire Is Still the Biggest Challenge	05
	Dissatisfaction With Current Hiring Processes	06
	Uncertainty About the Use of Al	07
	A Sourcing Standstill	07
Opportunities Await: What This Means for Hiring in 2024		80
	Key Insights	08
	Faster Is Possible	09
	Implementing AI Is Achievable	10
	Candidate Engagement Is Crucial	11
	Sourcing Will Improve	12

What's to Come: 5 Hiring Trends You Need to Know in 2024		13
	Key Trends	13
	AI Will Stretch Across the Entire HR Tech Stack	14
	Data and Analytics Will Be Non-Negotiable	15
	The Use of Asynchronous Video Interviews Will Grow	16
	Employer Branding Will Directly Impact the Candidate Experience	16
	Hiring Teams Will Tap into the 'Hidden Workforce'	17
How Fountain Is Preparing for the Coming Year		18
Sources		20

#### Introduction

Every year, the world rides a wave of innovation. We see changes that are meant to make our lives easier by getting things done faster and having more time to actually live our lives.

In 2023, we witnessed a revolution in the world of AI in HR. Recruiters enjoyed tinkering with new ways to automate messages to applicants, facilitate document collection, and communicate with candidates. On the other side of the hiring table, applicants were privy to a faster, more seamless path to work, while still receiving the human touch.

Despite these advancements in the job application experience, there are lingering issues for recruiters. For one, time-to-hire is still the biggest pain point among recruitment teams who hire frontline workers. And for those who are keen to adopt AI as part of their process, some are unsure as to how to implement this technology in the most efficient and cost-effective way.

But the world isn't waiting for recruiters to catch up—innovation will continue to move us forward. Talent acquisition teams have no choice but to get up to speed by getting ahead of what's next. That's why we've put together this guide.

#### In the 2024 Roadmap for High Volume Hiring, we will:

- share insights and successes from our customers who hired frontline workers in 2023,
- examine the current challenges in high volume hiring—from sourcing candidates to onboarding,
- discuss how to address these challenges with forward-thinking solutions,
- and reveal the top five hiring trends we anticipate will take center stage in 2024.

We hope this guide helps you devise a hiring strategy to meet whatever challenges come your way in 2024.



#### Lessons Learned: High Volume Hiring Challenges in 2023



#### **Key Learnings**

- 38% of HR professionals who hire hourly workers reported time-to-hire to be their biggest pain point.
  - In 2023, our customers' top goals focused on increasing hiring speed to meet demand.
- Recruiters are spending too much time on manual tasks.
- Hiring teams are aware of artificial intelligence, but they aren't sure how to effectively implement and use it.



This year, high volume hiring underwent a serious transformation.

Frontline industries like healthcare, retail, and customer service saw major modifications to the way they operate and, consequently, the way they hire workers had to be recalibrated.

Application volume surged in certain frontline sectors: According to Fountain data, application numbers were highest for call centers and the warehouse operations and logistics sector, while the latter saw much higher hiring rates. Meanwhile, in the summer of 2023, job applications for food services and restaurants reached their highest number since early 2021, suggesting a full post-pandemic rebound.<sup>1</sup>

In the HR technology space, some recruiting teams adapted to this influx in applications by increasing their reliance on automation. But there is still a gap between recruiters' ideal hiring system and the know-how to make it a reality.

Below, we reflect on how the hiring landscape has changed—as well as how it has stayed the same—in 2023, and we explore how to apply these observations to future hiring practices.



## Time-to-Hire Is Still the Biggest Challenge

Despite speed-driven innovations in hiring technology, recruiting teams still report time-to-hire as their biggest pain point when recruiting hourly workers.<sup>2</sup> This may suggest that even though automation lifts an enormous weight off recruiters' shoulders, they may continue to seek ways to hire faster. This may require experimentation with existing systems (i.e., swapping the order of hiring stages, automating in some places but not others) and/or bringing in new technology, with the ultimate goal of outpacing the competition.



