

# KEY HIRING METRICS CHEAT SHEET



## KEY HIRING METRICS

$$\text{TIME-TO-HIRE} = \frac{\text{Date of offer acceptance} - \text{Date of application submission}}$$

**Example:** John Doe applied for a developer role on August 12 and accepted a job offer on September 9. The time to hire is 28 days.

**What to aim for:** The global average time to hire is 44 days (although it varies between industries and locations).<sup>1</sup>

## STRATEGIES

- Track hiring metrics
- Skills-based hiring
- Recruitment automation
- Employee referrals
- Structured interviews

$$\text{COST-PER-HIRE} = \frac{\text{Total annual recruitment spend}}{\text{Total number of annual hires}}$$

**Example:** Your total annual recruitment costs total \$90,000, and you acquired 25 new hires in that time. Your cost per hire is \$3,600.

**What to aim for:** The average cost per hire is \$4,700.<sup>2</sup>

- Track hiring metrics
- Skills-based hiring
- Recruitment automation
- Employee referrals

$$\text{TURNOVER RATE} = \frac{\text{Number of employees who left}}{\text{Average number of employees}} \times 100$$

**Example:** If 10 employees left your company this year when your average number of employees was 75, your turnover rate is 13.33%

**What to aim for:** The average turnover rate varies between industries. See the Bureau of Labor Statistics' turnover data for more information.<sup>3</sup>

- Track hiring metrics
- Skills-based hiring
- Employee referrals

$$\text{QUALITY OF HIRE} = \frac{\text{The value a new employee brings to a business}}$$

**Example:** Your company measures quality of hire based on the number of sales made in a month and a 360-degree feedback score. Jane Doe made 23 sales last month and received 95% feedback score, while John Doe made 17 sales and received a 90% feedback score. Therefore, Jane is a higher quality hire than John.

**What to aim for:** Depends on the metrics you use.

- Skills-based hiring
- Employee referrals
- Structured interviews

$$\text{APPLICATION COMPLETION RATE} = \frac{\text{Number of applications completed}}{\text{Number of applications started}} \times 100$$

**Example:** You receive 20 completed applications for a role, while your ATS indicates 310 candidates started but didn't finish an application. Your application completion rate for the role is 6.45%.

**What to aim for:** The median application completion rate is 4.34%.<sup>4</sup>

- Recruitment automation

$$\text{OFFER ACCEPTANCE RATE} = \frac{\text{Number of accepted offers}}{\text{Number of offers}} \times 100$$

**Example:** Your hiring manager made 14 offers to candidates this year, and 12 candidates accepted. Your offer acceptance rate is 85.71%.

**What to aim for:** At least 81%.<sup>5</sup>

- Recruitment automation
- Structured interviews

$$\text{DIVERSITY METRICS} = \frac{\text{Number of candidates in a specific demographic}}{\text{Total number of candidates in hiring process or stage of hiring process}} \times 100$$

**Example:** Your organization wants to assess the representation of women who applied to a certain job posting. 120 candidates submitted applications, 23 of these were women. The rate of women who applied for the role is 19.17%.

**What to aim for:** Depends on the diversity metric and organizational goals.

- Skills-based hiring
- Structured interviews

## TOOLS

### HR ANALYTICS TOOLS

- Collect and analyze manually
- Software such as R and Python (if you have in-house data science skills)
- Platforms such as Visier or Dreamteam

### APPLICANT TRACKING SYSTEMS (ATS)

- BambooHR
- Greenhouse
- Lever

### PRE-EMPLOYMENT SKILLS TESTING

- TestGorilla

### SKILLS GAP ANALYSES

- Skills gap analysis template

### CANDIDATE FEEDBACK TOOLS

- Online reviews
- Social media posts or comments
- Talent feedback software such as Survale
- Candidate experience surveys