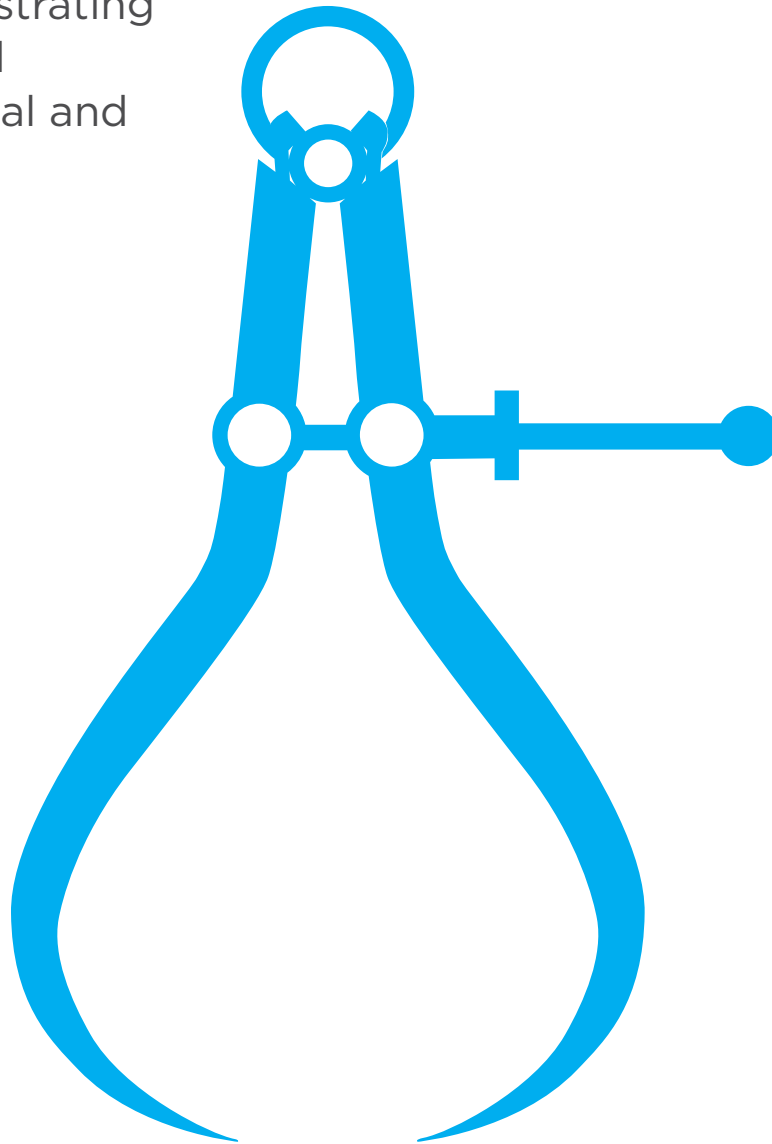


How to Measure Sourcing Effectiveness

Metrics for Demonstrating Business Value and Measuring Individual and Team Performance



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About CEB

CEB is a best practice insight and technology company. In partnership with leading organizations around the globe, we develop innovative solutions to drive corporate performance. CEB equips leaders at more than 10,000 companies with the intelligence to effectively manage talent, customers, and operations. CEB is a trusted partner to nearly 90% of the Fortune 500 and FTSE 100, and more than 70% of the Dow Jones Asian Titans.

How to Use This Report

Many organizations struggle to measure sourcing effectiveness in a way that supports their strategic goals. Based on interviews with recruiting executives and our analysis, we have compiled a list of the best measures of sourcing effectiveness for different organization goals.

This report contains a list of 22 metrics that measure sourcing effectiveness in different ways. For each metric, we include a definition, aggregation options, considerations, and the goals served by collecting the metric. Key definitions and data sources for each metric are available at the end of this report.