#### **Customer Insight: Bojangles**

As part of their search for a better hiring solution, Bojangles identified their top goals: to increase the speed of application flow, thereby decreasing time-to-hire, and to decrease time-to-fill and get candidates hired fast.<sup>3</sup>

"Our time-to-fill was horrid," said Jacob Salvo, Senior Director of Talent Management at Bojangles, referring to their previous hiring processes which required up to 30 days to fill open roles.

"It's always a race against the clock, so being efficient and filling those roles quickly was the biggest goal."



#### **Customer Insight: Liveops**

As client needs grew, Liveops struggled to efficiently recruit agents to meet demand. The company had been using a legacy applicant tracking system, which resulted in long wait times for applicants, minimal reporting, and limited flexibility to meet their recruiting needs.<sup>4</sup>

## Dissatisfaction With Current Hiring Processes

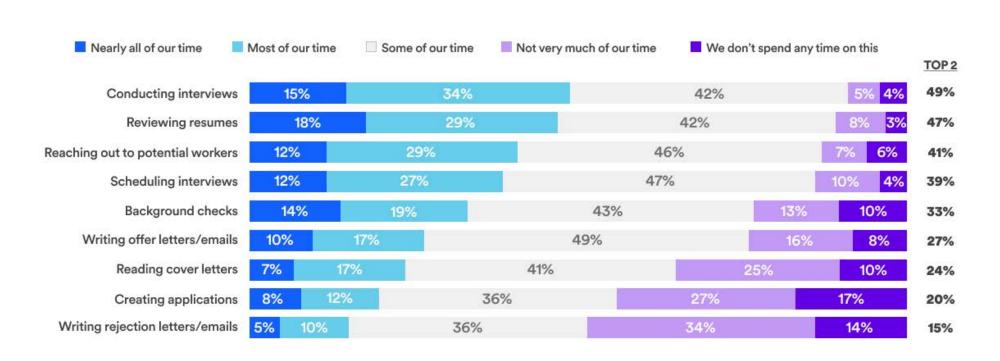
A report from Morning Consult and Fountain found that two-thirds of survey respondents were not "very satisfied" with their hourly hiring system.<sup>2</sup> This survey sample reported spending too much time on manual tasks—like conducting interviews, reviewing resumes, and reaching out to candidates—all of which negatively affected their time-to-hire.

Despite the high rates of dissatisfaction, the decision to implement new tools or adopt a new process altogether is a big one that involves multiple stakeholders and rounds of discussion. Later in this e-book, we'll review why this doesn't have to be the heavy lift it appears to be.

#### **EMPLOYMENT PROCESS & CONSERATIONS**

#### HR Professionals and their teams spend the most time conducting interviews and/or reviewing resumes.

Between 33% and 41% of HR Professionals and their teams report spending the most time on background checks, scheduling interviews and reaching out to potential workers – aspects of the active recruiting process that could be simplified through Fountain's platform.



How much time do you or your team spend on the following hiring activities?

MORNING CONSULT

## Uncertainty About the Use of Al

Artificial intelligence (AI) has created a frenzy of emotions among professionals, ranging from excitement to fear to pure confusion. But on the fringes of this storm sit recruiters who are eager to get their hands on the technology to make their jobs (and lives) easier.

This enthusiasm can be met with suspicion as there is still a lot we don't know about Al's capabilities. Compliance issues and the risk of bias can make companies a target for legal action. This might cause some HR leaders to want to delay making Al a part of their process until they have tangible proof of its efficacy and regulation in other sectors.

Even after adopting AI, hiring teams may not be set up to succeed due to a lack of or poor training. A report from Korn Ferry revealed that 40% of senior executives say their HR teams lack AI-related knowledge and skills.<sup>5</sup> Hiring managers with limited resources and even more limited time may not be equipped to facilitate a training program to help their teams adapt.

