Quantifying the Candidate Experience

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Abstract

It's no revelation a positive candidate experience is critical to a company's success, even beyond the recruiting process. From talent quality to public reputation, and brand strength to company culture, the areas which the candidate experience influences will make or break a company, at every stage of its lifecycle. Yet, evidence suggests companies are not actively gauging candidate experience, and certainly not in as much detail as they should be. Further data suggests companies are not significantly improving their candidate experiences. This is because:

1) it is costly and resource intensive to build a fully automated candidate experience system
2) companies don't have the information they need
3) the candidate experience has rarely been scrutinized quantitatively.

Alas, the hiring process is a company's portal to the world, a chance to showcase everything that makes it unique and brilliant: its people, culture, and mission. Optimizing this procedure requires an impartial, scientific approach to identify the distinguishing qualities of the ideal candidate experience. As such, our research team at Feedbat has conducted an in-depth study of candidate experiences, the results of which comprise the main body of this literature. We have leveraged our findings to shape the design of our platform and service. We hope that everyone can come together and benefit from our knowledge to improve the candidate experience for all involved.

Introduction

Candidate experience matters. Richard Branson's Virgin Media rejected **123,000** applicants a year, **18%** of which are existing customers. They attributed roughly **$5 million** in annual revenue loss from disgruntled applicant customers canceling their service (Steiner). Prior literature has suggested that nearly **60%** of applicants have had a bad candidate experience and **72%** shared that experience online or offline. (David) Other studies have found that **95%** of candidates are more likely to apply again if they had a positive experience, **97%** of candidates who had a positive experience would refer others to apply, and **88%** of candidates with positive experiences would increase their purchase with the company (Zojceska). However, the interview feedback process has been broken and companies are not receiving the constructive information they need to rectify their hiring process weaknesses. This is a wasted opportunity. Some companies do send in-house surveys to applicants, but as we discovered, often times they are 1) self selecting (only specific applicants respond) 2) biased (companies send surveys at suboptimal times) 3) incomplete (survey questions are chosen subjectively and not based on market research) 4) costly to implement (need HR and data teams to collect, manage, process, and generate insights) and 5) unproductive (candidates aren't incentivized to leave constructive and in-depth reviews).

The Solution

In order to address the hurdles that companies face in improving their hiring processes, the team at Feedback has built a platform for companies and candidates to exchange feedback. Likewise, just as companies depend on actionable feedback, candidates often do not receive the feedback they need to improve their interview skills, even after requesting it. Based on our research, this has been a major pain point for candidates who have had poor candidate experiences. As such, the platform serves as an intermediary that facilitates genuine dialogue through a secure, two way exchange between both parties. It incentivizes candor, impartiality, and actionability in the review process. Feedback is only displayed when both parties have completed their reviews, and reviews are private, only for personal improvement. Survey questions are designed based on the data-backed research and recommendations of the Feedbat research team. Users (both companies and candidates) receive personalized stats and insights generated and visualized from the feedback. In such a way, companies can monitor and understand the state of their hiring process and candidates can identify key areas of improvement. Everyone partaking in the system can benefit from this increased visibility.

Methodology

Our team at Feedbat conducted a data-driven study on the candidate experience to help inform the design of our platform and service. We did not feel comfortable building our solution until we could satisfy the following goals:

1) validate there is a need for it
2) understand the current state of the candidate experience
**3) analyze the mechanics of the ideal candidate experience.**

This involved determining:

