My Summer People Analytics Challenge Insight

Plan for High Growth

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Our challenge: We need to double our size in a year!

How are we doing in terms of hiring?

We **offer job to 13.9% of our applicants**

76% of job offers are accepted

We actually **hire 10.6% of our applicants**

We need **65 days to hire** a new employee

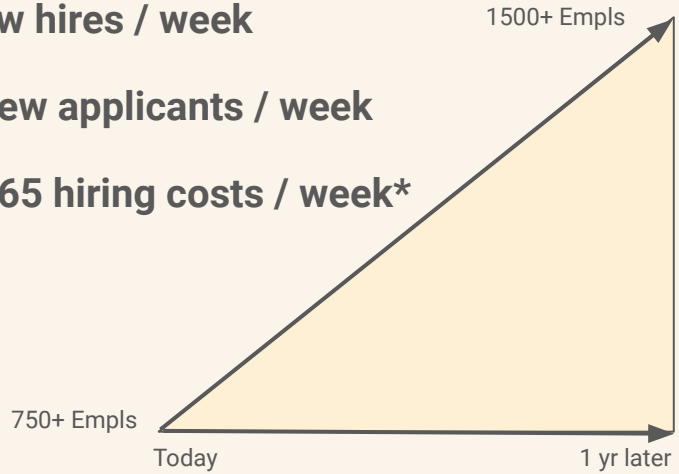
We pay **$3,051 per one new hire***

What happens if nothing changes?

15 new hires / week

142 new applicants / week

$45,765 hiring costs / week*



** The estimation of hiring costs is described in more detail in the Appendix.*

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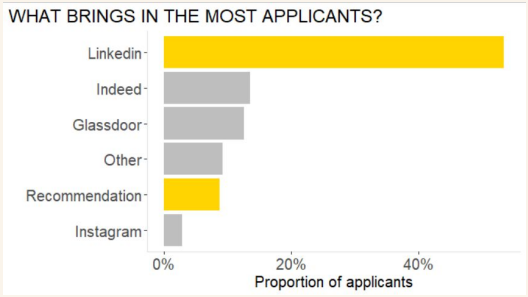
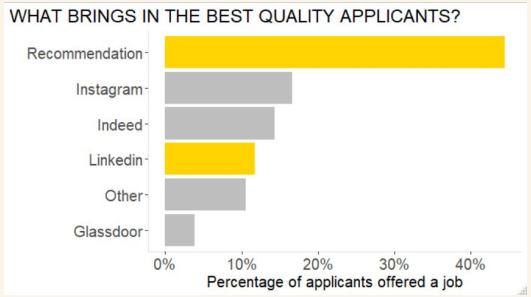
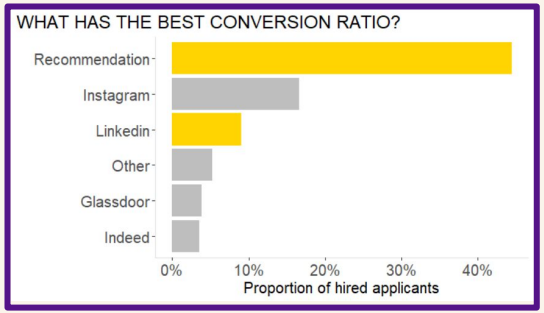
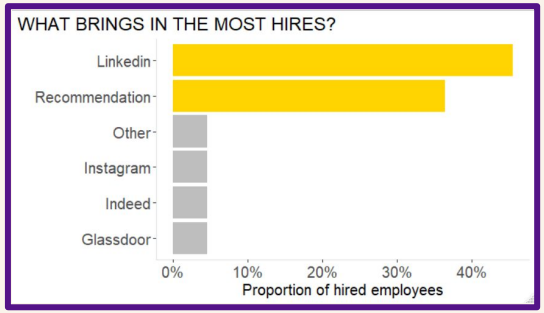
How to achieve our goal more effectively?
Let's focus more on the most effective hiring sources.