You can use this report to do the following:

- Identify the best metrics to collect in order to—
 - Make a business case for a new or existing sourcing strategy, including demonstrating how your sourcing strategy improves quality of hire or cost savings, or
 - Measure individual and/or team performance and identify areas for improvement.
- Select metrics that use the data you have available.
- Learn how to calculate your preferred metrics.
- Understand any concerns or considerations for your preferred metrics.

Quick Reference: Sourcing Metrics by Goal

List of Recommended Sourcing Metrics for Each Goal

Metrics	Goal					
	Demonstrate Business Value	Measure Individual or Team Performance:				
		Finding Prospects	Engaging Prospects	Diversity Sourcing	Building Pipelines	LinkedIn Utilization
Diversity of Shortlist	X	X	X	X		
Outreach—Interview Rate	X	X	X			
Quality of Shortlist	X	X	X			
Shortlist—Offer Rate	X	X	X			
Source of Hire	X	X	X			
Time to Shortlist	X	X	X			
Shortlist—Interview Rate	X	X				
Hiring Manager Satisfaction	X					
Quality of Hire	X					
Time to Fill	X					
Response Rate		X	X			X
Prospect—Applicant Rate		X	X			
Prospects Applied		X	X			
Sourcing Frequency		X	X			
Engaged Prospect—Applicant Rate			X			
Prospect—Interview Rate			X			
Prospect—Engagement Rate			X			
Prospects Engaged			X			
Number of Qualified, Interested, and Available (QIA) Leads					X	
Total Hires from Pipeline					X	
InMails Sent						X
Profiles Viewed						X

Guide to Sourcing Metrics List

Pages 6 to 8 of this report contain details on each metric for measuring sourcing effectiveness.

For each metric, we discuss these elements:

- **What is it?** How do you define and calculate the metric?
- **What does it measure?** When you use the metric, what is it really measuring? Are there any special considerations?
- **Level:** Should the metric be calculated for each requisition, each recruiter, and/or each team?
- **Goal:** What is the purpose of this metric? Does it help you to:
 - Demonstrate business value or
 - Measure individual or team performance related to the following?:
 - Find Prospects
 - Engage Prospects
 - Diversity
 - Pipelining
 - LinkedIn

Sourcing Metrics List

Metrics	What is it?	What does it measure?	Level	Goal
Diversity of Shortlist	Was there a diversity candidate on the shortlist? Yes or No	Success of diversity sourcing efforts, including finding and engaging diversity candidates	Calculate the percentage for each recruiter (can be aggregated for teams).	Demonstrate Business Value, Find Prospects, Engage Prospects, Diversity
Engaged Prospect—Applicant Rate	Total number of engaged prospects who applied divided by the total number of applicants	Success of converting engaged prospects to applicants	Calculate for each requisition (can be aggregated for individual recruiters or teams).	Engage Prospects
Hiring Manager Satisfaction	Hiring manager's rating of their satisfaction with a recruiter's performance	Success of creating value for the business through recruiting To demonstrate business value, you could compare hiring manager satisfaction for roles sourcing helped fill to satisfaction for those filled without sourcing help, compare hiring manager satisfaction for roles sourced internally to satisfaction for roles sourced using a search agency, or share how hiring manager satisfaction has improved since the introduction of your sourcing team.	Calculate for each requisition (can be aggregated for individual recruiters or teams).	Demonstrate Business Value
InMails Sent	Total number of InMails sent by each recruiter	LinkedIn utilization This will vary depending on the size of the talent pool available for the role as well as recruiter effort and skill.	Calculate for each requisition (can be aggregated for individual recruiters or teams).	LinkedIn
Number of Qualified, Interested, and Available (QIA) Leads	Total number of QIA leads currently in a pipeline	Pipeline quality and engagement This will vary depending on the size of the talent pool available for the role as well as recruiter effort and skill.	Calculate for each profile your organization is building a pipeline for (can be aggregated for individual recruiters or teams).	Pipelining
Outreach—Interview Rate	Total number of engaged prospects interviewed divided by the total number of engaged prospects	Success of messaging and success of targeting	Calculate for each requisition (can be aggregated for individual recruiters or teams).	Demonstrate Business Value, Find Prospects, Engage Prospects
Profiles Viewed	Total number of LinkedIn profiles viewed	LinkedIn utilization This will vary depending on the size of the talent pool available for the role as well as recruiter effort and skill	Calculate for each requisition (can be aggregated for individual recruiters or teams).	LinkedIn
Prospect—Applicant Rate	Total number of prospects who applied divided by the total number of prospects identified	Success of identifying convertible prospects and success of messaging	Calculate for each requisition (can be aggregated for individual recruiters or teams).	Find Prospects, Engage Prospects
Prospect—Interview Rate	Total number of engaged prospects interviewed divided by the total number of interviewed candidates	Success of finding and engaging prospects that are better than the candidates the organization would have without sourcing	Calculate for each requisition (can be aggregated for individual recruiters or teams).	Engage Prospects