1. Common features of negative and positive interview experiences
2. The effects of a positive candidate experience
3. The state of candidate experience depending on company size, industry, and role.
4. The role of interview question semantics/phrasing
5. The role of interview difficulty on experience and offer acceptance
6. The role of process length on experience and offer acceptance
7. Temporal analysis on companies' candidate experiences
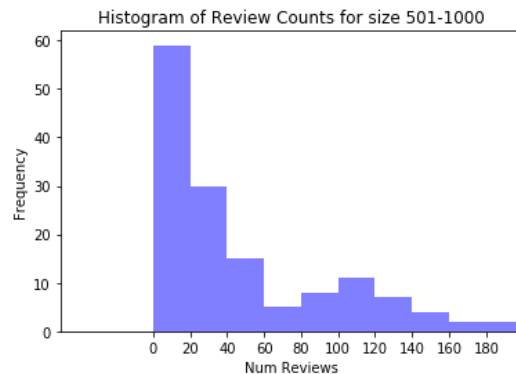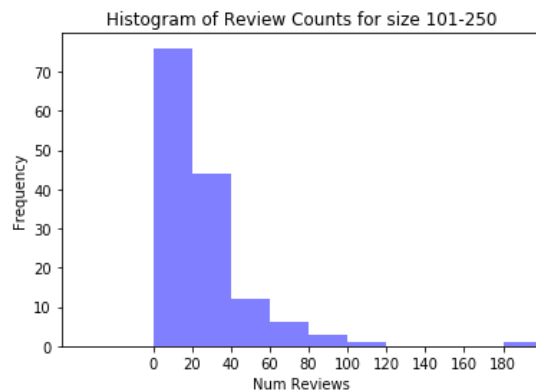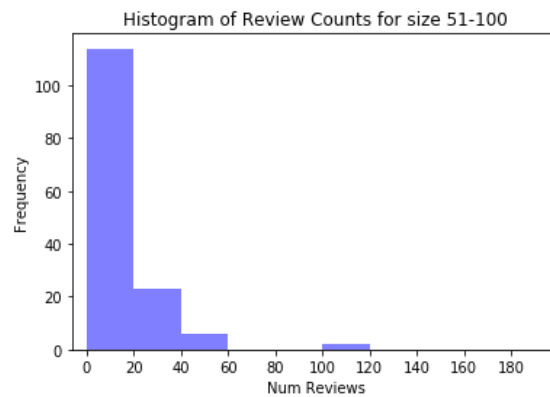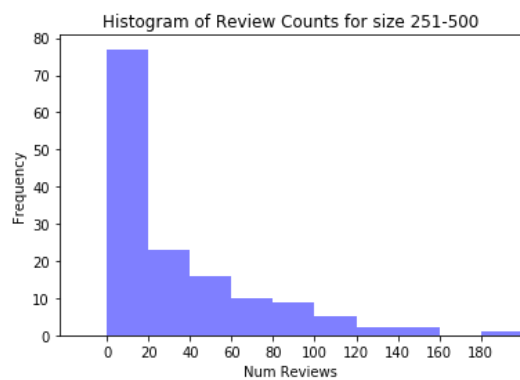**8. Estimations on volume of public interview experience data companies have**

We worked with a dataset of nearly **20,000** candidate experiences dealing with small, medium, and large enterprises in diverse geographical locations within the U.S, and encompassing 25 broad-ranging industries. We bucketed companies based on number of employees (51-100, 101-250, 251-500, 501-1000). The dataset was compiled and cleaned from public candidate experience reviews. We used various text analysis methods for topic discovery, time series analysis for temporal studies, and basic visualization methods. We present the results of our study in the following section.

Findings

Goal #1: Validating Need

Average Number of Interview Reviews by Company Size
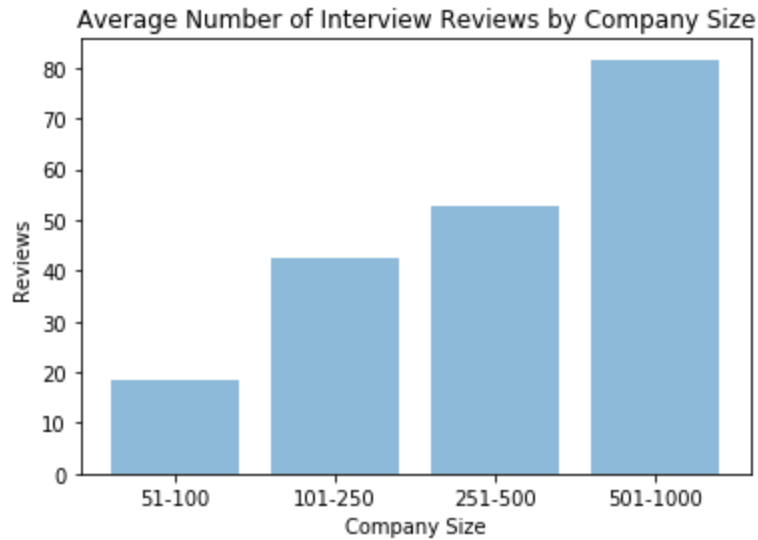
Larger companies have on average more public interview reviews. However, the average number of reviews is far lower than the company sizes (by factors of ~5-20). This evidence supports the hypothesis that companies without a rigorous in-house feedback system are accessing feedback from a small fraction of their candidates.

Histogram of Review Counts for size 251-500

Histogram of Review Counts for size 51-100

Histogram of Review Counts for size 101-250

Histogram of Review Counts for size 501-1000

In fact, these histograms show the true breakdowns of the number of reviews. Regardless of company size, the number of public reviews is heavily skewed in the 0-20 range.