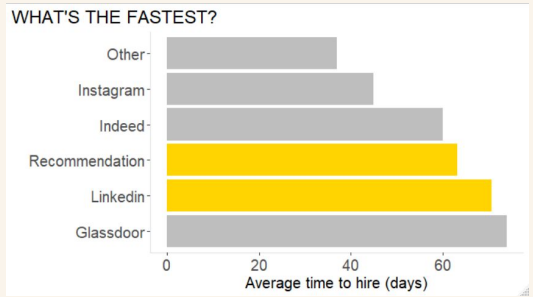
There are two hiring sources - **Recommendation** and **LinkedIn** - that perform well on three crucial aspects of hiring source quality - **number of new hires**, **conversion rate**, and **cost-effectiveness**.

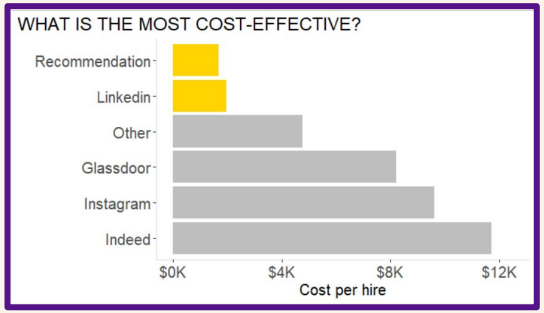






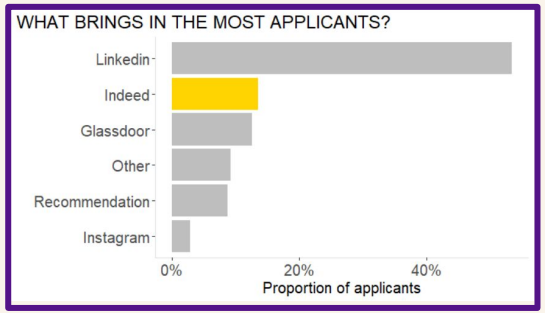


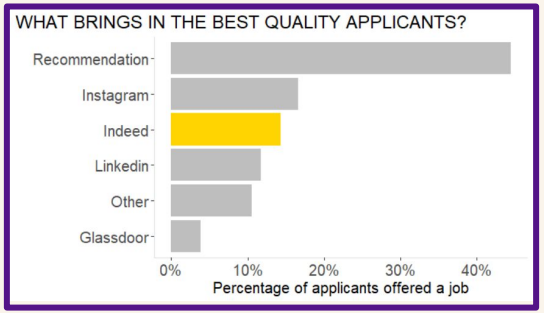


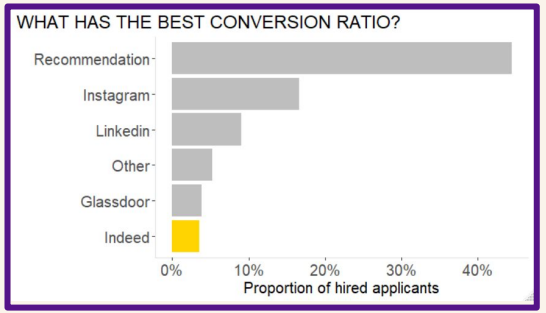


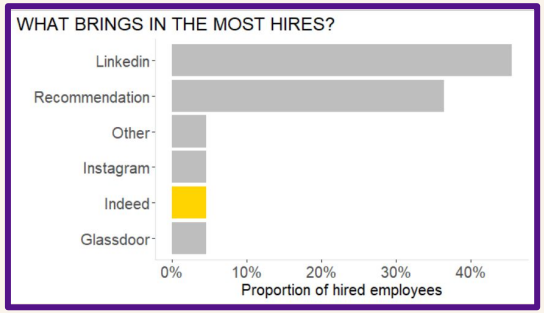
Let’s improve also hiring sources that are currently struggling but show promising potential.

