

Applicant Tracking Systems: Everything You Need to Know

Learn how applicant tracking systems (ATS) work, how they impact your job search, and how to create an ATS-friendly resume that will get you more job interviews.



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Optimize your Resume for an ATS

Jobscan users have been hired by:













Most companies today—including more than <u>98% of the Fortune 500</u>—use an applicant tracking system, or ATS, to help manage the hiring proces **Skip to content**



imany job seekers don't realize that when they apply online, their <u>resume</u> doesn't go straight to a recruiter. Instead, it gets stored in an ATS database. Recruiters then search that database for resumes using keywords.

That means even if you're highly qualified, your resume might not show up, simply because it's missing the right keywords.

In this guide, we'll tell you what an ATS is, how it works, what keywords are, and how you can create an ATS-friendly resume that will get you more job interviews.



Is Your Resume ATS-Friendly? Find Out Now.

Jobscan analyzes your resume the same way an ATS does, so you can fix keyword gaps, formatting issues, and more before you apply.

Scan Your Resume

What is an applicant tracking system?

An applicant tracking system (ATS) is software that employers use to process the overwhelming number of applications they receive for job openings.

It helps them save time, stay organized, and quickly identify the most qualified candidates without having to read every resume manually.



- It stores all the information from job applicants—like resumes, <u>cover letters</u>, and contact details.
- It keeps track of where each candidate is in the hiring process.
- It saves time by automating tasks like scanning resumes, scheduling <u>interviews</u>, and sending updates.

For job seekers, the most important thing to know about the ATS is this: recruiters use it to search for resumes using specific <u>keywords</u>. The resumes that contain those keywords are the ones they actually see.

That's why it's so important to tailor each resume to the job description. Don't make the common mistake of sending out the same resume with every application!

It's equally important to format your resume clearly so the ATS can understand it properly. Complicated formatting will confuse the ATS and cause it to render your resume as a jumbled mess.

If you do these two things, you'll greatly increase your chances of showing up in an ATS search.

How do applicant tracking systems work?

Before your resume even makes it into the ATS, you might have to answer a few quick questions.

These are called <u>knockout questions</u>. While the ATS handles these questions automatically, they're actually programmed by recruiters.

This means it's a human, not a machine, that's deciding what answers will get you through and what answers will take you out of the running.

If you don't meet a key requirement, the system can flag or reject your application before anyone ever reads your resume.



Are you willing to work full-time?

- Do you have X years of experience?
- Do you have a [specific degree or certification] required for this position?

After any knockout questions, the ATS scans your resume.

It pulls out key details, like your work experience, education, and skills. Then the ATS organizes everything into a structured format and stores it in the ATS database.

The vast majority of recruiters don't read through every resume. Instead, they search the database using keywords to find the best matches.

How do hiring managers use ATS to find candidates?

According to a Jobscan <u>survey</u> of hundreds of recruiters, 99.7% of them said they use keyword filters in their ATS to find the right candidate to interview.

So which keywords do recruiters look for the most?

- 76.4% filter by skills
- 59.7% by <u>education</u>
- 55.3% by job title
- 50.6% by <u>certifications</u> or licenses
- 44.3% by years of experience
- 43.4% by location

For example, if a hiring manager is looking for a dental assistant, they'll probably type the job title "dental assistant" into the ATS search bar.



Resumes that include all three keywords will show up in the search. Resumes that don't will stay hidden in the ATS database.

Where are the recruiters getting these keywords from? The job description.

Let's take a look at how this works in practice.

In the example below, the recruiter is using an ATS called Bullhorn to search for candidates with "PHP" on their resume.

They're also interested in skills like C++, Java, and Photoshop—but those aren't required.

When the recruiter runs the search, only resumes that include the keyword "PHP" will appear.

In this case, Joe Jones' resume includes "PHP." It also contains the keyword "Java," one of the optional skills.

His <u>ATS resume</u> shows up fourth in the search results, which means it's near the top of the list. And that makes it much more likely a recruiter will actually read his resume.