Average Number of Reviews by Industry
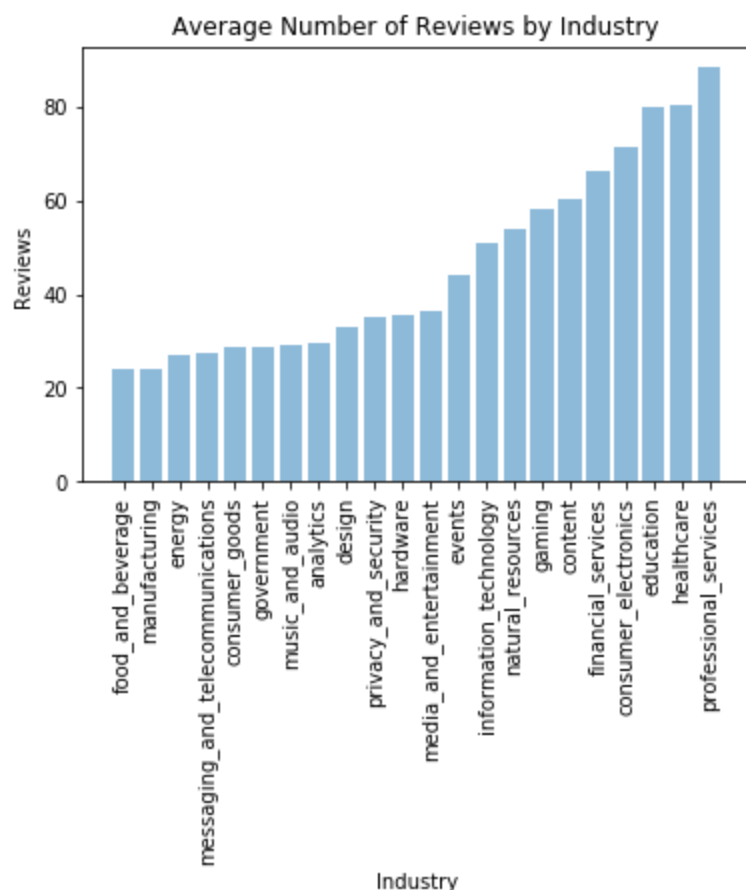
Some industries have more interview reviews than others, by a magnitude of up to ~4x. The top 3 most reviewed industries are professional services, healthcare, and education. Explanations can be 1) different industries have different skewings of company size 2) those seeking application in certain industries have a different propensity to post public reviews 3) companies in certain industries are on average better than others in encouraging their applicants to leave public reviews.

**Only 9.55% Percentage of engaged employers improved**

We attempted to see whether engaged employers were noticeably improving their candidate experiences based on evidence in the reviews. Engaged employers are those who have claimed their public reviews. We defined an "improved company" as one whose average of rolling count of # negative reviews in the last quarter of reviews to be at least a standard deviation below the average of rolling count of # negative reviews in the first quarter of reviews. We used a rolling window of 5 and filtered out companies with less than 30 reviews. Results show that only a very small portion of employers have satisfied this criteria. Only 9.55% of engaged employers. In other words, there is little evidence to suggest that employers are improving their candidate experiences based on public or internal reviews. This evidence cannot

deny that phenomena either, as public reviews are sparse and biased. Nevertheless, the case can be made that employers, for one reason or another, are not actively reducing the quantity of negative reviews on public forums.

Goal #2: Gauging Status Quo

Total Breakdown of Candidate Experience Sentiment
These sentiments were self-reported by job seekers.