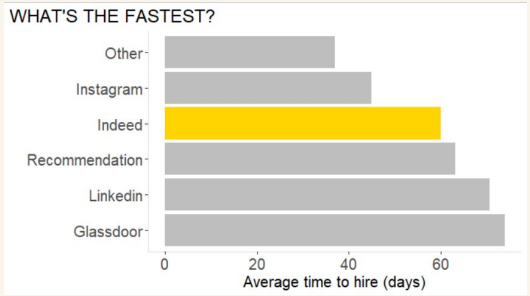
Indeed source brings in **quite a lot of applicants** and **high quality applicants**, but we have difficulty **converting them into actual hires**.

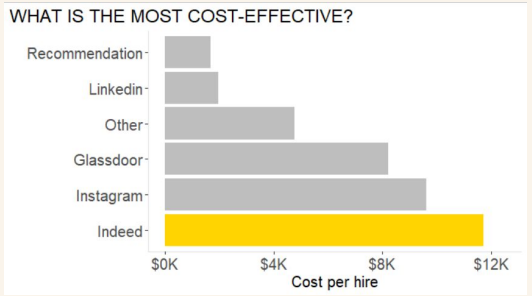








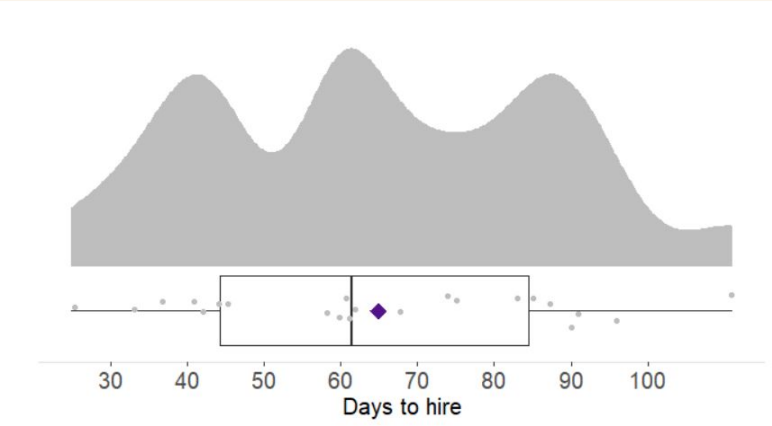




There is also much room for improvement in some aspects of our hiring process in general.

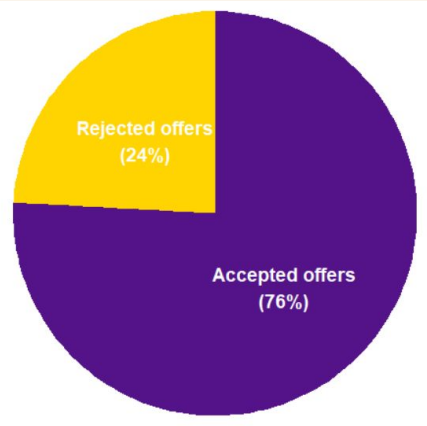
We are slow in hiring new people

In **75%** of cases, we need **between 44 and 111 days days** to hire a new employee.



Our job offers are quite often rejected

24% of our job offers are rejected.



What should be our next steps?

1. **Focusing** existing free resources (time, money, people, and effort) **on Linkedin and Recommendation sources**, our most effective hiring sources.

2. **Transferring some of the resources** (time, money, people, and effort) **from Glassdoor and Instagram**, our least effective hiring sources, **to Linkedin and Recommendation sources.**

3. **Closer examination of the reasons for rejection of job offers,** especially at **Indeed source** where we should try to **improve the acceptance ratio** (possible causes to investigate: non-competitive salary, too long hiring process, poor candidate experience, etc.)

4. **Reducing time to hire**, especially at Linkedin and Recommendation sources (possible measures: better pre-employment screening, fast-tracking highly qualified applicants and employee referrals, better communication with hiring managers, automation of some operations, etc.).

5. **Enriching the future analysis** of hiring resource efficiency **by role and department** information, as our planned growth is not evenly distributed across roles and departments.

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Thank you!