As we learn more about AI and how to use it ethically and effectively, we anticipate a world of change for talent acquisition, which we cover later in this e-book.

#### A Sourcing Standstill

Hiring teams are still finding it difficult to capture the attention of the right applicants. Many teams feel the more money they invest in their sourcing efforts, the higher their return will be, when the root of the problem may actually be hidden within the hiring funnel itself.

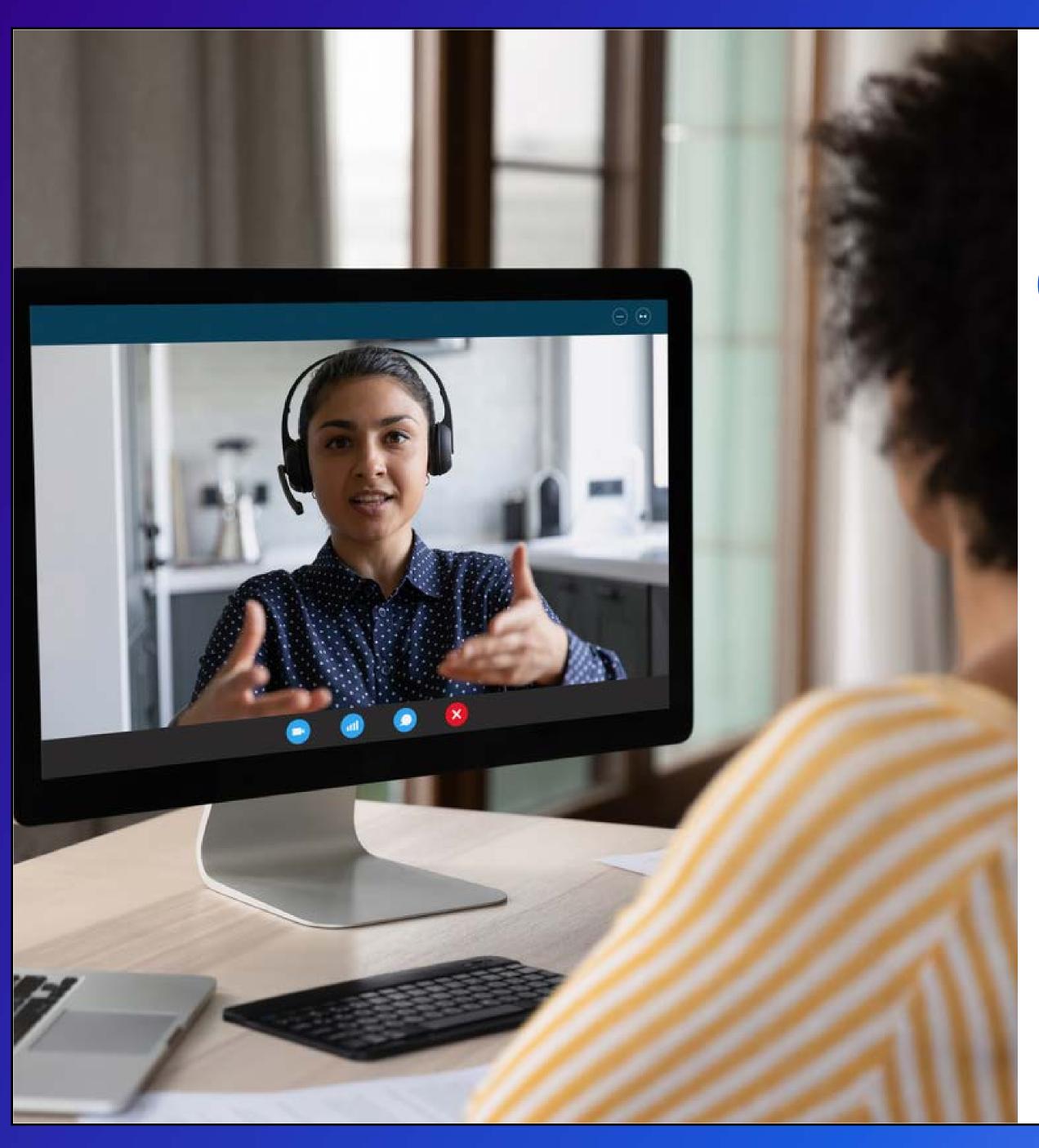
What's more, sourcing is usually an entirely separate activity from the rest of the hiring process, which only adds to the complexity and time commitment of this ever-important step.