51.26% Positive   15.49% Neutral

30.51% Negative   2.74% Unknown

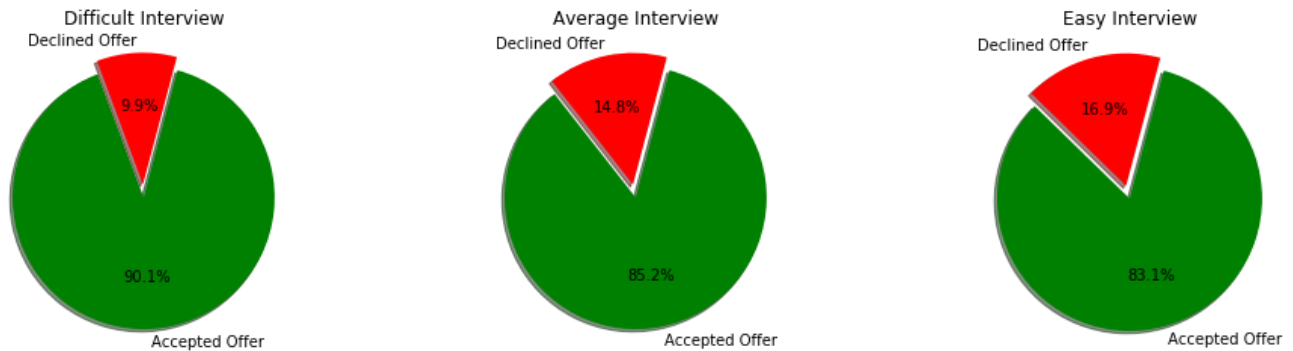

% Negative Reviews by Company Size
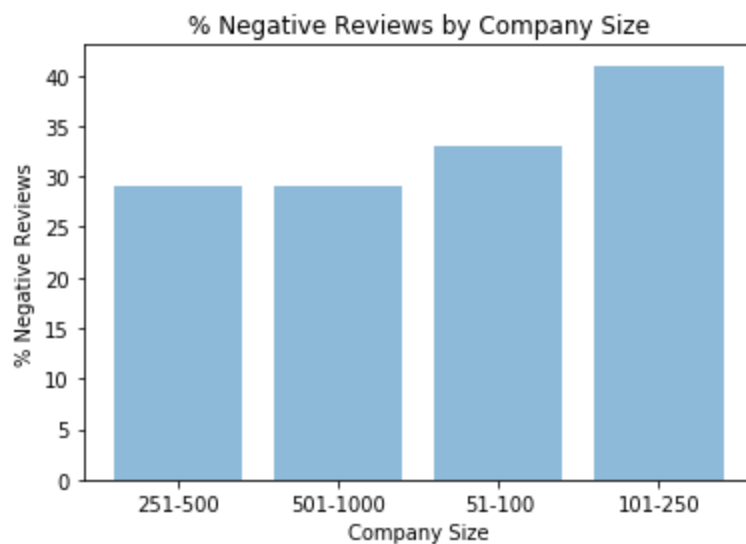
It appears that companies face around a 30% negative interview experience rate, regardless of company size, with the highest being mid-sized companies at > 40% (101-250 employees).
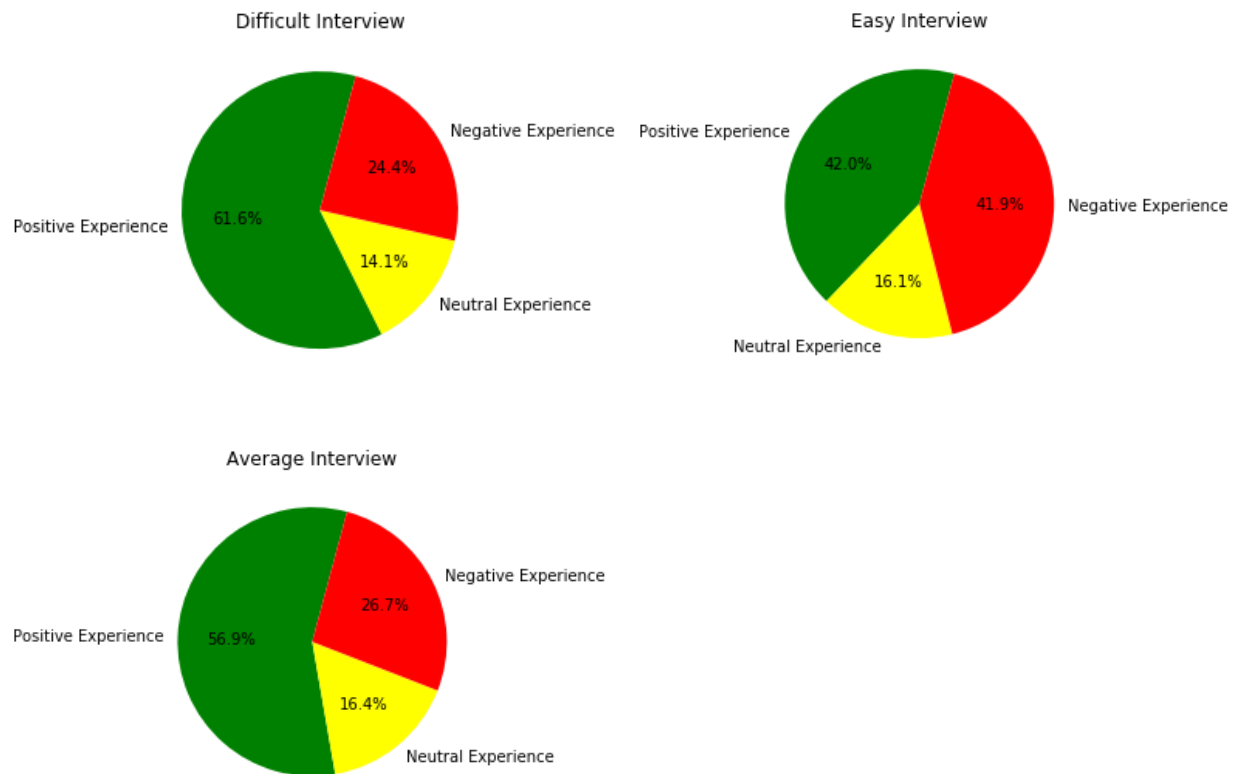
Experience vs. Offer Acceptance
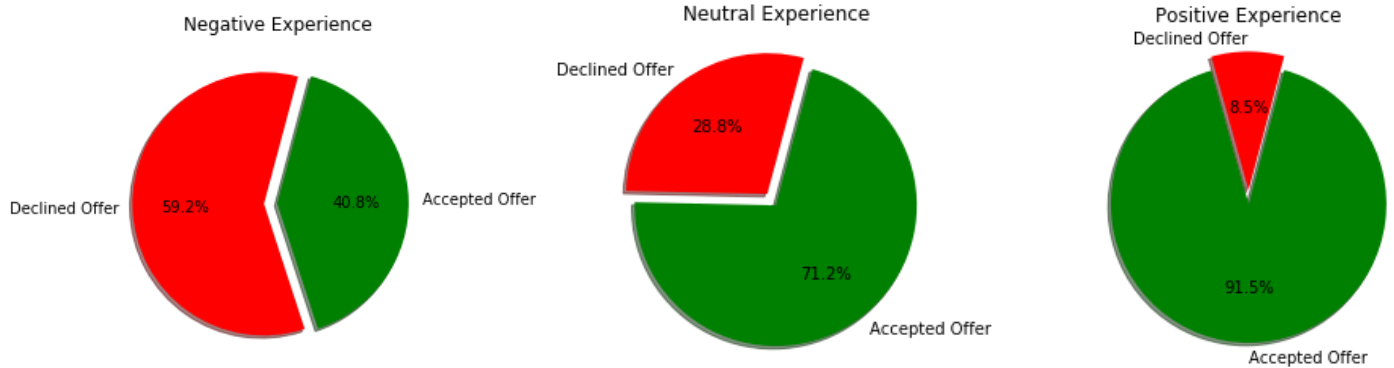
Interview Difficulty vs. Offer Acceptance