That's why it's so important to include the right keywords from the job description.



What is a resume score and how can you increase it?

Some ATS platforms rank resumes based on how closely they match the job description. The score is based on your entire resume. This includes your work experience, skills, education, and more.

If your score isn't high enough, your resume might not make it to the next round.

For example, the ATS called <u>Oracle Taleo</u> uses something called "Req Rank" to rate how well a resume matches a specific job.

The higher your score, the better your chances of landing an interview.

To boost your score, start by reading the job description. Pick out the keywords that show up the most, especially the hard skills.

Hard skills are specific, teachable abilities like graphic design, Salesforce, data analysis, project management, Python, or SEO.

The key is to use the same language the hiring manager used. When your resume mirrors the job description, it's easier for recruiters to find your resume in an ATS search.





Yes, this takes more time than sending the same resume everywhere (which is why most people skip it), but it leads to more interviews.

To make the process faster and easier, try using a tool like Jobscan's resume scanner.

The resume scanner works like this:

Step 1: Paste your resume into the scanner.

Step 2: Paste the job description into the scanner.

Step 3: Click the "Scan" button.

After scanning your resume, you'll get a Match Report.

This report shows your resume score, which is how well your resume matches the job description.

The report also highlights which skills and keywords you're missing. Now you know exactly what to add to your resume to increase your score and improve your chances of being found in an ATS search.

Here's an example of what part of a Match Report looks like:

In this example, you can see that adding the keywords "Dermatology," "Human Resources Management," and "Revenue Cycle Management" will increase your resume score.

The higher your score, the better your chances of landing an interview. Just make sure the keywords you add actually reflect your skills and experience



For example, the resume in this Match Report doesn't include the Job title.

According to a Jobscan <u>survey</u>, resumes <u>with</u> the job title received **10.6 times** more interview requests than those without the job title.

Sometimes job seekers wonder if they can run their resume through an actual ATS for free. But ATS are used by employers, not applicants.

That said, Jobscan's resume scanner is designed to mimic how an ATS works. It compares your resume to a job description and shows you what keywords to add. You can try it for free below.

How to format your resume to make it ATS-friendly

It's important to <u>format your resume</u> in a way the ATS can easily read.

A lot of job seekers add fancy design elements to make their resume stand out.

But that can actually hurt your chances because most ATS struggle to read graphics, photos, and tables.

The best approach? Keep your resume simple and clean. Boring is best!

Here are a few formatting tips to make sure your resume is **ATS-friendly**:

ATS resume formatting tips:

• Use clear, straightforward language.



- Choose a common <u>resume font</u> like Arial, Helvetica, or Georgia.
- Keep one-inch <u>margins</u> on all sides so your resume doesn't look crowded.
- Avoid graphics, images, <u>tables and columns</u>, or fancy design elements.
- Don't use special characters or symbols.
- Save your resume as a .doc, .docx, or PDF. Most modern ATS can read PDFs without any problems.
- To make things easier, try using an ATS-friendly <u>resume builder</u> or <u>ATS-friendly</u> <u>templates</u>.

Before you send out your resume, take a moment to proofread carefully. Even a small mistake can hurt your chances.

To make sure everything's in good shape, run your resume through Jobscan's <u>resume scanner</u>.

It doesn't just tell you which keywords to add so your resume can be found in an ATS search. It also flags formatting issues that could cause the ATS to misread your information.

To avoid formatting mistakes right from the start, use Jobscan's ATS <u>resume templates</u>.

Each template features a sleek, minimalist design that can be easily read by any applicant tracking system.



The future of applicant tracking systems

As technology continues to evolve, so does the landscape of recruitment and hiring.

Here's a glimpse of the potential future of ATS.

Integration with artificial intelligence (AI)

ATS are starting to use artificial intelligence (AI) to do more than just scan for keywords.

Soon they might be able to predict a candidate's potential success in a role based on their previous work experience.

Al can also help reduce bias by focusing on skills and qualifications rather than age, gender, or ethnicity. This can lead to a more fair hiring process.