#### **Customer Insight: Marsden Services**

When Marsden Services started looking into options for applicant tracking systems, sourcing was one of the main issues they wanted to solve, preferably with one comprehensive solution.

"For those in my position [who are looking for an ATS], we often have to evaluate companies that either offer sourcing or offer the complete applicant tracking system." —Roger Swartzendruber, Vice President of Human Resources at Marsden Services<sup>6</sup>



#### Opportunities Await: What This Means for Hiring in 2024



#### Key Insights

- Speed will take a front seat as more teams implement automation to handle manual hiring actions.
- HR leaders will become more intentional and more invested in exploring AI solutions.
- From sourcing to onboarding, candidate engagement will be crucial in attracting the right talent.

To some, the list of learnings we outlined in the previous section may look like a series of challenges, but for us at Fountain, we see them as opportunities to lend our expertise and hiring solutions to guide companies into the coming year. In this section, we explore what's possible for the future of hiring when we work with high volume hiring teams toward a common goal.

#### Faster Is Possible

As we've established, speed is a hang-up for countless hiring teams. But a modern ATS that leans into automation and AI can give a sluggish hiring funnel the boost it needs. And with approximately 78% of hiring managers either already using or planning to use automation tools in 2024 to help streamline their processes<sup>7</sup>, the future is bright for speed-centric goals.

For example, our customers have seen dramatic decreases in time-to-hire when they've embraced automation to handle tasks like interview scheduling, answering frequently asked questions, and using routing rules to send candidates to the necessary stages in the hiring process.

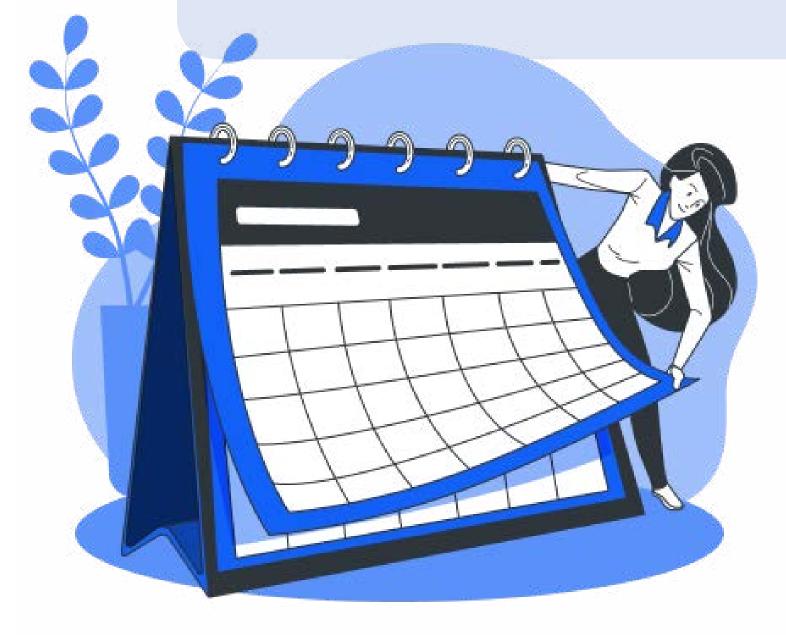
Across the frontline industries for which our customers hire, time-to-hire has decreased by an average of 61%.8



#### **Customer Insight: Bojangles**

With automated messaging, enhanced candidate engagement, and direct integrations with multiple job boards, Bojangles saw their timeto-hire decrease from around 30 days to just 5.8 days.<sup>3</sup>