There is a positive correlation between interview difficulty and rate of acceptance. The harder the interviews are, the higher the likelihood a candidate will accept the offer.
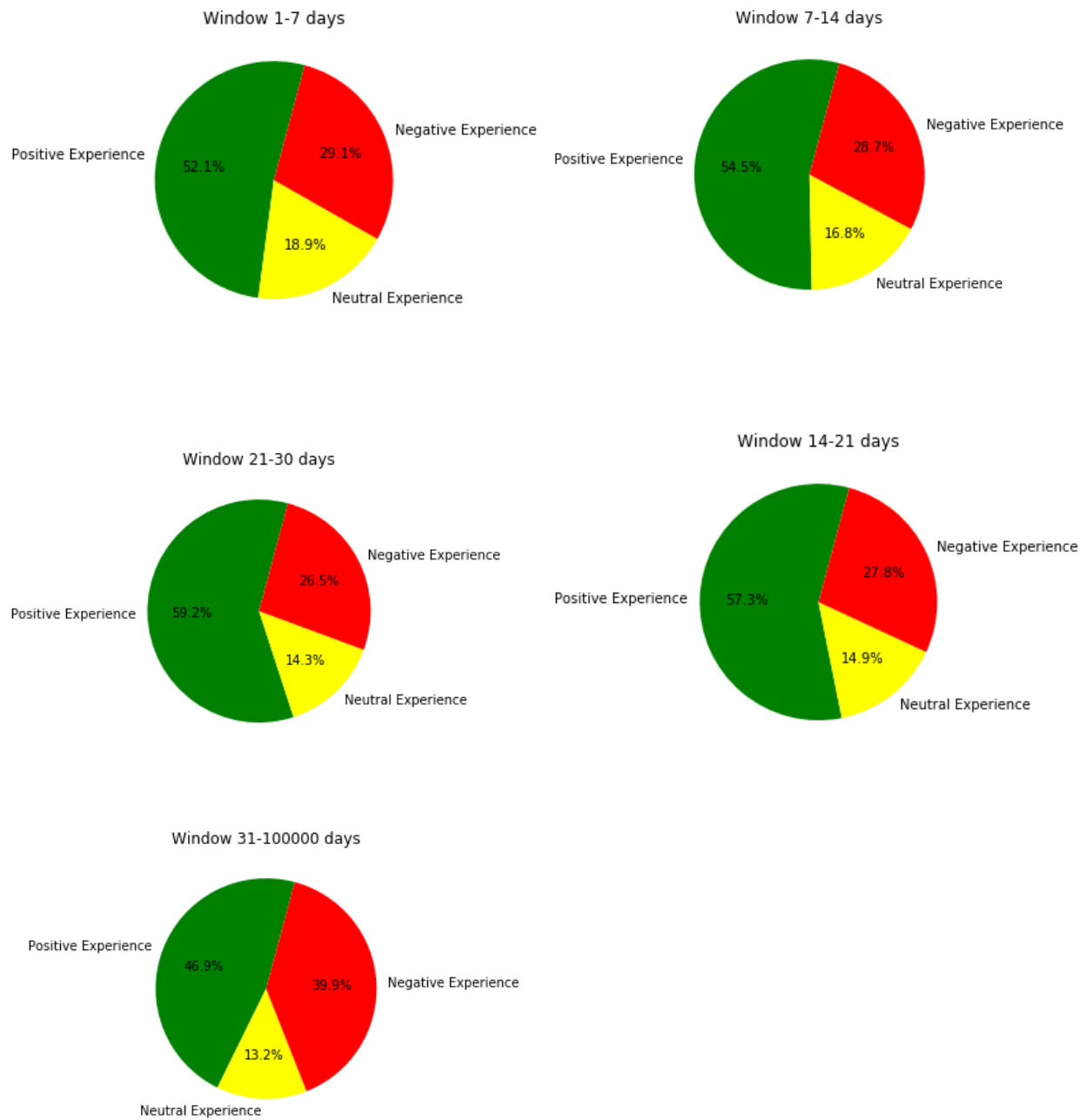
Interview Difficulty vs. Experience

