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Adding AI to Your Recruiting Strategy:
Best Practices to Adopt & Pitfalls to Avoid in Recruiting Analytics

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Executive Summary

Analytics and AI are crucial to Your Recruiting Strategy

- AI/ML are useful today and are only going to get more useful, we should lean in
- Everything that sales analytics does can be replicated in recruiting... we should do that!

Get the Basics Right First

- Step 1: Assess, Improve and Centralize Your Data
- You need skills data on employees (and ideally candidates) to implement most AI use cases

ServiceNow is On the Journey

- We've built 4 machine learning models with more coming!
- We are already seeing the value with much more on the way

Where are we going to end the quarter vs. headcount target?

Where should we focus our recruiting capacity to optimize results?

Ever Heard This?

How do we drive higher quality of hire?

How do we increase diversity and ensure equity in our hiring?

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Recruiting Analytics at ServiceNow Drives...

1

Recruiter Efficiency

We measure recruiter productivity and efficiency. We compare capacity expectations to recruiter output in real time.

2

Quality of Hire

We use advanced analytics to understand sources of hire and/or skills/experiences that drive higher performance

3

Hitting Your HC Target

We use real time Machine Learning (ML) models to predict where we expect to end a quarter in terms of headcount for each function, adjust strategy monthly based on prediction

4

Effective Onboarding

We use AI to personalize the onboarding experience, recommend content and training leveraging skills data

5

Increased Diversity

We use advanced statistical techniques to ensure equity in every phase of our hiring process and measure pipeline to ensure applicant pool is representative of overall talent pool

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Nail the basics FIRST

- Assess Data
- Centralize Data
- Data Quality
- Nail Reporting
- AI Pilot
- AI

We Should Learn from Sales

Expected Revenue

Real time predictions of expected revenue in a given quarter

Expected Headcount

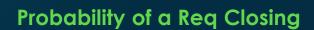**Revenue Pipeline & Quality**

Provide visibility into the health of their sales pipeline and predictions around what revenue that will translate to

Candidate Pipeline & Quality

Probability of a Deal Closing

To accurately understand the pipeline, organizations build models to predict the likelihood that a deal or contract will close

Probability of a Req Closing

Headcount Model Predictions

Expected EoQ Headcount

- Simple math based on the next two models
- Current Headcount + Known Future Starts – Known Future Terms + Predicted Remaining Hires – Expected Remaining Terms

Expected Remaining Hires

- Funnel (e.g. # of interviews, offers, etc,)
- Known future starts
- Seasonality
- Expected time to Start

Expected Remaining Terms

- Seasonality
- Weekly Trends
- Geographical Differences in Term Timing
- Internal drivers of attrition
- Known future terms

Probability of Req Closing by EoQ

- Candidate No.
- Candidate Stage
- Offers
- Activity
- Expected time to start

How This Works In Practice

	BoQ HC Walk	Current Committed Headcount	Predicted Remaining Hires in Quarter	Predicted Remaining Terms	Predicted EOQ Headcount	EoQ Headcount Target	Gap
Sales	100	120	30	(-10)	140	150	-10

BOQ = Beginning of quarter
EOQ = End of quarter

Prioritized Reqs

Sales Reqs	Probability of Closing by EoQ
Req A	75%
Req B	70%
Req C	65%
Req D	10%

Process Matters More Than Models

1. Create Real Time Tool

- Automated reporting to summarize current state integrated with the three models you saw previously so real time visualization is possible

2. Develop Cross Functional Cadence

- Analytics don't matter if no one sees them
- Build a cadence with key decision makers to review (CHRO, COO, CFO, TA Leader)

3. Watch the Impact

- Implemented strategy for hiring ahead of attrition to hit our headcount target
- Finished closer than ever to our enterprise headcount target in Q3 (9 heads in a 22K+ Organization)