"Choosing Fountain as our ATS has helped streamline our hiring process, minimized our days-to-hire, and created a hands-off automated application and hiring process, enabling us to find and hire frontline talent efficiently and effectively."—Jacob Salvo, Senior Director of Talent Management at Bojangles



#### Implementing Al Is Achievable

Al comes with a host of uncertainties—there is still a lot we don't know about this technology. But what's clear is that there is a deep interest in exploring how Al can be helpful. Recruitment teams are open to seeing where it can take them and learning as they go.

At the end of 2023, Al already is being used to help lighten recruiters' task load by performing the following functions:

**Automated job posting.** All can take job listings and automatically post them to external platforms to reach the right candidates, which takes the onus off the recruiter having to post to each site individually.

Candidate sourcing. Recruiters can use AI to search and analyze multiple job boards, social media platforms, and professional networks to find candidates.

**Pre-employment assessments.** Al-issued assessments evaluate candidates' skills, aptitudes, and cultural fit through online tests or simulations.

Conversational Al. With chatbots, recruiters can program passive engagement with candidates, answer frequently asked questions,

schedule interviews, and share information about the company and the hiring process.

Background checks. Automated background checks verify candidates' identification, employment history, qualifications, and experience.

Onboarding and training. Recruiters can program the dissemination of personalized training modules and other resources to new hires to prepare them for their first day of work.

Most modern hiring platforms can (and should be able to) incorporate Al-powered features without having to reconfigure the entire system. We predict an uptick in searches for Al recruiting software in 2024, as companies look to increase automation and let their recruiters get back to the human aspect of human resources.



#### Customer Insight: Fetch

Fountain AI coupled with the workflow rules the team had in place allowed quality candidates to move through the workflow in as little as 8 minutes. After implementing Fountain AI, Fetch also saw a dramatic increase in candidate engagement—going from an average of 0.5 messages to 5.5 messages during the application process.9

## Candidate Engagement Is Crucial

When it comes to modernizing hiring, it's not just the tools that need refining—the experience of candidates deserves just as much (if not more) attention.

Candidates want an application process that's simple, smooth, and gets them to the ultimate goal (i.e., a job offer) fast. But devoting this time and attention to candidates when you're hiring hundreds or even thousands of workers will only slow you down and cause you to lose out to businesses that can hire faster.

The solution, once again, is to automate. In this case, we're referring to automating communication with your candidates through the use of triggered email responses, chatbots chocked full of answers to FAQs, and check-ins and reminders of important dates and tasks.

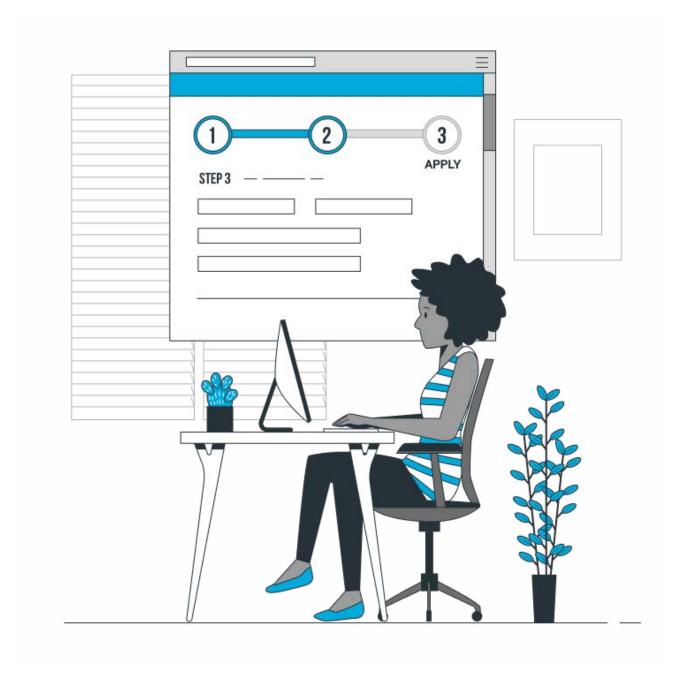
While it may seem counterintuitive to use tech to improve a human experience, technology actually gives recruiters more time to have meaningful interactions with candidates.