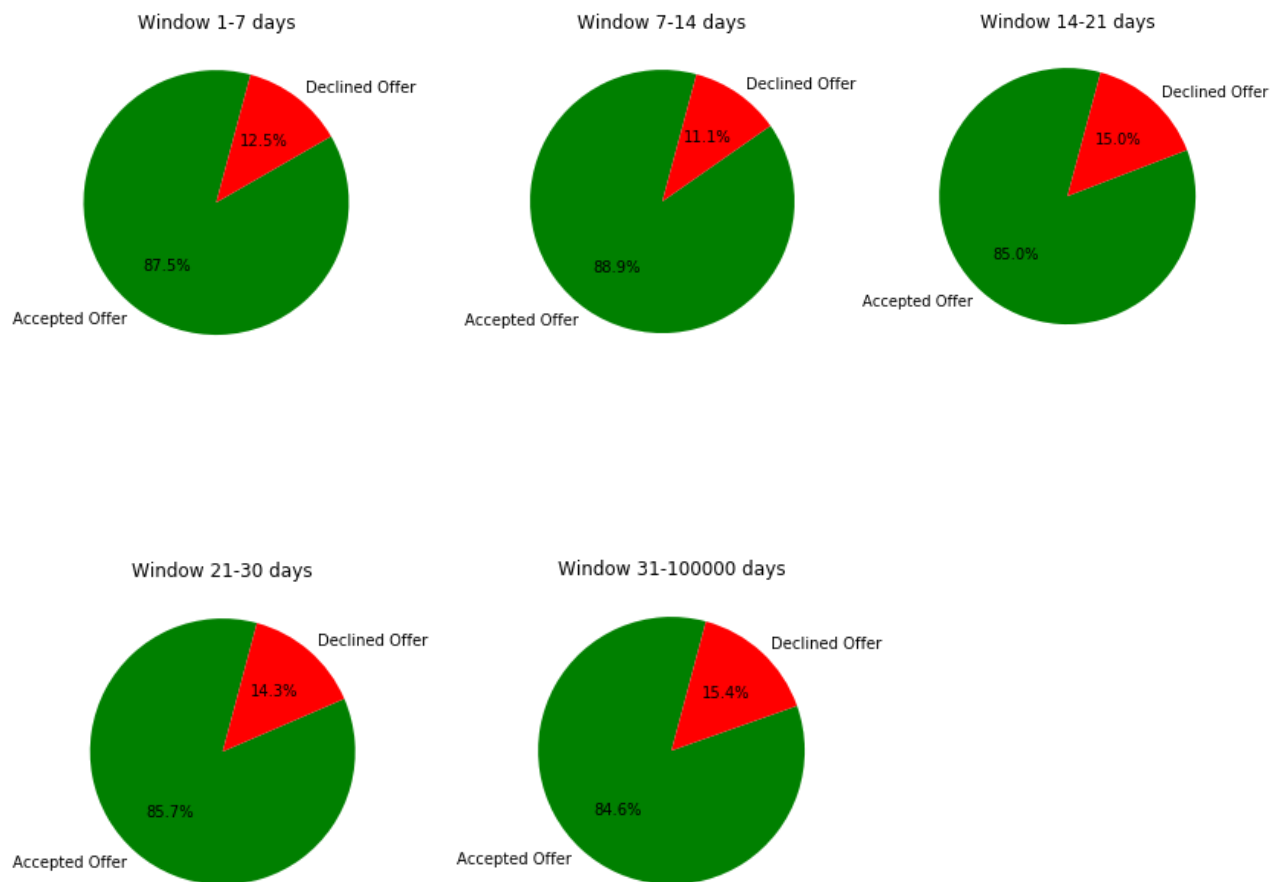Difficult Interview

Easy Interview

Average Interview

Counterintuitively, difficult interviews on aggregate have a higher likelihood of being a positive experience than average or easy interviews. In fact nearly 20% more likely than an easy interview. It appears there is a positive correlation between interview difficulty and experience. One possible explanation is that companies who care more about their process will put in the effort to design one that challenges their candidates in order to really understand them.