Sourcing Metrics List (Continued)

Metrics	What is it?	What Does This Measure?	Level	Goal
Shortlist—Interview Rate	Total number of submitted candidates interviewed divided by the total number of submitted candidates	Success finding candidates that appeal to the hiring manager and success in expanding the hiring manager's definition of what they find appealing	Calculate for each requisition (can be aggregated for individual recruiters or teams).	Demonstrate Business Value, Find Prospects
Shortlist—Offer Rate	Total number of submitted candidates extended an offer divided by the total number of submitted candidates	Prospect quality, success of targeting, and success of messaging	Calculate for each requisition (can be aggregated for individual recruiters or teams).	Demonstrate Business Value, Find Prospects, Engage Prospects
Source of Hire	Did sourcing lead to the hire? Was the hired candidate first contacted by Recruiting or another employee, as opposed to a direct applicant or internal hire? Yes or No	Success of the sourcing process as opposed to not sourcing (i.e., direct applicants) If the hire is a direct applicant, then sourcing for the requisition was not a full success, though it may have generated valuable labor market intelligence for other roles.	Calculate the percentage for each recruiter (can be aggregated for teams).	Demonstrate Business Value, Find Prospects, Engage Prospects
Sourcing Frequency	For how many requisitions is the number of engaged prospects greater than zero?	Sourcing prevalence	Calculate the percentage for each recruiter (can be aggregated for teams).	Find Prospects, Engage, Prospects
Time to Fill	Total business days between opening a requisition and the new hire's start date	Time and resources spent on each requisition Because time to fill is heavily influenced by factors outside the sourcing process, some organizations track the metric but do not include it in sourcers' performance objectives. To demonstrate business value, you could compare the time to fill for roles sourcing helped fill with time to fill for roles filled without sourcing help, compare the time to fill for roles sourced internally to the time to fill for roles sourced using a search agency, or share how time to fill has improved since the introduction of your sourcing team.	Calculate for each requisition (can be aggregated for individual recruiters or teams).	Demonstrate Business Value
Time to Shortlist	Total business days between opening a requisition and the first hiring manager interview	Success finding candidates that appeal to the hiring manager, success in expanding the hiring manager's definition of what they find appealing, success of messaging, and success of targeting	Calculate for each requisition (can be aggregated for individual recruiters or teams).	Demonstrate Business Value, Find Prospects, Engage Prospects
Total Hires from Pipeline	Total number of hires from pipelines, per recruiter	Pipeline quality This will vary depending on the size of the talent pool available for the related roles as well as recruiter effort and skill.	Calculate the percentage for each recruiter (can be aggregated for teams).	Pipelining

Key Definitions for Sourcing Metrics

Applicant: Anyone who has submitted an application for the role or has otherwise formally presented themselves as a candidate for the role

Direct Applicant: Anyone who submitted an application for the role without first being encouraged to apply for the role by a member of the recruiting team or by another employee of the organization

Prospects: Individuals whom the recruiting team has identified as potentially good applicants for the role

Qualified Prospects: Prospects whom the recruiting team has confirmed as having the qualifications required for the role

Engaged Prospects: Prospects who have been contacted and encouraged to apply for the role by a member of the recruiting team or by another employee of the organization

Submitted Candidates: Applicants whom recruiting has submitted to the hiring manager for the role so that the applicants can be interviewed

Where to Find Data for Sourcing Metrics

Four Main Sources of Data for Sourcing Metrics

Best Option

Applicant Tracking System (ATS)



- Some data points will only be available if your ATS is specifically configured for them.
- Data quality will depend on how complete the records are and how accurately the data has been entered.