#### **Customer Insight: Marsden Services**

"Our recruiters are so excited that they're able to message back and forth versus wasting time calling or emailing. The candidates are getting a constant touch and we're not losing them in the process."

—Roger Swartzendruber, VP of Human Resources, Marsden Services<sup>6</sup>



#### Sourcing Will Improve

Along with speed, sourcing is still one of the top challenges for employers, so much so that hiring teams tend to devote a large chunk of their budget to sourcing efforts to get more applicants in line for their openings. However, recruiters would be better off concentrating their efforts on optimizing efficiency across the entire hiring funnel so that once applicants are sourced, they're more likely to fast-track to the final stages with ease.

One way to do this is by delivering job openings directly to candidates rather than relying on them to sift through a sea of your openings mixed with your competitors. A mobile-friendly job application puts your application directly in their hands and allows you to interact with them early and often to maintain momentum and keep them moving forward.

Al is a key component of a seamless sourcing strategy. With the ability to automatically post jobs to multiple job boards at the same time; scour online networks to find qualified talent; and keep candidates engaged through chatbot messaging, Al will arguably be the recruiter's most important weapon in the fight for top talent.



#### **Customer Insight: Marsden Services**

Marsden Services began looking into applicant tracking systems because sourcing was a major pain point for the organization. With Fountain's integrations, recruiters can easily post to multiple job boards simultaneously.<sup>6</sup>



# What's to Come: 5 Hiring Trends You Need to Know in 2024



#### **Key Trends**

- Al will expand across the hiring funnel, touching everything from sourcing to onboarding.
- 2024 will be the year of the video interview, specifically ones that occur asynchronously.
- The "hidden workforce" will come out of hiding and shine as frontline job candidates.

The state of the workforce is always in flux, but as we approach the new year, we predict the following trends to dominate the high volume hiring landscape in 2024. These trends build upon what we've learned in 2023, what we see our customers working toward, and how we envision new developments in hourly hiring translating to the greater labor market.

## Al Will Stretch Across the Entire HR Tech Stack

Al has shown it can handle certain tasks within the hiring process (e.g., interview scheduling, answering FAQs, etc.), but in 2024, its capabilities will expand across the entire hiring funnel, including to post-hire processes.

In 2023, the candidate experience as it relates to onboarding took a negative turn. A Qualtrics report revealed that only 34% of frontline workers who have worked for a company for fewer than six months plan to stay at that job for three years or more. In a separate Qualtrics survey, 50% of HR leaders have been prioritizing sourcing and hiring over onboarding—only 41% of HR leaders reported onboarding to be a priority which may be one of the reasons new hires feel disengaged.

In an attempt to offer a completely end-to-end hiring solution for their customers, ATS providers will consider onboarding to be a crucial addition to their suite of services. Once candidates are hired, the powers of automation and AI will keep them moving into post-hire processes, which may look like sending digital paperwork through e-signature software, launching virtual training sessions, and employing interactive chatbots that answer common new-hire questions.

As a result of this extra automation, recruiters can devote their time to more detailed new-hire requests that can't be solved by AI, all to help workers get acclimated to their new roles as quickly and efficiently as possible.



#### Customer Insight: Laundryheap

Laundryheap was able to emerge as the market leader in the on-demand laundry and dry cleaning space thanks to their ability to source and onboard partner drivers quickly.