Process Length vs. Experience

Window 1-7 days

Negative Experience 29.1%

Neutral Experience 18.9%

Positive Experience 52.1%

Window 7-14 days

Negative Experience 28.7%

Neutral Experience 16.8%

Positive Experience 54.5%

Window 21-30 days

Negative Experience 26.5%

Neutral Experience 14.3%

Positive Experience 59.2%

Window 14-21 days

Negative Experience 27.8%

Neutral Experience 14.9%

Positive Experience 57.3%

Window 31-100000 days

Negative Experience 39.9%

Neutral Experience 13.2%

Positive Experience 46.9%

Process Length vs. Offer Acceptance

Surprisingly, there aren't any major correlations between process length and offer acceptance, or between process length and positivity of experience. Offer acceptance rates and positive experience rates seem to remain fairly consistent regardless of process length. The only noticeable trend was a dropoff in positive experiences and increase in negative experiences for candidates whose process took > 1 month.

Goal #3: Dissecting the Candidate Experience

Correlation of Question Phrasing with Experience
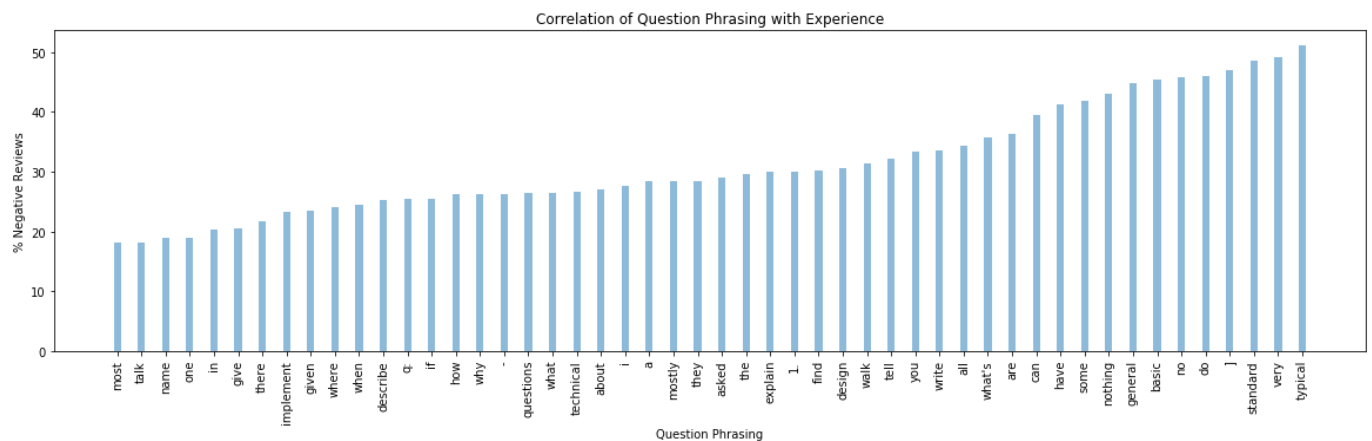
The top 50 highest frequency starting words for question descriptions were analyzed. Questions that are characterized as "typical", "standard,", "basic", "general", or "nothing" are associated with negative interview experiences. Furthermore, users who opted not to report any details regarding the interview questions were also associated with having a lower % of positive experiences.

Top Frequently mentioned phrases for Negative Reviews

Notable 1 word phrases	Notable 3 word phrases	Notable 4 word phrases
Feedback	Never heard back	Said would get back
Unprofessional	Never got back	Never heard back them
Late	Never heard anything	Left bad taste mouth
Rude	Generic rejection email	**Notable 5 word phrases**
Prepared	Said would get	I never heard back from
Impression	15 minutes late	Cold unfriendly felt like uninterested
Notable 2 word phrases	Told would receive	Office really awkward interview pretty

Never Heard	Bad taste mouth	Totally weird atmosphere unprofessional HR
Heard Back	Told would contacted	Asked feedback never heard back
Waste Time	Received generic email	
	Said would contact	
	Complete waste time	

The most prominently featured complaint seems to be ghosting from recruiters/employers (never hearing back). Other common issues include poor timeliness (waiting to hear back, delays), interview awkwardness or weird atmosphere, unprofessional HR, and cold or uninterested interviewers. Some complained about generic rejection emails and never receiving feedback after asking for it.