If you cannot collect the data in your ATS, you can also try:

Recruiter Self-Reporting

- Recruiters can self-report on the same metrics that could be found in the ATS.
- There may be issues with completion and accuracy that will affect data quality.

Best Option

Recruiting Effectiveness Dashboard (RED)



- Comprehensive survey, benchmarking, and analytics tool that measures quality of hire and recruiting process effectiveness
- Available to members at no extra cost

If you have not yet participated in RED, you can also try:

Hiring Manager Feedback

- Can involve a formal survey or notes collected from informal conversations
- To ensure data quality, solicit feedback from hiring managers within three months of each new hire's start date.

Source: CEB analysis.

The next page contains a detailed list of data sources for each data element that is used to calculate the different sourcing metrics.

Sources for Sourcing Metric Data Elements

Data Element	Sources	Related Sourcing Metrics
Did sourcing lead to the hire? Was the hired candidate first contacted by Recruiting or another employee, as opposed to a direct applicant or internal hire? Yes or No	ATS, recruiter self-reporting	Source of Hire
Hiring manager's assessment of new hire's quality, including current performance and future expectations	RED, hiring manager feedback	Quality of Hire
Hiring manager assessment of the quality of candidates the recruiting team submitted	RED, hiring manager feedback	Quality of Shortlist
Hiring manager's rating of their satisfaction with a recruiter's performance	RED, hiring manager feedback	Hiring Manager Satisfaction
Total business days between opening a requisition and the first hiring manager interview	ATS, recruiter self-reporting	Time to Shortlist
Total business days between opening a requisition and the new hire's start date	ATS, recruiter self-reporting	Time to Fill
Total number of applicants	ATS, recruiter self-reporting	Engaged Prospect—Applicant Rate
Total number of engaged prospects	ATS, recruiter self-reporting	Outreach—Interview Rate, Prospect—Engagement Rate, Prospects Engaged, Response Rate, Sourcing Frequency
Total number of engaged prospects interviewed	ATS, recruiter self-reporting	Outreach—Interview Rate, Prospect—Interview Rate
Total number of engaged prospects who applied	ATS, recruiter self-reporting	Engaged Prospect—Applicant Rate, Prospects Applied
Total number of hires from pipelines per recruiter	ATS, recruiter self-reporting	Total Hires from Pipeline
Total number of InMails sent by each recruiter	ATS, recruiter self-reporting, LinkedIn recruiter report	InMails Sent
Total number of interviewed candidates	ATS, recruiter self-reporting	Prospect—Interview Rate
Total number of LinkedIn profiles viewed	ATS, recruiter self-reporting, LinkedIn recruiter report	Profiles Viewed
Total number of prospects identified	ATS, recruiter self-reporting	Prospect—Applicant Rate
Total number of prospects responding positively	ATS, recruiter self-reporting	Response Rate
Total number of prospects who applied	ATS, recruiter self-reporting	Prospect—Applicant Rate
Total number of QIA leads currently in a pipeline	ATS, recruiter self-reporting	Number of Qualified, Interested, and Available (QIA) Leads
Total number of qualified prospects	ATS, recruiter self-reporting	Prospect—Engagement Rate
Total number of submitted candidates	ATS, recruiter self-reporting, hiring manager feedback	Shortlist - Interview Rate, Shortlist - Offer Rate
Total number of submitted candidates extended an offer	ATS, recruiter self-reporting, hiring manager feedback	Shortlist - Offer Rate
Total number of submitted candidates interviewed	ATS, recruiter self-reporting, hiring manager feedback	Shortlist - Interview Rate
Was there a diversity candidate on the shortlist? Yes or No	ATS, recruiter self-reporting, hiring manager feedback	Diversity of Shortlist