"Fountain gives our recruitment team the bandwidth to invest in personalized one-on-one onboarding sessions with our partner drivers. This lets us set them up for success from day one." —Mayur Bommai, Co-founder of Laundryheap<sup>12</sup>

## Data and Analytics Will Be Non-Negotiable

One strong argument for the ATS as a hiring tool is its ability to collect and analyze data and provide insights regarding the effectiveness of the hiring process. This visibility into where candidates may be getting stuck, where they drop out, and how long it takes them to get through every stage will continue to be an invaluable asset for hiring teams as they vie for top talent from a small applicant pool.

As the competition for workers continues to rev up, recruiters will need these insights to win the race for quality talent and keep operations affoat.



#### Customer Insight: Marsden Services

Marsden Services noticed applicants to one of their client's jobs were stuck in one of the drug-screening stages, waiting on results. This client wasn't particular about the results of one of the drugs being tested, so the Marsden team stepped in and adjusted the workflow.

"Because of analytics, we modified our 10-panel screen to a five-panel by removing the particular drug screen, resulting in time savings and cost reduction." —Roger Swartzendruber, VP of Human Resources, Marsden Services<sup>6</sup>



## The Use of Asynchronous Video Interviews Will Grow

Video interviews are nothing new to the modern recruiter—this "video resume" style of applying for jobs became popular during the COVID-19 pandemic when in-person interviews weren't feasible. But in 2024, we anticipate a precipitous rise in the use of asynchronous video interviews, which have a plethora of benefits for both recruiters and candidates.

According to a report by VideoAsk and Typeform, 69% of HR managers are planning to use asynchronous video interview software as part of their strategy to add more automation to the hiring process.<sup>13</sup>

Asynchronous video interviews can be recorded and submitted in as little as 3.5 minutes and can be viewed by recruiters at any time. This removes the hassle of scheduling (and rescheduling) in-person or live video interviews, and also allows candidates to showcase their personality in a way that can't be conveyed through their resume or basic application information.

Per our 2023 Annual Benchmarking Report, the use of video interviews has a direct effect on applicant engagement: Companies in the food services and restaurants sector that used video interviews saw a 60% completion rate by applicants compared to 45% for in-person or phone interviews.<sup>1</sup>

## Employer Branding Will Directly Impact the Candidate Experience

By the time job seekers apply for your company's openings, they've already done their due diligence. Today's applicants are more informed than ever. They're well-versed in accessing a company's information, social media channels, and general online presence to help them make decisions about nearly every choice they make. And applying for a job is no exception.

This presents a unique opportunity for HR and PR to sync regarding how an employer's brand comes across in a typical job seeker's search. Review sites, customer ratings, and an active Diversity, Equity, Inclusion, and Belonging (DEIB) program are just a few indicators of what a potential worker might look for when deciding whether to get involved with a company.

When candidates enter a hiring process already feeling positive about the organization, this sentiment is likely to stay with them well into their employment and have a positive effect on worker productivity and longevity.

### Hiring Teams Will Tap into the 'Hidden Workforce'

In the United States, there are 27 million people who make up the "hidden workforce." These people may not have the education requirements or qualifications listed in most job descriptions, so they often fly under the radar for companies that use resume-scanning or keyword-searching technologies.

Hidden workers represent a variety of lifestyles and experiences, such as U.S. Veterans, formerly incarcerated individuals, people with developmental or neurodiversity challenges, caregivers, and anyone else who might not fall into the bucket of the "traditional" worker.

According to a report from Harvard Business School (HBS), hidden workers tend to outperform their peers in attitude and work ethic, productivity, work quality, attendance, and innovation. This might explain why companies that hire hidden workers report being 36% less likely to face talent and skills shortages compared to companies that don't hire hidden workers.<sup>14</sup>

To reach this population of workers, companies need to reassess their talent acquisition practices to ensure hiring is equitable and simplified for people of all backgrounds and capabilities. For example, HR teams can generalize the list of qualifications for positions rather than making them narrow and exclusive; modify job descriptions to be more inclusive of varied backgrounds; and remove any language that might serve as a barrier to applicants whose experience doesn't match exactly.