Video resumes and cover letters

As video content becomes more common, future ATS tools may be able to scan and analyze video resumes or <u>cover letters</u>.

We could even see ATS integrating with virtual or augmented reality. This could completely change the way candidates showcase their skills and experience.

A better experience for job seekers

The future of ATS isn't just about helping employers. It's also about making things easier for applicants.

Soon, ATS might offer automated feedback. This would allow job seekers to see what's working in their application and what's not.



Popular applicant tracking systems

Here is a list of the <u>top applicant tracking systems</u> today:

<u>Workday</u> – Founded in 2005, Workday has a healthy combination of mid-size companies and Fortune 500 businesses.

<u>Taleo Recruiting</u> – Founded in 1996, and acquired by Oracle in 2012, <u>Taleo</u> is one of the leading ATS with over 20 million users.

iCIMS – Since its launch in 2000, <u>iCIMS</u> has become one of the top applicant tracking systems (ATS) in the world. Over 6,000 companies now use iCIMS, including 40 percent of the Fortune 100

Jobvite – Founded in 2006, Jobvite boasts over 1,600 clients and a database of 43 million job seekers from all over the world.

<u>Greenhouse</u> – Since its launch in 2012, <u>Greenhouse</u> has grown to become a major player in the ATS market with over 7,500 customers.

<u>Bullhorn</u> – With over 20 years of experience, Bullhorn is a leading cloud-based applicant tracking system tailored specifically for recruitment and staffing agencies.

BambooHR – BambooHR is an all-in-one HR software designed for small to mid-sized businesses, offering tools for applicant tracking, onboarding, payroll, performance management, and employee data management.

<u>LinkedIn recruiter</u> – This is a premium tool offered by LinkedIn specifically designed for talent professionals and recruiters.

Lever – Founded in 2012, Lever is a modern recruiting platform that combines the capabilities of an applicant tracking system (ATS) with a customer relationship management (CRM) tool.



and learning management.

<u>Pinpoint</u> – Founded in 2017, Pinpoint is an ATS that simplifies complex hiring for organizations managing multiple streams of recruitment.

JazzHR – Founded in 2009, JazzHR is one of three market-leading ATS solutions by Employ. JazzHR is a simple, easy-to-use applicant tracking system

Workable – Founded in 2012, Workable is an all-in-one HR platform that helps businesses find great candidates, hire faster, and manage their teams more effectively

How to optimize your resume for specific ATS

Every ATS works a little differently. That's why Jobscan's <u>resume scanner</u> includes an "ATS Tips" feature.

This feature gives you specific advice based on the ATS used by the company you're applying to.

You'll find these tips right at the top of your Match Report.

Just click on "update scan information" and this screen will appear:



Input the company name, the job title, and the URL of the job description and click "Update Details."

In this case, the ATS used by the company is Workday. Here are the ATS tips:

ATS vs CRM: What's the difference?

There are two main types of recruiting software: ATS and CRM.

An ATS (Applicant Tracking System) is designed to manage candidates *who have already applied for a job.*

It helps recruiters sort, search, and track applications through every stage of the hiring process.

A CRM (Candidate Relationship Management) focuses on building relationships with people who haven't applied yet.

These are often people who might be a great fit but aren't actively job hunting.

The key difference? The ATS manages applicants. The CRM nurtures potential candidates.

Many companies use both. The ATS handles active applications, and the CRM builds a pipeline of future talent.





Triple your interviews with Jobscan's resume scanner

Struggling to get interviews? It could be because your resume isn't ATS-friendly. Scan your resume today and discover how to make it stand out to employers.

Scan Your Resume Now

Key takeaways

- **Most companies use an ATS** to manage job applications, including over 98% of the Fortune 500.
- Your resume needs to include the right keywords from the job description, or it may never be seen by a human.
- **Tailor your resume for each job** and format it clearly so the ATS can read it without errors.
- **Jobscan's resume scanner** mimics how an ATS works, helping you improve your resume with keyword and formatting suggestions.
- Avoid design-heavy resumes—graphics, columns, and unusual fonts can confuse the ATS.
- PDFs are ATS-friendly, but so are .doc and .docx formats.
- Every ATS is different, and Jobscan offered the based on the specific system a company uses.