Top Frequently mentioned phrases for Positive Reviews

Notable 1 word phrases	Clear	**Notable 2 word phrases**
Met	Prepared	Good fit
Nice	Comfortable	Laid back
Friendly	Brief	Company culture
Easy	Pleasant	Culture fit
Quick	Thorough	Tour office
Culture	Communication	Everyone friendly
Professional	Personality	**Notable 3 word phrases**
Interested	Smooth	Easy talk to
Feedback	Fast	Made feel comfortable
Lunch	Passionate	Seemed genuinely

		interested
Helpful	Transparent	
Tour	Relaxed	

Feedback was a high frequency word in the positive reviews. As not receiving feedback was a problem that candidates faced in negative reviews, this is evidence to support the correlation between receiving feedback and candidate experience. In the most frequent word list, many adjectives were used to describe various components of the hiring process. Adjectives such as "nice", "friendly", and "pleasant" were often used (presumably to describe the conduct of those involved in the hiring process). "Prepared" and "professional" showed up frequently, showing how candidates cared about the professionalism of the process. Many adjectives that showed up frequently to describe the process were "easy, quick, clear, brief, thorough, smooth, fast, transparent, relaxed, comfortable, communication". "Easy", "quick", "smooth", "brief", and "fast" can all refer to how well the hiring process is streamlined. Especially "quick", "brief", and "fast" can hint that candidates like an efficient process that values their time. "Relaxed" and "Comfortable" can refer to the ambience and setting of the interviews. "Clear", "transparent", and "communication" can refer to the overall communication of the process.

Other words that were frequently mentioned that positive reviews addressed were "met, culture, lunch, tour, personality". Words like "met", and "personality" are associated with people, showing how important the people involved in the process are to the candidate. "Culture", "lunch", and "tour" all can be used to identify workplace culture and how candidates value the hospitality of the interview process and the unique culture of the employer. "Passionate" and "Interested" are two positive attributes that candidates frequently mentioned, perhaps in regards to the attentiveness and attitude of interviewers. To reinforce these hypotheses, common two word phrases were "good fit", "laid back", "company culture", "culture fit", "tour office", and "everyone friendly". Common three word phrases were "Easy talk to", "Made feel comfortable", "Seemed genuinely interested".

Key Takeaways

The first goal was to verify the need for our platform.
Supporting evidence we found included:

1. **Public reviews only represent a very limited subset of the total number of actual candidate experiences. Companies cannot depend only on these public reviews to improve hiring.**

2. **Few companies are significantly improving their candidate experiences.**

The second goal was to gauge the status quo of the candidate experience.
The main conclusions we derived included:

1. **Companies face around a 30% negative experience rate, regardless of company size.**

2. **For those who received offers, having a positive experience overwhelming was correlated with offer acceptance as opposed to those who had negative experiences.**

3. **More difficult interviews are correlated with higher interview satisfaction and higher offer acceptance rates.**

4. **There is no major correlation between length of process and offer acceptance/interview satisfaction. Only processes that were more than a month resulted in noticeable declines in satisfaction.**

Our 3rd goal was to analyze the mechanics of the candidate experience such as determining key features of a positive experience. From the 3rd goal's analysis, we grouped the factors that were important for candidates and derived the following standardized KPI's (key performance indicators) for employers:

1. Content 2. Professionalism 3. Logistics 4. Communication 5. Hospitality 6. NPS

The core Feedbat survey was designed with questions that gauge each KPI. The questions are phrased to mirror keywords that candidates frequently mentioned. Employers receive a cumulative average score for each KPI, and for each KPI, receive subscores for each survey question. In this way, employers can identify problems in their hiring process in a granular, hierarchical way. While metrics and numbers are one method of gauging performance, the survey also features open ended questions to allow candidates to express their thoughts. Over time, with more reviews, employers who sign up on the platform can begin to identify, understand, and visualize trends, the positives and negatives. They will receive tailored insights and recommendations on the order of detail of this study.

Conclusion

Much of the findings of the study are intuitive and serve merely as validation. Some findings however, are surprising. This reaffirms our stance that the HR industry can no longer rely on qualitative or anecdotal evidence to generate claims on candidate experience best practices. Rather, in order to optimize the candidate experience, companies must understand its mechanics through data-driven insights. However, not all companies have the bandwidth to do so. Even then, 3rd party recommendations and services can mitigate internal biases. By providing a feedback platform designed to gauge the core competencies of a good candidate experience as determined via research, the team at Feedbat hopes to help scientifically improve the hiring process for all. It's time for an overhaul of the old system, to one of transparency, mutual self-improvement, and genuine compassion for everyone involved.

Works Cited

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