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Appendix

Estimation of hiring costs*

Estimated “selection costs”

- All the costs associated with the selection process - from CV screening to interview with hiring managers.
- $200 per candidate offered the job (must go through the entire selection process); $80 for a candidate who has not been offered a job (may go through the entire selection process, but may also end up in the screening phase).

Estimated “reward costs”

- Costs applying only to candidates successfully hired on the recommendation of existing employees ($1,000 per new hire).

Estimated “sourcing costs”

- Costs of managing individual hiring channels for the last seven months covered in the dummy dataset provided.
- Recommendation: $3,000, Linkedin: $9,000, Indeed: $9,000, Instagram: $9,000, Glassdoor: $6,000, Other: $3,000.

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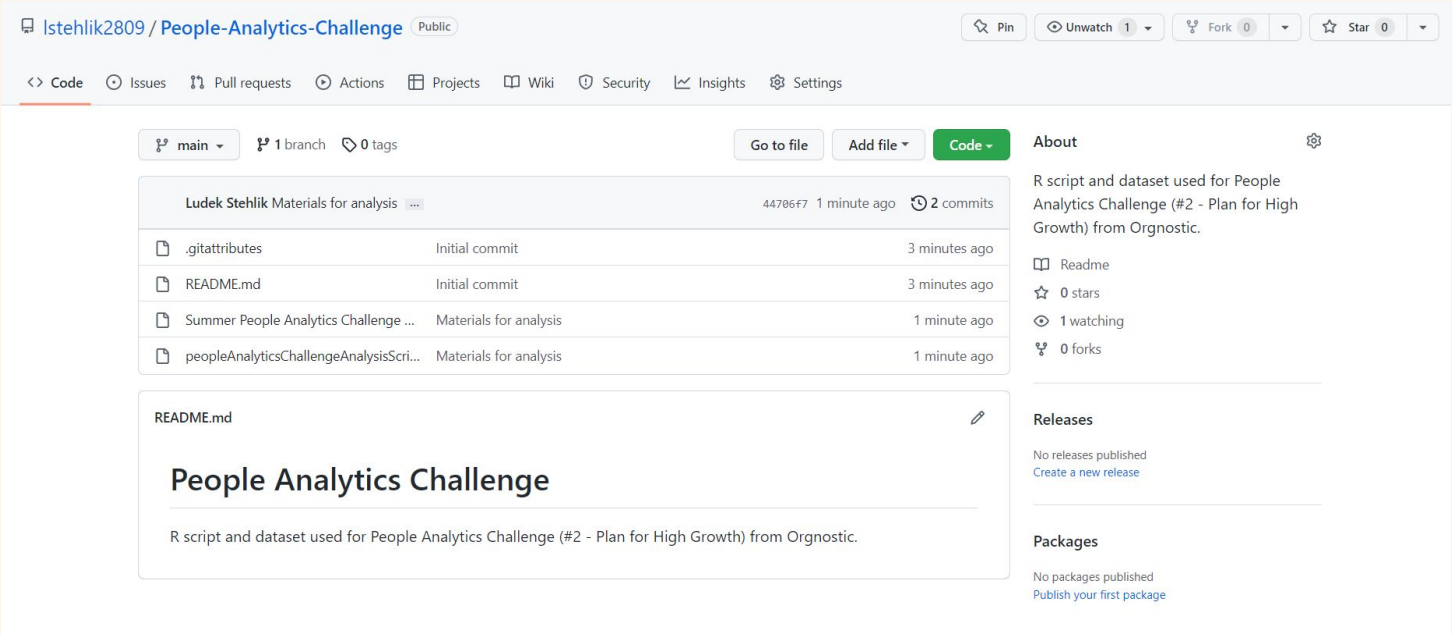
** For more information on implementing hiring cost estimation, go to the available analysis script in R (see also the following slide).*

Analysis reproducibility

The R script and dummy data used for the analysis can be found on GitHub.



https://github.com/lstehlik2809/People-Analytics-Challenge

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