In the same report from HBS—which surveyed 8,000 hidden workers—workers felt that excessive job requirements disqualify them from consideration for positions they feel qualified for.<sup>14</sup> When asked what employers could do to increase workers' success rates in applying for jobs, hidden workers cited the following:

- Align the job title to the tasks (71%)
- Limit the skills requirements to the essentials (64%)
- Limit the use of jargon (62%)
- Limit academic requirements to the essentials (61%)
- Use inclusive and gender-neutral language (52%)

## How Fountain Is Preparing for the Coming Year

To close the door on 2023 and look ahead to a new year of innovation and improved hiring, we'd like to share a few words from Fountain CEO Sean Behr...

As we embark upon a promising 2024, I'm thrilled to share what's to come from Fountain and from the hiring industry in general. The landscape is undergoing a major evolution, and it's clear that technology will play a pivotal role in shaping tomorrow's workforce.

Hiring has changed from a numbers game to a speed game, one that shows no signs of slowing down. The competition among industries is intense, and if you don't hire fast, you don't have staffed operations, which leads to poor customer experience and negative business outcomes.

The American frontline worker has also changed—what we witnessed from vetting and hiring millions of workers this year is that these workers have more options, more flexibility, and are treated better than before. With more opportunities available, they have the power to effect change, which we are seeing playing out across industries, and employers should take notice.

The economy is also more dependent than ever on these frontline workers. While staffing situations in other industries have been in flux, demand for frontline workers remains strong.

At Fountain, we're not only enabling our customers to streamline their hiring processes, but we're also helping them redefine it entirely with cutting-edge technologies like Fountain Hire, Fountain Al, and Fountain Wave. We're dedicated to providing solutions that adapt to the evolving needs of frontline recruiters, empowering their plans for expansion and growth. As we embrace what's to come, we're fostering workplaces that thrive on diversity, innovation, and collaboration. We foresee an era where technology not only fuels growth but also enables organizations and individuals to thrive.

The future of hiring is bright, and we're excited to continue to be a trusted partner in the hiring journeys of millions around the world.

Wishing you a successful 2024,

Sean Behr, CEO of Fountain

To learn more about Fountain's high volume hiring solutions, click here:

#### Sources

- The State of Frontline Hiring: 2023 Annual Benchmarking Report. Fountain, October 2023.
- 02 HR Professionals in Hourly Worker-Dominated Industries Research. Fountain research conducted by Morning Consult, May 2023.
- Bojangles: Decreased time-to-hire for staff by 80%. Fountain customer story, July 2023.
- Liveops: Decreased time-to-fill by 48%. Fountain customer story, June 2023.
- Talent Acquisition Trends Report 2024. Korn Ferry Institute, 2023.
- Marsden Services: Cut time-to-hire from 18 days to an average of seven days. Fountain customer story, August 2023.
- Lights, Camera, Action—The Future Of Hiring Is Pre-Recorded Videos. Forbes, Nov. 13, 2023.
- **O8** Data provided by <u>Fountain</u> and Lightcast.io.
- 69 Fetch: Hiring delivery drivers in less than 5 minutes. Fountain customer story, January 2023.
- New hires are considering quitting within the first 6 months because of these 3 onboarding issues. Fortune's CHRO Daily Newsletter, Oct. 25, 2023.
- 11 Qualtrics XM Institute Research Highlights the Growing Strategic Importance of HR. Qualtrics, March 8, 2023.
- Laundryheap: 5x increase in applicant volume and 3x increase in recruiter productivity. Fountain customer story, March 2023.
- 13 The State of HR Automation Tools Report: Learn the latest insights and top trends in HR automation tools and async video interview software. Videoask by Typeform, June 2023.
- Hidden Workers: Untapped Talent: How leaders can improve hiring practices to uncover missed talent pools, close skills gaps, and improve diversity. Harvard Business School and Accenture,

Oct. 4, 2021.