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• You can't use an AIS directly as a Job seeker, but you can scan your resume for free using tools like Jobscan.

FAQs

How do applicant tracking systems work?

Applicant tracking systems (ATS) are software tools used by employers to streamline the hiring process. They automatically scan and sort job applications based on specific criteria such as keywords, skills, and experience. By doing so, they help recruiters and hiring managers identify the most suitable candidates for a position efficiently.

What types of companies use ATS?

Companies of all sizes and industries use ATS to streamline their recruitment processes. Primarily, large corporations, recruitment agencies, and organizations with frequent hiring needs utilize ATS to manage high volumes of applications. However, with the rise of affordable and scalable software solutions, even small to medium-sized businesses are adopting ATS to improve their hiring efficiency.

How does an ATS help HR managers?

An ATS assists HR managers by automating and organizing the recruitment process. It filters and ranks job applications based on specific criteria, ensuring only the most relevant candidates are considered. Additionally, it provides a centralized platform for job postings, candidate tracking, and communication, making the hiring process more efficient and streamlined for HR professionals.



Yes, applicant tracking systems can read and parse PDF files.

What is an ATS-friendly resume?

An ATS-friendly resume is designed to be easily read and parsed by applicant tracking systems. It uses straightforward formatting, avoids complex graphics or tables, and incorporates relevant keywords that match the job description. This ensures that the resume is not mistakenly filtered out and increases the chances of it being reviewed by a human recruiter.

Why are ATS applicant tracking systems important?

An ATS helps ease the workload of recruiters and hiring managers, especially now that the internet makes it faster and easier than ever for job seekers to <u>apply for jobs</u>. In fact, job board sites like Indeed and LinkedIn allow job seekers to apply using a saved resume and only one click.

While applicant tracking systems are not perfect, they are a good way for recruiters to efficiently home in on top candidates.

What can the ATS do?

ATS go beyond simple applicant tracking to offer communication, interview scheduling, and onboarding functionality. ATS also save resumes for later. If an applicant isn't the right fit, recruiters and hiring managers can search the system later to uncover resumes that match new positions. If you've ever been contacted months later by a company you applied to, an ATS was probably behind it.



Here are things you need to do to pass applicant tracking systems:

- Tailor your resume to the specific job posting you are applying for.
- List the important keywords and phrases in the job description and incorporate them into your resume.
- Include the long form of keywords with their acronym counterpart.
- Use the right formatting and font style.
- Run your resume through an online <u>resume fixer</u> to make sure there are no problems that will prevent an ATS from reading your resume correctly.

Do all recruiters use ATS?

According to a Jobscan <u>survey</u>, over 99% of recruiters use ATS filters to search for candidates.

What is the difference between a CRM and ATS?

ATS automates the hiring process and serves as a database for job applicants. On the other hand, CRM (Customer Relationship Management) is an ecosystem where HR professionals can nurture both passive and active candidates and those who are already in the system as previous applicants.

Do small companies use ATS?

Yes, while ATS are most common among large organizations, many small and mid-sized companies also use them to simplify and organize their hiring process. As hiring needs grow, even smaller teams benefit from the efficiency and structure an ATS provides.



The easiest formats for an ATS to read are reverse-chronological and hybrid. Generally speaking, we do not recommend using the <u>functional resume format</u>.

Is the applicant tracking system free?

Not usually. ATS are paid tools used by employers to manage the hiring process. They're not something job seekers typically use directly.

Explore more ATS-friendly resume resources

ATS-Friendly Resume Templates How to Write an ATS-Friendly Resume in 2023

How to Create an ATS Resume 8 Things You Need To Know About ATS

Platform

Pricing

Resume Optimization

ATS Resume

What Is An ATS?

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